

# BOLSA MEXICANA DE VALORES



## 4Q and Full Year 2023 Results

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La Bolsa de *México*  
[bmv.com.mx](https://bmv.com.mx)

This presentation contains forward-looking statements and information related to Bolsa that are based on the analysis and expectations of its management, as well as assumptions made and information currently available at Bolsa.

Such statements reflect the current views of Bolsa related to future events and are subject to risk, uncertainties and assumptions. Many factors could cause the current results, performance or achievements of Bolsa to be somewhat different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including among others, changes in the general economic, political, governmental and business conditions both in a global scale and in the individual countries in which Bolsa does business, such as changes in monetary policies, in inflation rates, in prices, in business strategy and various other factors. Should one or more of these risks or uncertainties materialize or should underlying assumptions prove incorrect, actual results may vary considerably from those described herein as anticipated, believed, estimated, expected or targeted. Bolsa does not intend and does not assume any obligation to update these forward-looking statements.

Today's call is being recorded and a replay of this call will be available online on February 15th at Bolsa's corporate website, [www.bmv.com.mx](http://www.bmv.com.mx).

During this call, all figures are in Mexican pesos and compared to the fourth quarter of 2022 unless stated otherwise.

This call is intended for the financial community only, and the floor will be open at the end to address any questions you may have

# 4Q 2023 Key Financial Highlight

Resilient quarterly results given lower trading in transactional businesses, fewer cross-border transactions in the global market and an unfavorable foreign exchange effect on dollarized services. Additionally, registered non-recurring revenue of \$58 MM pesos related to the sale of property.

## Revenue

+5%

**\$1,018 MM**



(4Q 2022: \$973 MM)

## Expenses

+5%

**\$483 MM**



(4Q 2022: \$458 MM)

## Net Income

+8%

**\$408 MM**



(4Q 2022: \$379 MM)

## EBITDA

+5%

**\$594 MM**



(4Q 2022: \$568 MM)

## EBITDA Margin

-7bp

**58%**



(4Q 2022: 58%)

## Earnings per Share

+9%

**\$0.72**



(4Q 2022: \$0.66)

# 2023 Key Financial Highlight

Persistent financial results when excluding non-recurring revenue and adverse foreign exchange rates. Good performance in Capital Formation (short and long-term debt issuances) and in Information Services, while Transactional business lines are experiencing headwinds.

## Revenue

-4%

**\$3,931 MM**



(2022: \$4,100 MM)



## Expenses

+5%

**\$1,912 MM**



(2022: \$1,816 MM)



## Net Income

-9%

**\$1,508 MM**



(2022: \$1,662 MM)



## EBITDA

-10%

**\$2,247 MM**



(2022: \$2,503 MM)



## Adj. EBITDA

-8%

**\$2,188 MM**



(2022: \$2,369 MM)



## Earnings per Share

-8%

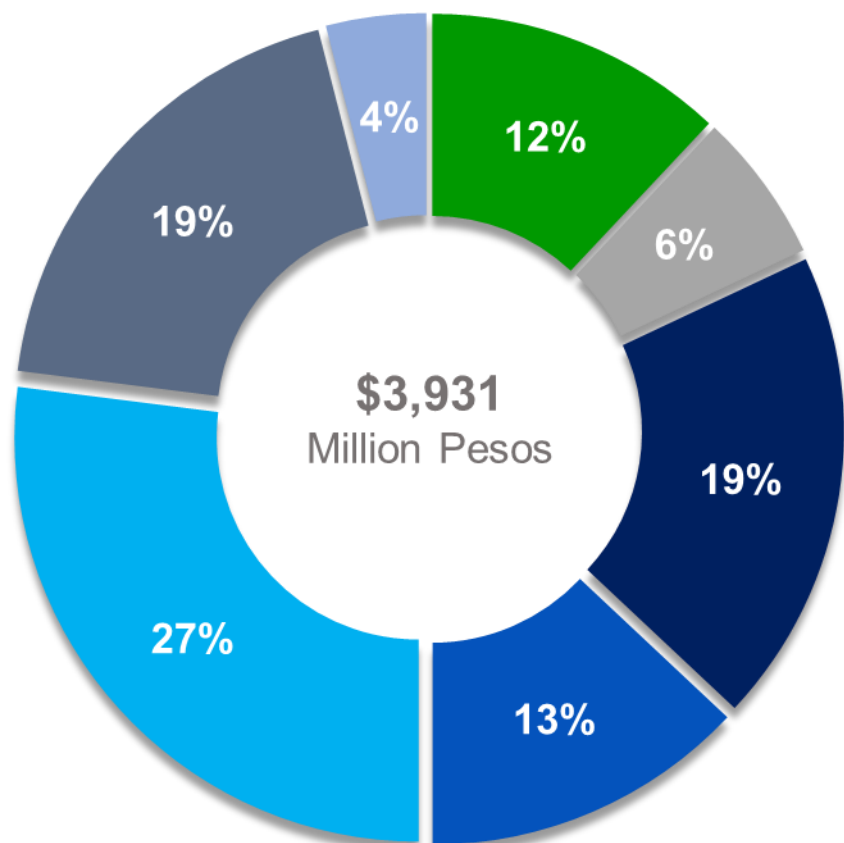
**\$2.65**



(2022: \$2.87)



# 2023 Revenue by Business Line



- Equity Trading & Clearing
- OTC Trading
- Central Securities Depository
- Other
- Derivatives Trading & Clearing
- Capital Formation
- Information Services

Revenue 2023				
Business Line	2022	2023	Var.	Var. %
Equity Trading & Clearing	531.9	468.6	-63.3	-11.9%
Derivatives Trading & Clearing	222.8	215.4	-7.4	-3.3%
OTC Trading	735.9	735.6	-0.3	0%
Capital Formation	492.3	499.2	6.9	1.4%
Central Securities Depository	1,270.9	1,055.2	-215.7	-17.0%
Information Services	692.1	739.7	47.6	6.9%
Other	153.6	217.7	64.1	41.7%
<b>Total Revenue</b>	<b>4,099.5</b>	<b>3,931.5</b>	<b>-168.0</b>	<b>-4.1%</b>

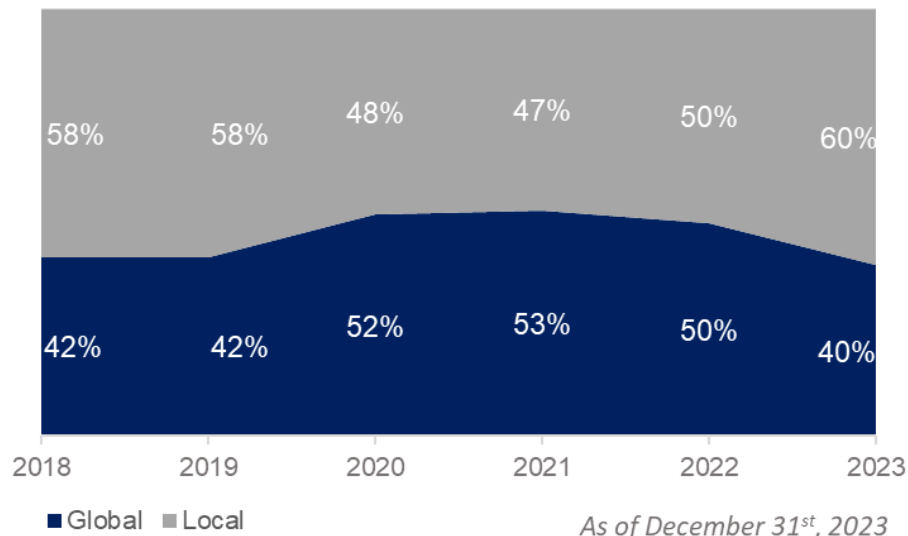
Million Pesos  
As of December 31<sup>st</sup>, 2023

# 1. Equity Trading & Clearing (BMV & CCV)

## Quarterly Key Highlights

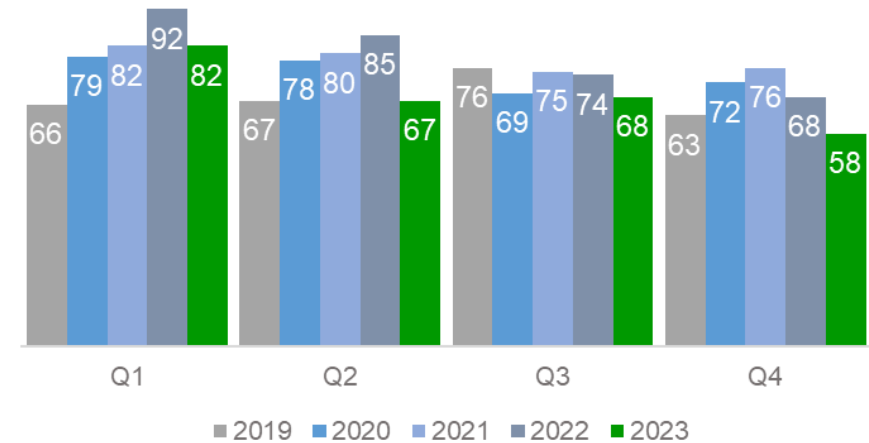
- ADTV for 4Q23 was \$13.9B pesos, down 5% due to lower trading in the Global market.
- Local market up 10%, responsible for 67% of the ADTV. Global market down -26%
- Best execution modifications came into effect in August 2022. BMV's market share was 83% in 2023.
- CCV** (clearing and counterparty) revenue was down 9%, while the total Mexican equities ADTV was down 3%. This result is explained by a higher number of cross trades in the quarter, which only need to be registered but not cleared.

## Market Mix by Trading Value



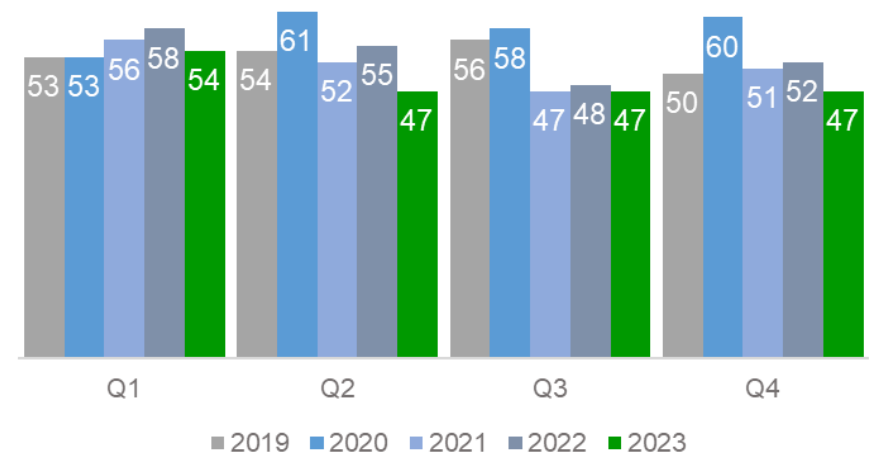
## Equity Trading Revenue

(Million pesos)



## Clearing Revenue

(Million pesos)





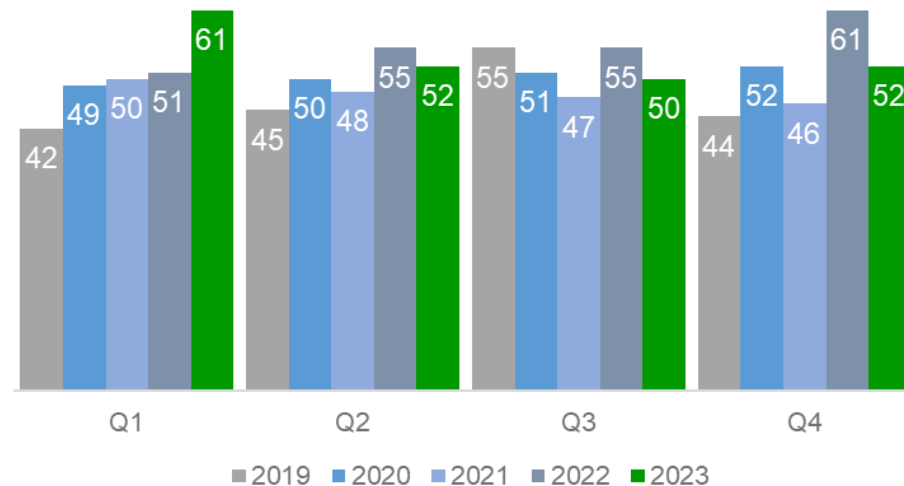
## 2. Derivatives Trading & Clearing (MexDer & Asigna)

### Quarterly Key Highlights

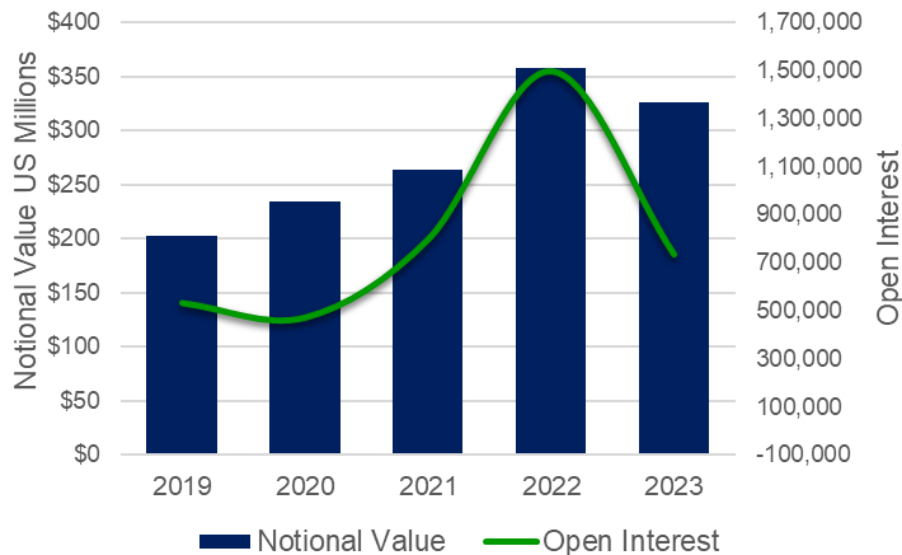
- MexDer's** revenue down 23% compared to 4Q22 mainly due to fewer trades in dollar futures. On the other hand, interest rate swaps increased substantially given the current macroeconomic conditions.
- Asigna's** revenue down 7% due to lower trading activity in dollar futures. Average margin deposits were \$37B pesos, up 2% compared to 4Q22 due to higher margin deposits for interest rate swaps.

### Derivatives Revenue

(MexDer & Asigna | million pesos)

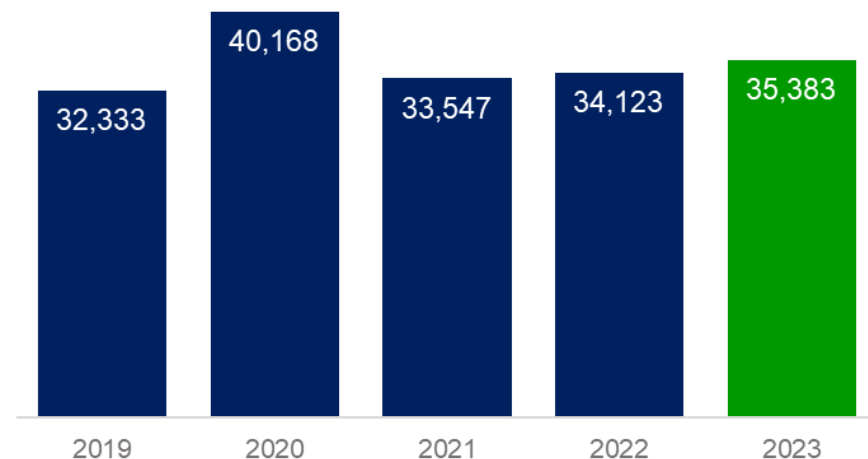


### Dollar Futures



### Margin Deposits

(Million pesos)



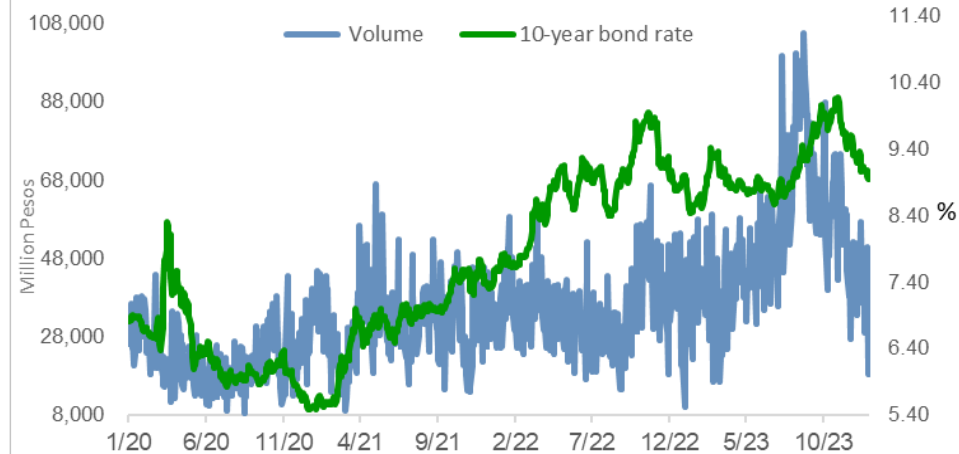
As of December 31<sup>st</sup>, 2023

### 3. OTC Trading (Mexico & Chile)

#### Quarterly Key Highlights

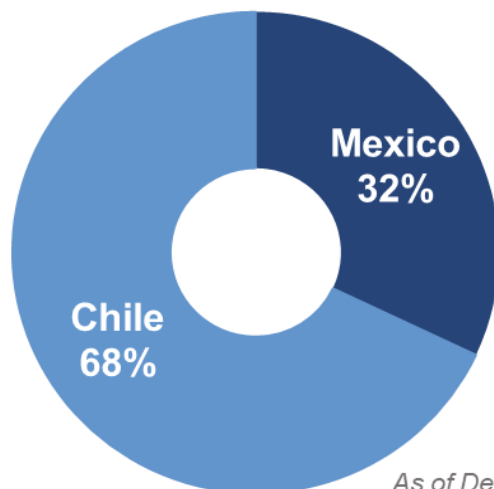
- **SIF ICAP** revenue reached \$182M pesos, up 3%.
- **SIF ICAP Mexico** increased 15% mainly explained by higher trading in interest rate swaps.
- **SIF ICAP Chile** down 3% due to adverse foreign exchange effects. Higher trading in financial markets (Fx & IRS).

#### M-bonds traded daily vs 10-year bond rate



Source: Own elaboration with historical data from Banxico

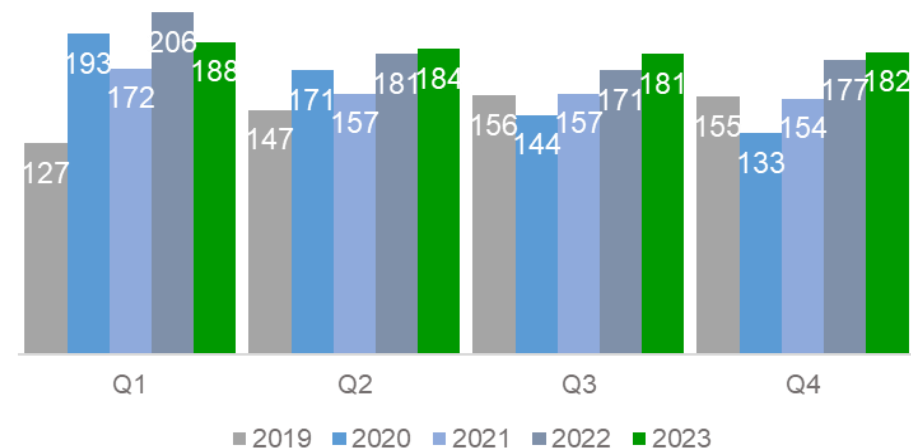
#### Trading Revenue Mix: 2023



As of December 31<sup>st</sup>, 2023

#### OTC Revenue

(million pesos)





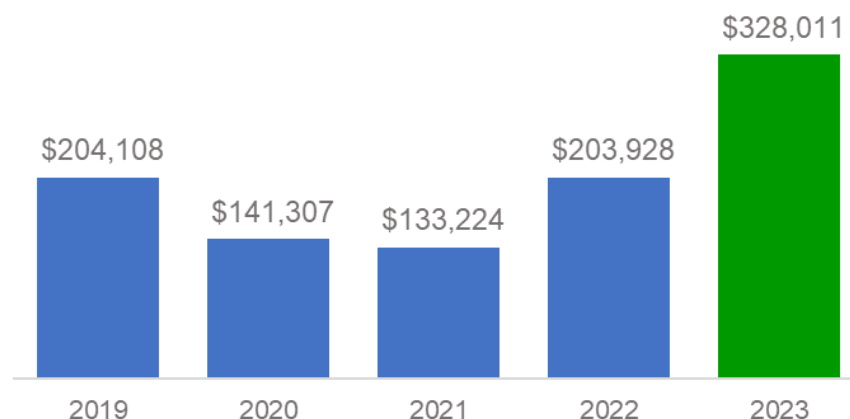
## 4. Capital Formation (Listing & Maintenance)

### Quarterly Key Highlights

- **Listing** revenue up \$5M pesos due to higher issuances on short and long-term debt.
- Debt market (amount issued): short-term debt increased 27% and long-term debt 35%.
- ESG long term debt represents 40% of total long-term debt issued in 2023.
- Alternative: Mexico Infrastructure Partners listed two CKDs.
- **Maintenance** revenue down \$4M pesos due to the amortization of debt securities.

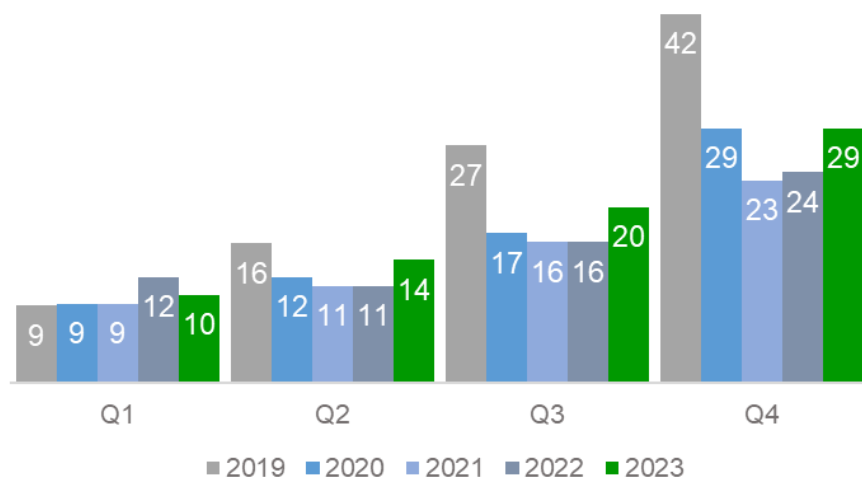
### Long-Term Debt (amount issued)

(Million pesos)



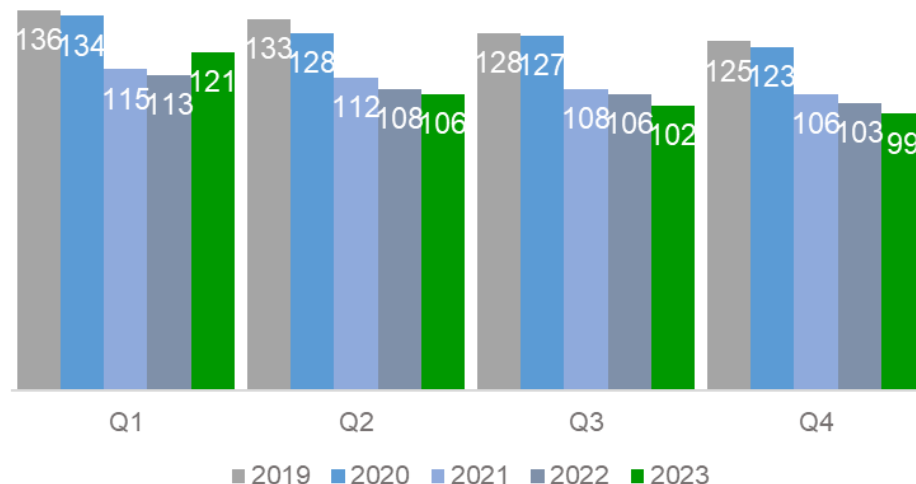
### Listing Revenue

(Million pesos)



### Maintenance Revenue

(Million pesos)



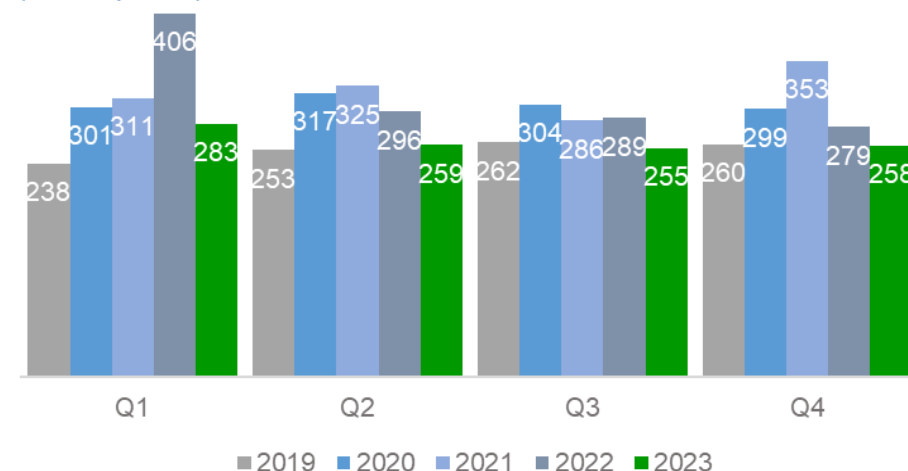
## 5. Central Securities Depository (Indeval)

### Quarterly Key Highlights

- **Indeval's** revenue was down \$21M or -8% compared to 4Q22 due to negative foreign exchange effects and a lower number of cross-border transactions in the global market.
- The strength of the peso had a negative impact of \$9M pesos when comparing 4Q23/22.
- AUC in 4Q23 was up 12% in the local market and up 4% in the global market.
- Indeval & CCV will accelerate the settlement cycle to T+1 on specific market processes in May 2024 in line with the USA and Canada.

### Indeval Revenue

(Million pesos)



### Assets Under Custody 2023

#### Local Market

**\$32.6 T**

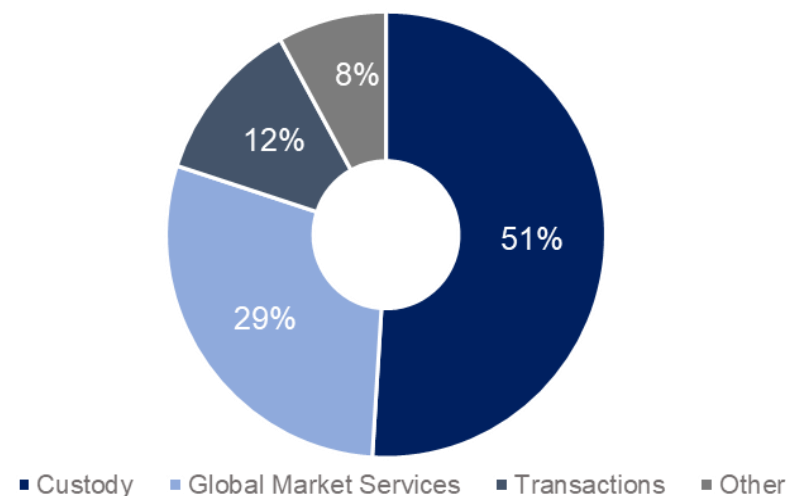
**Up 11%**

#### Global Market

**\$1.6 T**

**Down 4%**

### Revenue Distribution 2023



## 6. Information Services (BMV & Valmer)

### Quarterly Key Highlights

- **Market Data** up only 3% due to unfavorable foreign exchange rate. Excluding Fx, the results show solid growth with international clients.
- **Valmer** increased 15% because of valuation services and sales of a portfolio management software.
- The strength of the peso had a negative impact of \$13M pesos when comparing to 4Q22.

### Market Data

**\$502M**

**Up  
2%**

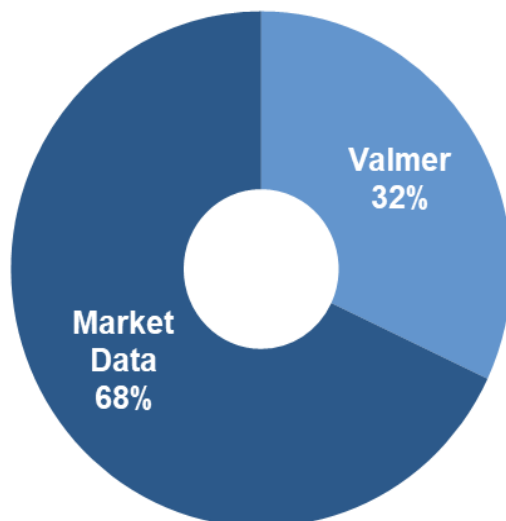
### Valmer

**\$238M**

**Up  
18%**

*Full year 2023 vs 2022, Operational Highlights 2023*

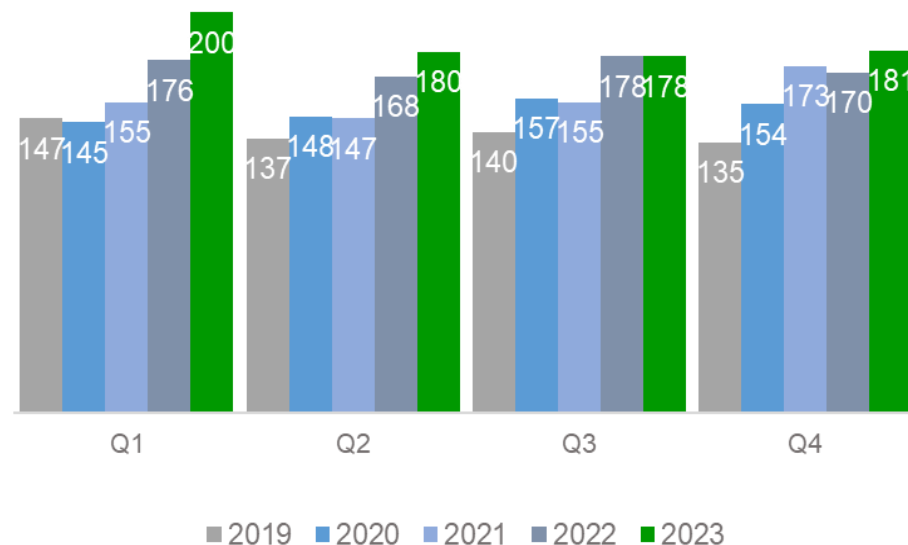
### 2023 Revenue Mix



*As of December 31<sup>st</sup>, 2023*

### Information Services Revenue

(million pesos)



# 2023 Operating Expenses

## Key Highlights

- **Personnel** up \$40M due to the net effect of the annual salary increments and lower variable compensation in 2023.
- **Technology** up \$42M mainly because of updates to BMV Group's platforms and segregation of Post-trade's infrastructure.
- **Rent and Maintenance** up \$7M because of building renovations.
- **Consulting Fees** up \$23M pesos mainly explained by the assessment of technological platforms in Post-trade, as well as strategic and organizational culture consulting fees.
- **Sub-custody** down \$35M pesos due to lower costs in the administration of W8 tax formats.
- **CNBV** up \$3M, in line with the inflation rate reported in 2022.
- **Promotional Activities** up \$8M because of a greater number of customer and corporate events.

Operating Expenses				Million pesos
Expenses	2022	2023	Var.	Var. %
Personnel	883.1	923.5	40.4	4.6%
Technology	321.4	363.1	41.6	13.0%
Depreciation	219.5	227.5	7.9	3.6%
Rent & Maintenance	71.2	78.1	6.9	9.7%
Consulting Fees	91.7	115.0	23.3	25.5%
Sub-custody	89.3	54.5	-34.8	-39.0%
CNBV Fees	33.1	35.8	2.6	7.9%
Promotional Activities	32.4	40.1	7.7	23.7%
Others	74.3	75.1	0.7	1.0%
Total Expenses	1,816.0	1,912.5	96.5	5.3%

# Summary

## 1. Financial Performance

BMV Group delivered resilient recurring results in the fourth quarter and full year of 2023 impacted by lower average daily traded value in the global market and fewer cross-border transactions.

When comparing 2023 vs 2022, it is important to consider non-recurring items for both periods; in 2023 \$58M pesos due to property sold, and in 2022, \$134M pesos in Indeval and SIF ICAP.

The appreciation of the Mexican peso against the US dollar resulted in a negative impact of \$84 million pesos or minus 10% on the EBITDA. However, after adjusting for non-recurring items, BMV's EBITDA was down 8% and under constant foreign exchange rates it decreased 4%.

## 2. Continued Execution of Strategy

Despite facing another turbulent year, marked by geopolitical conflicts and restrictive monetary policy, we have made great progress in fulfilling our strategic objectives, maintaining strong client focus, and further developing sustainable and evergreen platforms.

We maintain our leadership position in capital formation and equity trading due to the trust that customers have in BMV Group. Our capital formation or financing business is recovering rapidly, supported by strong demand for sustainable related debt and data.

The strategic steps we have taken to accelerate the technological evolution of BMV Group will enable us to better serve our clients in the future.

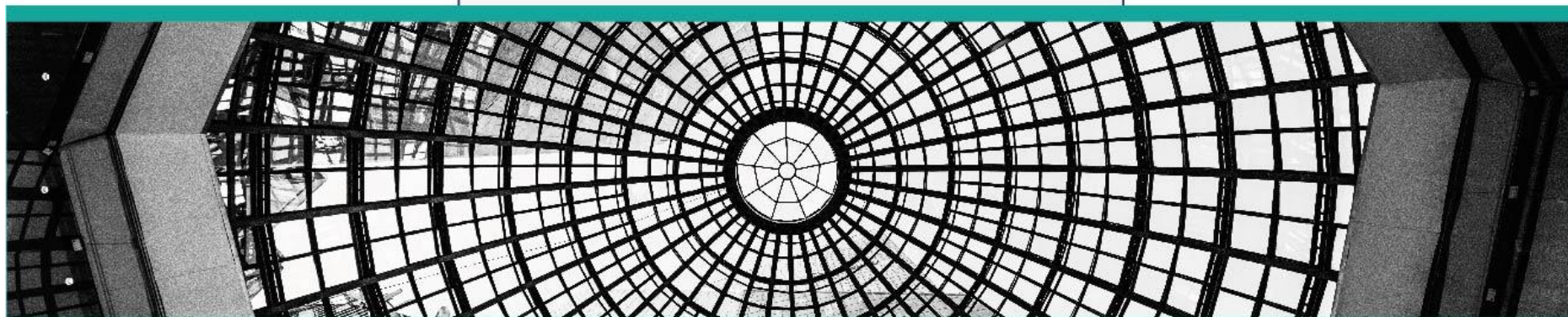
## CONTACTS

**Ramón Güémez**

Chief Financial  
& Sustainability Officer  
[rguemez@grupobmv.com.mx](mailto:rguemez@grupobmv.com.mx)

**Luis René Ramón**

Director of Strategic Planning  
& Investor Relations  
[lramon@grupobmv.com.mx](mailto:lramon@grupobmv.com.mx)



[bmv.com.mx](http://bmv.com.mx)

