

BBVA Mexico

Financial Report and Achievements

January-December 2023





Results 12M23

Good performance in total operating income

Total operating income

201,373 mp

NII after provisions + total fees + trading income + other income

Operational excellence

Efficiency ratio

32.9%



Calculated as operating expenses / Income

Adequate asset quality

Coverage Ratio

196.4%

NPL ratio

1.7%

Adequate capital & comfortable liquidity levels

Capitalization ratio

18.3%

LCR (local)

162.6%

LCR = Liquidity Coverage Ratio (short-term ratio with local standards)



TRANSFORMATION

Innovation during 2023



BBVA Mexico and Discovery agreement for exclusive broadcast of “Aprendamos juntos kids”.

Dimo® new feature in **BBVA Mx App**.



Launch of “**LLamada Segura**” to strengthen **security and communication** with customers.

Adding credit and debit cards to **Google Wallet**.



SUSTAINABILITY

Sustainability during 2023



Partnership with SEV for electric car financing.

Advisory role in placing the first blue bond in Mexico.



“**Aliados por la Salud**” agreement with Salud digna for early detection of illnesses.

Carbon footprint measurement within BBVA MX App.



Launch of the first “**Colegio Chavos que Inspiran**” in support to mexican education.

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Relevant information

Information as of December 2023

MAIN MAGNITUDES (MILLION PESOS)					
BBVA Mexico	2022		2023		
	4Q	1Q	2Q	3Q	4Q
Financial Statement					
Assets	2,753,601	2,808,249	2,815,137	2,914,149	2,960,592
Credit Portfolio Stage 1	1,449,354	1,480,398	1,515,785	1,565,311	1,603,033
Credit Portfolio Stage 2	37,875	38,746	35,989	37,311	42,526
Portfolio Valued at Reasonable Value	5,100	4,945	5,071	5,274	5,401
Credit Portfolio Stage 1, Stage 2 and Portfolio at Fair Value	1,492,329	1,524,089	1,556,845	1,607,896	1,650,960
Liabilities	2,453,568	2,500,434	2,498,463	2,587,393	2,631,997
Bank Deposits*	1,614,676	1,570,309	1,551,599	1,589,785	1,745,509
Equity	300,033	307,815	316,674	326,756	328,595
Results					
Net Interest Income	46,251	49,336	48,982	52,400	49,564
Total Operating Income	57,376	59,746	61,108	61,307	64,178
Provisions for loans losses	(11,162)	(9,197)	(10,006)	(12,198)	(13,565)
Expenses	(17,689)	(18,979)	(19,886)	(20,024)	(22,186)
Income Before Tax	28,690	31,594	31,446	29,089	28,477
Net Income	20,361	22,884	22,905	21,646	20,169
Indicators in %					
	4Q2022	1Q2022	2Q2022	3Q2023	4Q2023
Profitability					
ROE	27.3	30.1	29.3	26.9	24.6
Efficiency	30.8	31.8	32.5	32.7	34.6
Asset Quality					
Credit Portfolio Coverage Ratio Stage 3	207.9	213.0	208.5	200.7	196.4
Non-Performing Loans Ratio	1.6	1.5	1.5	1.6	1.7
Solvency and Liquidity					
Total Capital Ratio	19.2	18.4	18.9	18.5	18.3
Core Equity Ratio	16.8	16.4	16.1	15.8	15.7
Local LCR	197.68	185.60	168.82	160.47	162.61
Local NSFR	134.65	134.03	129.98	129.04	132.05
Leverage Ratio	10.4	10.5	10.6	10.6	10.3
Figures in Units (#)					
	4Q2022	1Q2022	2Q2022	3Q2023	4Q2023
Infrastructure					
Employees	41,247	41,835	43,101	43,894	44,314
Branches	1,733	1,735	1,736	1,740	1,706
ATMs	14,019	14,160	14,232	14,417	14,500

* Bank deposits include demand deposits and time deposits.

Highlights

Results and Activity.

BBVA México, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA México (hereinafter, "BBVA México") reports a loan portfolio growth of 10.6% year-on-year, with a greater weight in the segments linked to households and families, which grew 13.7% compared to December 2022, consolidating the positive trend observed since the beginning of the year. Specifically, payroll and personal loans registered a placement of 2.8 million new loans (+9.9% year-on-year), with a total balance of 190,943 million pesos at the end of the year.

Wholesale portfolio, which includes larger companies and governments, grew by 8.2%, with the government segment (w/o state owned companies) performing favorably, at 141,218 million pesos, 11.5% more than the previous year.

As of December 2023, the housing portfolio reached a balance of 330,657 million pesos. During the year 2023, BBVA Mexico enabled 32 thousand families to acquire a home through a mortgage loan.

In terms of new credit cards, BBVA Mexico has placed 2.3 million new credit cards in 2023, 16.4% more than in the same period of the previous year, reaching a balance of 175,301 million pesos, equivalent to an annual increase of 21.2%.

(SMEs)¹, as a strategic target for BBVA Mexico, reached balances of 113,175 million pesos as of December 2023, with a 19.0% year-on-year growth. Through the "Banco de Barrio" initiative, the institution has banked 292,416 new micro-SMEs since its launch in 2020, granting 563,840 new accounts, 200,099 new POS terminals and 732,455 new payroll accounts.

BBVA Mexico continues to be the leading institution in promoting savings, achieving growth in bank deposits (demand + time) of 8.1% year-on-year, reaching a total balance of 1,745 billion pesos.

Asset quality indicators remain adequate, preserving Non-Performing Loan levels of 1.7%, comparing favorably with the system.

BBVA Mexico's strength continues to be reflected in its liquidity and solvency indicators. The capitalization ratio stood at 18.3% at the end of December 2023, comfortably above the minimum required.

The institution's net income for the full year was 87,604 million pesos, 14.5% higher than in the twelve nine months of the previous year.

¹SME segmentation under internal management criteria at BBVA Mexico.

Support for natural disasters

In view of the unfortunate events caused by Hurricane Otis with severe impact on the state of Guerrero, the Ministry of Security and Citizen Protection, in accordance with the applicable regulations, issued on October 26, 2023 through press release number BDE-007-2023, the "Agreement" establishing an Emergency Situation for the state of Guerrero due to the occurrence of severe rain and strong winds on October 24, 2023.

In this regard, based on article 175, first paragraph of the "General provisions applicable to credit institutions", H. the National Banking and Securities Commission has determined to issue on a temporary basis through official letter P-307/2023 dated October 27, 2023, the special accounting criteria for borrowers who have their domicile or credits whose source of payment is located in the areas affected by the event referred to in the "Agreement" referred to in the preceding paragraph.

The support programs consist of granting borrowers a deferral of principal and/or interest payments for up to 6 months and will be applicable with respect to consumer, housing and commercial loans, and for customers who are classified in accounting terms as stage 1 and 2 as of October 24, 2023, observing that the adhesion procedures are completed no later than April 30, 2024.

The special accounting criteria are detailed below:

1. Créditos con "pago único de principal al vencimiento y pagos periódicos de intereses, así como los créditos con pago único de principal e intereses al vencimiento", que sean reestructurados o renovados, no se traspasarán a la siguiente etapa de mayor riesgo acorde a lo establecido en el Párrafo 99 del B-6 Cartera de Crédito contenido en el Anexo 33 de la Circular única de Bancos (CUB). Esto siempre y cuando, los acreditados estén clasificados contablemente como etapa 1 o 2 al 24 de octubre de 2023, acorde al párrafo 10 y 11 del B-6.
2. For loans with "periodic payments of principal and interest", which are restructured or renewed, they may remain in the same risk category, without the provisions of Paragraphs 104 and 105 of B-6 being applicable. This is provided that the borrowers are classified as a portfolio in stages 1 and 2 as of October 24, 2023, in accordance with paragraphs 10 and 11 of B-6.
3. Loans that are stipulated to be revolving from the outset, which are restructured or renewed no later than April 30, 2024, may not be carried over to the next stage of increased risk in accordance with the provisions of Paragraph 100 of the B-6. This benefit may not exceed 6 months from the original maturity date of the operations and may only be applied to provisions authorized or agreed upon as of October 24, 2023, provided that the borrowers are classified as a stage 1 or 2 portfolio on that date, in accordance with paragraphs 10 and 11 of B-6.
4. In relation to the credits mentioned in the preceding paragraphs, these operations shall not be considered as restructured in accordance with the provisions of Paragraph 35 of Criterion B-6.

5. In the event of including write-offs, forgiveness, bonuses or discounts on the credit balance to support borrowers, the Institutions may defer the constitution of EPRC. When the amount of write-offs, write-offs, bonuses or discounts are > the EPRC will set up a reserve for the difference in a period not exceeding 12 months.

In order to apply the special accounting criteria, institutions must adhere to:

- Do not make contractual modifications that explicitly or implicitly consider the capitalization of interest, or the charging of any commission for the restructuring.
- In the case of revolving loans addressed to individuals, credit lines previously authorized or agreed as of October 24, 2023 must not be restricted or reduced by more than 50% of the undrawn portion of such lines, or canceled.
- For revolving loans agreed with legal entities, credit lines previously authorized or agreed as of October 24, 2023 should not be restricted from previously authorized lines and may not be canceled.
- Do not request additional warranties or substitution.
- Document the new conditions by evidence of the agreement between the parties (via email).

As a result of the adhesion of borrowers to the support programs, as of December 31, 2023, the total balance of the supported portfolio corresponds to 2,278 million pesos. These figures are broken down by number of cases and the amount deferred by type of credit is integrated below:

Loans	# supported loans	Supported Amount (mp)	Stage 1	Stage 2	Stage 3	Total Balances	Loan Reserves
Commercial Activity	17	2	4	0	0	4	0
SME's	194	14	198	0	0	198	4
Mortgages	852	47	1,245	0	0	1,245	3
Auto	489	6	81	0	0	81	1
Payroll	4,297	16	260	0	0	260	20
Personal	1,436	9	123	0	0	123	9
Credit Card	12,398	59	365	0	3	368	41
Total	19,683	154	2,275	0	3	2,278	77

In case of the Institution had not applied the Special Accounting Criteria, the Institution would've had an immaterial impact on the loans balance sheet portfolio. Considering that the support programs in BBVA Mexico was granted since November and given that most of the adhered portfolio was in stage 1 and stage 2 accounting status for that month, as of December 31, by the actual count of the days of non-payment, the stage 3 portfolio corresponds to 257 million pesos, which represents 11.29% of the total portfolio supported.

The accrued interest that would have been recognized in the Financial Margin as of December 31 would have been 78 million pesos, if the support plans had not been applied.

As of December 31, the effect on solvency of applying the special accounting criteria did not have a significant impact on the ICAP.

Digital Strategy

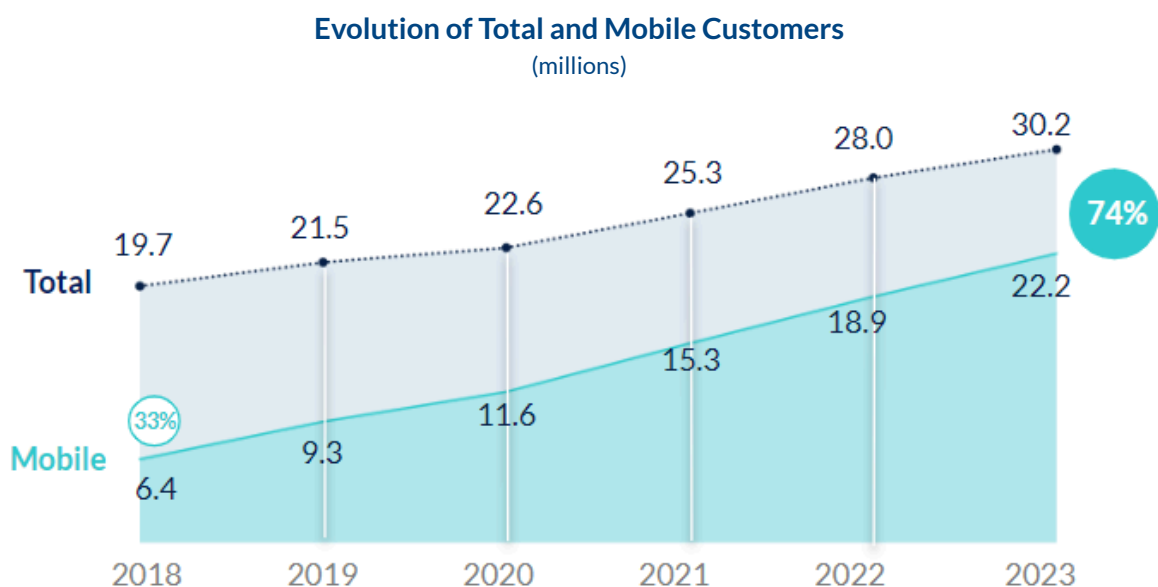
BBVA Mexico has set a clear leadership in innovation and technology by continuing to develop new products and services, which offer an agile and simple experience to its customers through its mobile applications.

This approach has led to a remarkable growth in the number of customers using digital channels, reaching a total of 22.2 million mobile customers at the end of December 2023, representing an increase of 17.4% compared to the previous year, and represents 74% of the total customer base.

The impact of digital channels is reflected in the increasing level of transactionality of customers. During the twelve months of 2023, 3,577 million financial transactions were carried out in the institution, equivalent to an annual increase of 22.0%. With this, transactions made through the mobile application and the website, represented 65% of the total (vs. 60% in December 2022).

Additionally, with the BBVA Spark unit, we have a new business model that generates proximity with the entrepreneurial ecosystem. BBVA Spark, born with the aim of providing a global service to high impact companies, companies with scalable business models based on technology and innovation.

The innovation and digital transformation strategy also reflects BBVA Mexico's commitment to continuous development, as well as its ability to adapt to the changing needs of the users of financial services, providing innovative financial solutions through secure and efficient digital channels.



Innovation

BBVA Mexico advances its contactless payments strategy and incorporates its debit and credit cards into Google's wallet.

BBVA Mexico announced the addition of its credit and debit cards to the "Google Wallet". With this action, the bank advances in its contactless payment strategy, bringing its customers innovative payment options, promoting secure, convenient and agile schemes. Currently, the bank has more than 22 million mobile customers, of which more than 17 million are users of the Android operating system.

With this initiative, customers can add their physical card from Google Wallet or from the BBVA MX application, which is linked in an encrypted way, ensuring that no information is shared with merchants and taking care of the data, thanks to its multiple security measures that are added to those already in place

BBVA Mexico will finance Chinese car automaker Geely and will grant nearly 18,000 loans.

BBVA Mexico and Chinese automaker Geely announced Geely Financial Services. This agreement provides financing to the manufacturer for around 4 billion pesos, with which it estimates to sign about 18 thousand automotive loans by 2024.

The banking institution will be the exclusive financial institution of the brand, with which it could capture up to 60% of the distributor's total credits, financing up to 90% of the value of the units with a launch program that includes 0% opening commission and a rate from 8.11%, one of the most attractive in the industry.

Sustainability

Strategy

At BBVA, **supporting our customers' transition to a sustainable future** is a strategic priority. Our ambition is to drive **climate action** and **inclusive growth** through 3 main objectives:

New business model through sustainability	To reach Net-Zero Emissions by 2050	Generating a positive impact
Canalization	Decarbonization	Social Impact
Sustainable mobilization target to 2025: 300 billion euros	2030 alignment target for 6 carbon-intensive sectors	Community investment target: 550 million euros
Climate change and inclusive growth	... and neutral in net emissions from our direct activity	From 2021 to 2025

Governance Model

To implement the sustainability strategy, BBVA Group has a governance model with a transversal approach from the Board of Directors. At the executive level, there is a Global Sustainability Area, a Local Sustainability Office and specialized advisory teams.

Commitment to Sustainability




BBVA Group is a member and signatory of the following UNEP-FI (United Nations Environment Programme Finance Initiative) initiatives:

- **Net Zero Banking Alliance**- BBVA Group
- **Principles for Responsible Banking (PRB)** - BBVA Group and BBVA Mexico
- **Principles for Responsible Investment (PRI)** - BBVA Group and BBVA Mexico.

BBVA Mexico is also a member of the **United Nations Global Compact** and contributes to the **Sustainable Development Goals of the 2030 Agenda**.

Sustainable Financing

Sustainable Mobilization (January-December 2023)

Environment \$153,598 mp 	Inclusive Growth \$52,894 mp 	Total \$206,492 mp 
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* Information on sustainable financing for individuals, companies, as well as preliminary green and social bonds updated at the end of 4Q23







Climate Action

Focused on helping BBVA's customers change their behavior and promote the transition to a greener world. In this point, it is worth highlighting the financing of support for customers to manage the challenge of climate change for each industry and in general in matters such as:

- **Energy Efficiency.** Focused on technologies that reduce energy consumption per unit of product.
- **Circular Economy.** Managing recycling, use of new materials and responsible use of material resources.
- **CO2 reduction.** Promoting renewable energies and other sources of clean energy, electric mobility, etc.

Alignment objectives (Global, including Mexico)

2030 alignment targets for 6 carbon-intensive sectors:

-  Oil & Gas
-  Electricity generation
-  Automobiles
-  Steel
-  Cement
-  Coal (2040 globally)

Energy and emissions (BBVA Mexico)

100% Renewable electricity purchased by 2022

BBVA Mexico is neutral in its own emissions as of 2020, including Scope 1, 2 and part of Scope 3 emissions.



Sustainable construction (BBVA Mexico)

11 BBVA buildings have ISO 14001:2015 certification

8 LEED Certified Buildings



Carbon Footprint App

BBVA Mexico has available for its more than 21 million mobile customers the measurement of their carbon footprint, which is calculated by obtaining data from payments and recurrent charges (*Domiciliaciones*) with credit and debit cards for items such as electricity, gas, gasoline and transportation. The objective is to help customers become aware of their environmental impact and provide them recommendations to reduce their footprint. For a better dimension of the impact, the functionality shows examples or equivalences with respect to the generation of carbon footprint. An example of these messages is: Your footprint is equivalent to 30 deforested trees.

BBVA Mexico and Nestlé, through their collaboration agreement, will promote the transition to sustainability for up to 1,500 agribusiness suppliers

BBVA Mexico and Nestlé through a collaboration agreement it will be possible to support up to 1,500 Nestlé suppliers in the agribusiness sector with financing. This collaboration agreement considers the evaluation and granting of working capital loans by BBVA Mexico on preferential terms to suppliers in the primary sector referenced by Nestlé. This operation opens up the possibility of mobilizing close to 300 million pesos.

Inclusive growth

The objective of this part of BBVA's sustainability strategy is to stimulate economic growth that leaves no one behind and creates opportunities for all. By fostering inclusive growth, we actively contribute to the social development of the societies in which we operate. This approach not only benefits individuals but also strengthens the social fabric, creating a more cohesive, equitable and resilient society where everyone has the potential to thrive. The Inclusive Growth strategy covers three areas:

Customers	Society	Employees and suppliers
<ul style="list-style-type: none"> Health and financial Support for entrepreneurs and microenterprises in Mexico Business financing <p>1.5 million digital accounts to unbanked customers (at year-end 2023)</p>	<ul style="list-style-type: none"> BBVA Foundation Mexico Financial Education <p>1,664 million pesos in programs with an impact on society, transforming the lives of 2.4 million people (BBVA Foundation, 2023).</p> <p>122 thousand people benefited from financial education workshops (2023).</p>	<ul style="list-style-type: none"> Corporate Integrity Respect for Human Rights <p>BBVA was recognized in the first edition of the Merco talento ranking</p> <p>1st place in the financial sector</p> 

BBVA Foundation's "Chavos que inspiran" School

College "Chavos que Inspiran" aims to provide excellent education to students living in socioeconomically vulnerable contexts, with no cost to their families. The first school opened its doors on August 28 in the municipality of Acolman, State of Mexico, an environment where 9 out of 10 families face economic challenges and where only 1 out of 10 citizens complete university. Through this initiative we will accompany students from the first year of elementary school through high school graduation.

Macro environment

The economy has expanded at a relatively high rate, faster than anticipated, during 2023 and, specially during the second half of the year due to the dynamism of private consumption, the resilience of the manufacturing sector, the effects on private investment of the prospects for nearshoring of industrial production outside of China and the impact of higher public spending on the construction sector, in a growth environment in the United States. According to BBVA Research, GDP could grow around 3.4% in 2023 and 2.9% in 2024 (respectively, 20 and 30 basis points above the previous forecasts). Annual inflation eased through 2023, reaching 4.7% in December, and it will probably continue to gradually moderate in the coming quarters, remaining around 3.8% on average in 2024. Policy rates, which stood at 11.25% at the end of 2023, are expected to begin to be cut from the first quarter of 2024, reaching around 9.0% by the end of the year.

With respect to the banking system, at the end of November 2023, the volume of outstanding credit to the non-financial private sector increased by 10.1% in year-on-year terms, with a greater boost from the consumer portfolio (+17.7%), followed by mortgages (+9.2%) and businesses (+7.3%). Growth in total deposits remains at similar levels to those of total credit, with a year-on-year growth of 10.0% at the end of November 2023, with greater dynamism in time deposits (+18.6% year-on-year) than in demand deposits (+6.1 year-on-year). The industry's non-performing loans remained stable at around 2.45% and capital ratios are at comfortable levels.

Management Discussion & Analysis (MD&A)

Commercial Activity

Loan portfolio at stage 1 and stage 2

The year 2023 was a year in which the economy has reflected positive dynamics and has consolidated the recovery in the country. This, together with BBVA Mexico's strong commitment to boost economic and social development, can be reflected in the continued growth of credit, which has a balance of 1,650,960 million pesos, equivalent to an increase of 10.6% vs last year. This consolidates BBVA Mexico's leadership with a market share of 24.7%, according to the most recent figures published by the CNBV at the end of November 2023.

Commercial loans reached 895,832 million pesos, of which 75% of the portfolio consists of the business segment (including corporate and medium-sized companies), which recorded a balance 8.9% higher than the previous year. This, mainly driven by the growing opportunities in the country and the strengthening in the attraction of investment (nearshoring).

An important strategic line of business for BBVA Mexico is the support of small and medium-sized enterprises (SMEs) that have registered a balance of over 113,175 million pesos, equivalent to an annual growth of 19.0% and more than 62.4% new loans to this segment. Part of the initiatives to promote this segment has been the installation of the Banca de Barrio model, which since July 2020 to date has more than 3,900 specialized executives, increasing the customer base by 292 thousand with the installation of 200 thousand terminals points of sale to enhance business.

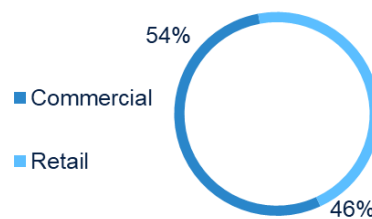
On the other hand, loans to individuals have had a positive evolution in the year, both in the balance and in new credits. During the full year 2023, credit card dynamism stood out, which reached balances of 175,301 million pesos (+21.2% YoY), placing more than 2.3 million new plastics, which is 16.4% more than the same period of the previous year. Payroll and personal loans closed with a balance of 190,943 million pesos overall, equivalent to an annual growth of 16.2%, which have been supported by the momentum in the innovation strategy and the dynamism of domestic consumption in the country.

Mortgage lending has maintained a steady growth trend over the past few years. This allows BBVA Mexico to remain the leader by granting one in four new mortgages in private banks, according to information from the CNBV at the end of November 2023.

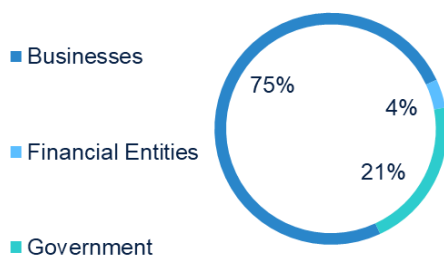
Detail of credit stage 1 & stage 2

CREDIT PORTFOLIO STAGE 1 AND 2 (MILLION PESOS)			Variation (%)	
BBVA Mexico	December	September	December	
	2022	2023	2023	
				vs Sep. vs Dec.
				2023 2022
Credit Portfolio Stage 1	1,449,354	1,565,311	1,603,033	2.4 10.6
Enterprises	593,756	644,791	648,348	0.6 9.2
Financial Entities	29,571	34,813	37,173	6.8 25.7
Government	126,604	134,630	141,218	4.9 11.5
State-owned Entities	59,132	50,040	50,081	0.1 (15.3)
Government Entities	185,736	184,670	191,299	3.6 3.0
Commercial Loans	809,063	864,274	876,820	1.5 8.4
Consumer	346,721	390,844	407,588	4.3 17.6
Mortgage	293,570	310,193	318,625	2.7 8.5
Credit Portfolio Stage 2	37,875	37,304	42,508	14.0 12.2
Enterprises	18,831	13,574	18,994	39.9 0.9
Commercial Loans	18,831	13,574	18,994	39.9 0.9
Consumer	8,616	11,535	11,482	(0.5) 33.3
Mortgage	10,428	12,195	12,032	(1.3) 15.4
Credit Portfolio Stage 1 and 2	1,487,229	1,602,615	1,645,541	2.7 10.6
Portfolio Valued at Fair Value	5,100	5,274	5,401	2.4 5.9
Total Credit Portfolio	1,492,329	1,607,889	1,650,942	2.7 10.6

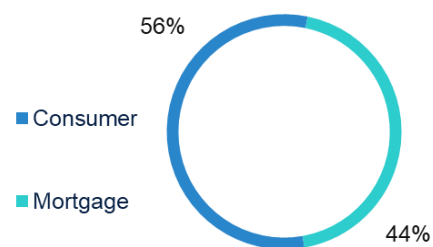
Mix of the portfolio stage 1 y 2 (%)



Commercial Loan Mix (%)



Retail Loan Mix(%)



Asset Quality

Non-performing loans stage 3

The robust and strict risk models are reflected in the non performing loan portfolio balances. The total balance of the Stage 3 loan portfolio stood at 28,104 mp at the end of the year, which is reflected in an NPL ratio of 1.7%.

Coverage ratio of Stage 3 portfolio stood at 196.4% during the 4Q23.

CREDIT PORTFOLIO STAGE 3 (MILLION PESOS)			Variation (%)		
BBVA Mexico	Dec.	Sep.	Dec.	vs Sep.	vs Dec.
	2022	2023	2022	2023	2022
Enterprises	7,653	8,098	8,721	7.7	14.0
Financial Entities	9	0	6	n.a.	n.a.
Commercial Loans	7,662	8,098	8,727	7.8	13.9
Consumer	9,363	11,161	12,518	12.2	33.7
Mortgage	6,823	6,811	6,859	0.7	0.5
Credit Portfolio Stage 3	23,848	26,070	28,104	7.8	17.8

NPL ratio (%)

1.7%

December 2023

Coverage ratio (%)

196.4%

December 2023

Non-Performing Loans Movements Stage 3

NON-PERFORMING LOANS MOVEMENTS STAGE 3 TO DECEMBER 2023 (MILLION PESOS)

BBVA Mexico	Enterprises and Financial Entities	Credit Card	Consumer	Mortgages	Total
Final Balance (December 2022)	7,662	3,289	6,074	6,823	23,848
Inputs:	8,774	20,625	21,736	8,778	59,913
Transfer of current loan (Stage 1 and 2)	7,854	19,342	20,925	8,528	56,649
Restructured	920	1,283	811	250	3,264
Outputs:	(7,709)	(18,775)	(20,431)	(8,742)	(55,657)
Transfer of current loan (Stage 1 and 2)	(1,418)	(2,215)	(1,333)	(5,271)	(10,237)
Cash Settlements	(3,334)	(29)	(317)	(256)	(3,936)
Restructured	(52)	-	(9)	(20)	(81)
Financial Penalties	(663)	(1,180)	(1,464)	(968)	(4,275)
Write-offs	(2,242)	(15,351)	(17,308)	(2,227)	(37,128)
Final Balance (December 2023)	8,727	5,139	7,379	6,859	28,104

Loan Portfolio Credit Quality Classification

Around 80% was rated with the minimum risk level, which implies a sound asset quality.

PERFORMING LOANS RATING (MILLION PESOS)

BBVA México	Commercial		Mortgage		Consumer		Credit Card		TOTAL	
December 2023	Balance	Provision	Balance	Provision	Balance	Provision	Balance	Provision	Balance	Provision
<i>Risk Level</i>										
A1	814,176	2,048	303,068	222	67,497	630	102,368	2,017	1,287,109	4,917
A2	45,126	522	5,836	35	15,946	398	19,602	1,051	86,510	2,006
B1	5,381	99	4,805	41	73,422	2,450	10,113	731	93,721	3,321
B2	8,166	186	3,229	37	30,919	1,408	7,763	674	50,077	2,305
B3	10,754	408	2,458	43	10,347	572	8,060	845	31,619	1,868
C1	6,350	428	9,375	301	16,570	1,122	11,858	1,609	44,153	3,460
C2	2,668	310	2,282	138	17,055	1,795	10,525	2,403	32,530	4,646
D	5,833	1,559	3,103	858	6,687	1,421	5,978	3,229	21,601	7,067
E	6,753	4,963	3,354	1,789	12,752	8,288	4,172	3,647	27,031	18,687
Additional										6,918
Total required	905,207	10,523	337,510	3,464	251,195	18,084	180,439	16,206	1,674,351	55,195

Credit card for businesses and letters of credit are included in commercial.

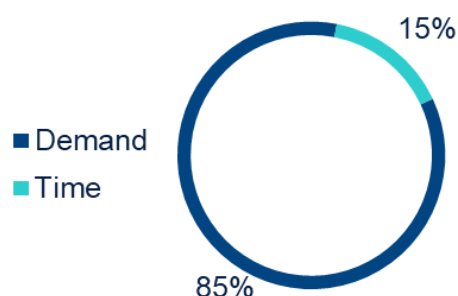
Deposits

BBVA Mexico remains as the leading institution to enhance savings, promoting the constant use of financial instruments that allow customers to manage their resources. With this, bank deposits (demand deposits + time deposits) register a balance 8.1% higher than the previous year. Thus consolidating the leadership position in the Mexican market, by reaching a bank deposits market share of 23.1% (according to CNBV figures at the end of November 2023).

Demand deposits grew by 8.2% compared to the previous year, while time deposits closed with balances of 266,932 million. With this, our funding mix continues to strengthen, with the weight of low-cost deposits, representing 85% of the total. Likewise, the preference of clients for other products such as mutual funds has been driven by the high reference rates environment.

DEPOSITS (MILLION PESOS)			Variation (%)		
BBVA Mexico	Dec.	Sep.	Dec.	vs Sep.	vs Dec.
	2022	2023	2023	2023	2022
Demand deposits	1,367,045	1,319,081	1,478,577	12.1	8.2
Time deposits	247,631	270,704	266,932	(1.4)	7.8
Customer Deposits	243,521	250,532	244,984	(2.2)	0.6
Money Market	4,110	20,172	21,948	8.8	n.a.
Bonds	88,819	91,785	100,862	9.9	13.6
Deposits global account without movements	6,716	7,177	6,560	(8.6)	(2.3)
Total deposits	1,710,211	1,688,747	1,852,931	9.7	8.3

Bank Deposits Mix (%)



**Bank Deposits include demand and total time deposits*

Results

During the year 2023, BBVA Mexico recorded solid results, registering a net income of 87,604 million pesos, an increase of 14.5% more than the previous year, this result has been supported by the growing and constant recurring income.

Net income has been driven by an improvement in Net interest income due to greater activity in the loan portfolio especially in consumer segments, as well as by an environment of higher interest rates, more transactionality that is reflected in a positive result of fees and commissions.

INCOME STATEMENT (MILLION PESOS)	Variation (%)				Variation (%)		
BBVA Mexico	4Q	3Q	4Q	vs 3Q	12M	12M	vs 12M
	2022	2023	2023	2023	2022	2023	2022
Net Interest Income	46,251	52,400	49,564	(5.4)	166,793	200,282	20.1
Provisions for loans losses	(11,162)	(12,198)	(13,565)	11.2	(35,619)	(44,966)	26.2
Net Interest Income after provisions for loans losses	35,089	40,202	35,999	(10.5)	131,174	155,316	18.4
Total Fees & Commissions	9,223	10,858	10,663	(1.8)	34,900	41,089	17.7
Trading Income	3,665	126	5,838	4,533.3	11,553	12,816	10.9
Other operating income	(1,763)	(2,077)	(1,887)	(9.1)	(6,830)	(7,848)	14.9
Total operating income	46,214	49,109	50,613	3.1	170,797	201,373	17.9
Non-interest expense	(17,689)	(20,024)	(22,186)	10.8	(67,683)	(81,075)	19.8
Net operating income	28,525	29,085	28,427	(2.3)	103,114	120,298	16.7
Share in net income of unconsolidated subsidiaries	165	4	50	1,150.0	268	308	14.9
Income before income tax and profit sharing	28,690	29,089	28,477	(2.1)	103,382	120,606	16.7
Net Taxes	(8,329)	(7,443)	(8,308)	11.6	(26,852)	(33,002)	22.9
Net Income	20,361	21,646	20,169	(6.8)	76,530	87,604	14.5

NIM Total Assets (%)

7.0%

December 2023

ROE (%)

27.9%

Accumulated as of December 2023

Net interest income

During the year 2023,, net interest income continues to show strength with a growth of 20.1% compared to the previous year, due to portfolio growth in profitable segments with higher margins, and from a higher rate environment related to 2022.

Provisions for loan losses registered a balance of 44,966 million pesos, 26.2% higher than the same period of the previous year, reflecting the greater activity in retail segments. With this, net interest income after provisions reached 155,316 million pesos, 18.4% higher than the previous year.

NET INTEREST INCOME (MILLIONS PESOS)			Variation (%)		Variation (%)		
BBVA Mexico	4Q	3Q	4Q	vs 3Q	12M	12M	vs 12M
	2022	2023	2023	2023	2022	2023	2022
Interest income	66,120	78,109	80,257	2.8	228,463	300,534	31.5
Interest expenses	(20,397)	(26,718)	(31,289)	17.1	(63,784)	(103,027)	61.5
Margin fees	528	1,009	596	-40.9	2,114	2,775	31.3
Net Interest Income	46,251	52,400	49,564	(5.4)	166,793	200,282	20.1
Provisions for loans losses	(11,162)	(12,198)	(13,565)	11.2	(35,619)	(44,966)	26.2
Net Interest Income after provisions	35,089	40,202	35,999	(10.5)	131,174	155,316	18.4

Fees and Commissions

During 2023, commissions and fee income reached 41,089 million pesos, an increase of 17.7% supported by higher volumes and billing from credit card customers that have had a favorable performance in 2023. Likewise, investment fund fees have had a favorable performance in the year, also derived from higher volumes encouraged by an environment of high interest rates.

FEES & COMMISSIONS (MILLION PESOS)			Variation (%)		Variation (%)		
BBVA Mexico	4Q	3Q	4Q	vs 3Q	12M	12M	vs 12M
	2022	2023	2023	2023	2022	2023	2022
Bank fees	2,147	2,156	2,144	-0.6	8,053	8,453	5.0
Credit and debit card	6,205	6,707	7,015	4.6	21,867	26,252	20.1
Investment funds	1,213	1,434	1,515	5.6	4,729	5,530	16.9
Others	(342)	561	(11)	n.a.	251	854	240.2
Commissions and fee income	9,223	10,858	10,663	-1.8	34,900	41,089	17.7

Trading income

Trading income mainly reflects the activity of Global Markets and FX and reached 12,816 million pesos during the year 2023, supported by a positive result in the purchase and sale of foreign currencies.

TRADING INCOME (MILLION PESOS)			Variation (%)		Variation (%)		
BBVA Mexico	4Q	3Q	4Q	vs 3Q	12M	12M	vs 12M
	2022	2023	2023	2023	2022	2023	2022
Variable income	(34)	(4)	4	n.a.	(14)	23	n.a.
Fixed income and repos	938	(1,672)	2,945	n.a.	(865)	2,384	n.a.
Securities	904	(1,676)	2,949	n.a.	(879)	2,407	n.a.
FX	853	3,939	(238)	n.a.	3,437	580	(83.1)
Derivatives	(1,975)	(6,630)	104	n.a.	(1,829)	(3,025)	65.4
Results from valuation	(218)	(4,367)	2,815	n.a.	729	(38)	n.a.
Variable income	(6)	(3)	(11)	n.a.	(47)	(9)	(80.9)
Fixed income and repos	(294)	(327)	(1,240)	n.a.	(234)	(1,762)	n.a.
Securities	(300)	(330)	(1,251)	n.a.	(281)	(1,771)	n.a.
FX	2,653	2,477	2,122	(14.3)	10,259	8,776	(14.5)
Derivatives	1,530	2,346	2,152	(8.3)	846	5,849	n.a.
Results from trading	3,883	4,493	3,023	(32.7)	10,824	12,854	18.8
Trading Income	3,665	126	5,838	n.a.	11,553	12,816	10.9

Other Income (expenses) of the operation

Other operating income (expenses) recorded a loss of 7,848 million pesos in 2023, mainly as a result of the payment of IPAB fees which, as of January 1, 2022, began to be recorded under this segment.

OTHER INCOME (EXPENSES) (MILLION PESOS)			Variation (%)		Variation (%)		
BBVA Mexico	4Q	3Q	4Q	vs 3Q	12M	12M	vs 12M
	2022	2023	2023	2023	2022	2023	2022
Interest of loans to employees	241	278	294	5.8	916	1,081	18.0
Result of operations of foreclosed assets	401	124	368	196.8	1,202	828	(31.1)
Recovery for guarantee payments	28	13	12	(7.7)	99	72	(27.3)
Write-offs	(49)	(87)	(115)	32.2	(104)	(463)	n.a.
Result of portfolio recovery	242	(193)	45	(123.3)	(216)	(542)	150.9
Legal and labor contingencies	(333)	(185)	(296)	60.0	(669)	(659)	(1.5)
Donations	(341)	(281)	(310)	10.3	(1,109)	(1,126)	1.5
Payments of IPAB fees	(1,778)	(1,801)	(1,914)	6.3	(7,024)	(7,242)	3.1
Others	(36)	55	29	(47.3)	75	203	170.7
Other operating income	(1,763)	(2,077)	(1,887)	(9.1)	(6,830)	(7,848)	14.9

Non-Interest Expenses

Operating expenses reached 81,075 million pesos, 19.8% higher than the previous year. This increase is mainly due to high levels of inflation, technology expenses related to the growth of the business itself. In terms of personnel expenses, also an increase due to salary adjustment and increase in employees. However, BBVA Mexico maintains a lower efficiency ratio (measured as expenses divided by income) located at 32.9% during 2023.

BBVA Mexico maintains a solid infrastructure network with 1,706 offices and 14,500 ATMs, and has 44,314 employees (3,067 more employees than the previous year). This infrastructure complements the powerful range of digital applications and services to meet the current and future needs of our customers, which in 2023 exceeds 30 million.

NON-INTEREST EXPENSES (MILLION PESOS)			Variation (%)		Variation (%)		
BBVA Mexico	4Q	3Q	4Q	vs 3Q	12M	12M	vs 12M
	2022	2023	2023	2023	2022	2023	2022
Administrative and operating expenses	12,890	14,927	17,178	15.1	49,591	60,481	22.0
Rents	1,688	1,720	1,729	0.5	6,097	7,353	20.6
Depreciation and amortization	2,114	2,261	2,281	0.9	8,224	8,856	7.7
Taxes	997	1,116	998	(10.6)	3,771	4,385	16.3
Administrative and operating expenses	17,689	20,024	22,186	10.8	67,683	81,075	19.8

Efficiency ratio (%)

32.9%

Accumulated as of December 2023

Capital and liquidity

Capital

The estimated capitalization ratio of BBVA Mexico was 18.3% at the end of December 2023, composed of 15.7% CET1 and 2.6% T2 capital.

BBVA México maintains a robust capital position, fully complying with all capital requirements and remaining well above regulatory minimums. BBVA México has been ratified by the local regulator as a multiple banking institution of local systemic importance, classified in Grade IV.

During the month of June 2021, the regulation known as Total Loss Absorption Capacity (TLAC) came into effect. As a result of the foregoing, the regulator has modified the General Provisions applicable to credit institutions, in order to reflect the adoption of the aforementioned international standard, incorporating a supplement to net capital that will be applicable to multiple banking institutions of local systemic importance.

The constitution of the aforementioned net capital supplement will gradually increase year after year, starting in December 2022 and ending in December 2025. Considering the above, in the case of BBVA Mexico, the net capital supplement is currently 3.25%, which is in addition to the minimum required of 12%

During 4Q23, BBVA Mexico made the dividend payment for 22,500 million pesos, in terms of the resolutions approved by the General Ordinary Stockholders' Meeting for the 2022 fiscal year, at a rate of \$ 1.48311786579731, for each outstanding share.

BBVA Mexico issued 900 million dollars in Tier 2 subordinated debt with an 8.125% coupon during January 2024. This issuance, with a 15-year maturity and an option for early redemption at 10 years, aims to strengthen the bank's position concerning TLAC requirements, addressing the significant growth in activity.

Estimated capital ratio of BBVA Mexico

CAPITALIZATION (MILLION PESOS)

BBVA Mexico	December		September		December	
	2022		2023		2023	
Tier 1 capital	283,355		304,403		306,808	
Tier 2 capital	39,824		52,370		51,040	
Net capital	323,179		356,773		357,848	
	Credit Risk	Market operational & Credit Risk	Credit Risk	Market operational & Credit Risk	Credit Risk	Market operational & Credit Risk
Risk-weighted assets	1,129,471	1,683,874	1,212,448	1,929,496	1,245,702	1,959,090
Tier 1 as % of risk-weighted assets	25.1%	16.8%	25.1%	15.8%	24.6%	15.7%
Tier 2 as % of risk-weighted assets	3.5%	2.4%	4.3%	2.7%	4.1%	2.6%
Net capital ratio	28.6%	19.2%	29.4%	18.5%	28.7%	18.3%

*Previous information. Figures are under review by the authority

Liquidity

Despite the complex environment, BBVA Mexico maintains sound liquidity levels for continued growth. The liquidity ratio, defined as loans to deposits, was 94.3% and the short-term indicator, defined as the Liquidity Coverage Coefficient (Local LCR) was 162.6%.

Important to mention that arising from disclosure requirements and looking to enhance a stable funding profile in relation to the composition of the assets and off-balance sheet activities, the Net Stable Funding Ratio (Local NSFR) is 132.05% for the fourth quarter of the year.

In November, BBVA Mexico issued two senior bonds in the national currency. The first, identified by the ticker symbol BBVAMX 23-2, had a 4-year term with a value of 9,900 million pesos and a variable rate based on the overnight TIIE rate plus 32 basis points. The second tranche, identified by the ticker symbol BBVAMX 23-3, amounted to 3,600 million pesos and had a 7-year term with a fixed rate of 10.24%.

Loans to deposits ratio (%)

94.3%

December 2023

LCR (%)

162.61%

December 2023. Previous information

Financial Indicators

FINANCIAL INDICATORS					
BBVA Mexico	2022		2023		
	4Q	1Q	2Q	3Q	4Q
Infrastructure Indicators (#)					
Branches	1,733	1,735	1,736	1,740	1,706
ATMs	14,019	14,160	14,232	14,417	14,500
Employees	41,247	41,835	43,101	43,894	44,314
Profitability Indicators (%)					
a) NIM Adjusted (Produced Assets)	5.5	6.4	6.1	6.0	5.2
b) NIM (Total Assets)	6.7	7.1	7.0	7.3	6.7
c) Operating Efficiency	2.6	2.7	2.8	2.8	3.0
d) Efficiency Ratio	30.8	31.8	32.5	32.7	34.6
e) Productivity Ratio	52.1	50.9	49.8	54.2	48.1
f) Return on Equity (ROE)	27.3	30.1	29.3	26.9	24.6
g) Return on Assets (ROA)	2.9	3.3	3.3	3.0	2.7
Asset Quality Indicators (%)					
h) Non - Performing Loans Ratio	1.6	1.5	1.5	1.6	1.7
i) Portfolio Coverage Ratio Stage 3	207.9	213.0	208.5	200.7	196.4
Solvency Indicators (%)					
j) Core Equity Tier 1 Ratio	16.8	16.4	16.1	15.8	15.7
k) Tier Ratio	16.8	16.4	16.1	15.8	15.7
l) Total Capital Ratio	19.2	18.4	18.9	18.5	18.3
m) Leverage Ratio	10.39	10.5	10.6	10.6	10.3
Liquidity Indicators (%)					
n) Liquidity Ratio (CNBV Requirement)	52.1	48.2	53.1	53.3	50.3
o) Liquidity (Performing Loans / Deposits)	92.1	96.7	100.0	100.8	94.3
p) Liquidity Coverage Ratio	197.68	185.60	168.82	160.47	162.61
q) Net Stable Funding Coefficient	134.65	134.03	129.98	129.04	132.05

INFRASTRUCTURE

ATM's: Include those that have activity during the quarter.

PROFITABILITY

- a) Net interest margin adjusted (NIM): Net interest income after provisions for loan losses (annualized) / Average productive assets
Average productive assets: Cash + Investment in financial instruments + Repo debtors + securities lending + derivatives + loans stage 1 and 2 + Receivable benefits from securitization transaction + Valuation adjustments derived from hedges of financial assets.

- b) Net interest Margin (NIM): Net interest income (annualized)/ Average total assets
- c) Operating efficiency: Expenses (annualized) / Average total assets.
- d) Efficiency ratio: Administrative and promotional expenses / Net interest income + commissions and fee income + trading income + other operating income (expense).
- e) Productivity ratio: Commissions and fees / Promotions and administrative expenses.
- f) Return on equity (ROE): Net income (annualize) / Average capital.
- g) Return on assets (ROA): Net income (annualize)/ Average total assets .

ASSET QUALITY

- h) NPL Ratio: Balances of stage 3 end of period / total loan portfolio.
- i) Coverage ratio: Allowances for loan losses / Balances of stage 3 end of period

SOLVENCY (BBVA México Information)

- j) Core Equity Tier 1 ratio: CET1 Capital / Risk Weighted Assets to credit risk, market and operational (applied in Mexico since January 2013)
- k) Tier1 ratio: Tier 1 Capital / Risk weighted assets to credit risk, market and operational (applied in Mexico since January 2013)
- l) Total Capital Ratio: Net Capital / Risk Weighted assets to credit risk, market and operational (applied in Mexico since January 2013).
- m) Leverage ratio: Risk Capital / Exposure.

LIQUIDITY

- n) Liquidity ratio: Liquid assets / Liquid liabilities.

Liquid Assets: Cash and cash equivalents + Unrestricted Tradable Financial Instruments + Financial Instruments to collect or sell without restrictions

Liquid Liabilities: Demand deposits + interbank loans and loans from other entities payable on demand + Interbank loans and loans from other entities short term

- o) Liquidity: Liquidity: Portfolio with stage 1 and stage 2 credit risk + credit portfolio valued at fair value / Bank deposits (demand deposits + time deposits).
- p) Liquidity Coverage Ratio (Local LCR): Computable Liquid Assets / 30-day stressed Net Outflows (BBVA Mexico information). Quarterly average. Preliminary figure
- q) Total Amount of Stable Financing Available / Total Amount of Stable Financing Required

Notes: Average data = ((Balances of the quarter + Balances of the previous quarter) / 2).

Annualized data = Balances of the quarter * 4).

Ratings

BBVA Mexico's Ratings

	Long Term	Short Term	Outlook
Standard and Poor's			
Issuer Credit Rating - Foreign Currency	BBB	A-2	Stable
Issuer Credit Rating - Local Currency	BBB	A-2	Stable
National Scale	mxAAA	mxA-1+	Stable
Stand Alone Credit Profile (SACP)	bbb+		
Moody's			
Bank Deposits - Foreign Currency	Baa1	P-2	Stable
Bank Deposits - Domestic Currency	Baa1	P-2	Stable
National Scale Rating Bank Deposits	AAA.mx	ML A-1.mx	Estable
Baseline Credit Assessment (BCA/ABCA)	baa2/baa1		
Fitch			
Issuer Default Rating - Foreign Currency	BBB	F2	Stable
Issuer Default Rating - Local Currency	BBB	F2	Stable
National Scale Rating	AAA(mex)	F1+(mex)	Stable
Viability Rating (VR)	bbb		

Issuances

BBVA Mexico

Issuances

Instruments	Amount	Original Currency	Issue Date	Due Date	Call Date	Term (years)	Rate	Ratings		
Senior Debt								S&P	Moody's	Fitch
BACOMER 07U	2,240	UDIS	30-jan-07	9-jul-26		19.4	4.36%		Aaa.mx	AAA(mex)
US05533UAD00 (ISIN 144A)	750	USD	3-apr-14	10-apr-24		10.0	4.38%		Baa1	BBB
BACOMER 19-2	5,000	MXN	21-jun-19	11-jun-27		8.0	8.49%		Aaa.mx	AAA(mex)
BACOMER 20-2	6,000	MXN	10-feb-20	5-feb-25		5.0	TIIE28 + 15		Aaa.mx	AAA(mex)
US05533UAH14 (ISIN 144A)	500	USD	15-sep-20	18-sep-25		5.0	1.88%		Baa1	BBB
BBVAMX 22X	10,000	MXN	23-jun-22	18-jun-26		4.0	TIIE ON + 28	mxAAA	Baa1/Aaa.mx	AAA(mex)
BBVAMX 23V	8,689	MXN	20-feb-23	15-feb-27		4.0	TIIE ON + 32	mxAAA		AAA(mex)
BBVAMX 23	6,131	MXN	20-feb-23	11-feb-30		7.0	9.54%	mxAAA		AAA(mex)
BBVAMX 23-2	9,900	MXN	9-nov-23	15-apr-27		3.5	TIIE ON + 32	mxAAA		AAA(mex)
BBVAMX 23-3	3,600	MXN	9-nov-23	31-oct-30		7.0	10.24%	mxAAA		AAA(mex)
Subordinated Debt										
US05533UAE82 (ISIN 144A)	200	USD	6-nov-14	12-nov-29	12-nov-24	15NC10	5.35%	BB	Baa3	BB
US05533UAF57 (ISIN 144A)	1,000	USD	17-jan-18	18-jan-33	18-jan-28	15NC10	0.05125	BB		BB
US05533UAG31 (ISIN 144A)	750	USD	05-sep-19	13-sep-34	19-sep-29	15NC10	5.88%		Baa3	BB
US07336UAA16 (ISIN 144A)	1,000	USD	22-jun-23	29-jun-38	29-jun-33	15NC10	8.45%		Baa3	BB

Financial Statements

Balance Sheet

(figures in millions of pesos)

Assets

ASSETS (MILLION PESOS)					
BBVA México	Dec.	Mar.	Jun.	Sep.	Dec.
	2022	2023	2023	2023	2023
CASH AND CASH EQUIVALENTS	275,795	249,655	214,126	202,501	219,260
Margin call accounts	9,718	8,131	11,575	10,207	9,413
INVESTMENTS IN FINANCIAL INSTRUMENTS	533,782	510,031	607,665	631,497	650,919
Negotiable financial instruments	244,852	200,989	263,793	286,182	289,616
Financial instruments to collect or sell	195,031	189,690	215,636	218,236	237,914
Financial instruments to collect principal and interest (securities)(net)	93,899	119,352	128,236	127,079	123,389
Debtors from repurchase agreement	26,324	22,267	24,409	71,735	91,577
Derivatives	216,165	217,342	201,076	230,711	181,815
Trading	209,518	209,521	191,373	221,586	173,171
Hedging Transactions	6,647	7,821	9,703	9,125	8,644
Valuation adjustments derived from hedges of financial assets	(639)	(768)	(644)	(2,080)	(933)
CREDIT PORTFOLIO WITH CREDIT RISK STAGE 1	1,449,354	1,480,398	1,515,785	1,565,311	1,603,033
Commercial loans	809,063	823,405	836,048	864,274	876,820
Business or commercial activity	593,756	604,366	623,278	644,791	648,348
Financial entities	29,571	33,360	35,751	34,813	37,173
Government entities	185,736	185,679	177,019	184,670	191,299
Consumer	346,721	357,775	374,878	390,844	407,588
Mortgage	293,570	299,218	304,859	310,193	318,625
Middle and Residential	289,472	295,071	301,003	306,563	315,186
Low income	4,098	4,147	3,856	3,630	3,439
CREDIT PORTFOLIO WITH CREDIT RISK STAGE 2	37,875	38,746	35,989	37,311	42,526
Commercial loans	18,831	17,759	14,069	13,581	19,012
Business or commercial activity	18,831	17,759	14,069	13,574	18,994
Financial entities	0	0	0	7	18
Consumer	8,616	9,848	10,181	11,535	11,482
Mortgage	10,428	11,139	11,739	12,195	12,032
Middle and Residential	9,963	10,667	11,222	11,673	11,556
Low income	465	472	517	522	476
CREDIT PORTFOLIO WITH CREDIT RISK STAGE 3	23,848	23,042	23,799	26,070	28,104
Commercial loans	7,662	7,623	7,916	8,098	8,727
Business or commercial activity	7,653	7,614	7,907	8,098	8,721
Financial entities	9	9	9	0	6
Consumer	9,363	9,326	9,831	11,161	12,518
Mortgage	6,823	6,093	6,052	6,811	6,859
Middle and Residential	6,592	5,898	5,862	6,606	6,675
Low income	231	195	190	205	184
LOAN PORTFOLIO VALUED AT FAIR VALUE	5,100	4,945	5,071	5,274	5,401
CREDIT PORTFOLIO	1,516,177	1,547,131	1,580,644	1,633,966	1,679,064
Deferred accounts	(3,271)	(2,139)	(2,029)	(1,734)	(1,387)
Allowance for loan losses	(49,588)	(49,075)	(49,629)	(52,323)	(55,195)
TOTAL LOANS, NET	1,463,318	1,495,917	1,528,986	1,579,909	1,622,482
Acquired collection rights (net)	1	1	1	1	1
TOTAL LOAN PORTFOLIO (NET)	1,463,319	1,495,918	1,528,987	1,579,910	1,622,483
Other accounts receivable, net	139,189	217,456	136,775	93,578	92,871
Repossession assets, net	1,611	1,531	1,449	1,400	1,144
Prepayments and other assets (net)	3,309	2,980	3,241	4,727	2,520
Property, furniture and equipment, net	36,289	36,023	36,501	37,716	39,411
Assets for rights of use of property, furniture and equipment (net)	5,009	5,392	5,551	5,617	5,519
Equity investments	1,183	1,212	1,178	1,188	1,185
Deferred taxes, net	38,096	36,664	38,594	40,776	38,387
Intangible assets (net)	4,451	4,415	4,654	4,666	5,021
TOTAL ASSETS	2,753,601	2,808,249	2,815,137	2,914,149	2,960,592

Liabilities & Stockholders' Equity

LIABILITIES & STOCKHOLDERS' EQUITY (MILLION PESOS)					
BBVA México	Dec.	Mar.	Jun.	Sep.	Dec.
	2022	2023	2023	2023	2023
TOTAL DEPOSITS	1,710,211	1,670,512	1,653,287	1,688,747	1,852,931
Demand deposits	1,367,045	1,323,166	1,300,541	1,319,081	1,478,577
Time Deposits	247,631	247,143	251,058	270,704	266,932
Customer deposits	243,521	237,306	236,068	250,532	244,984
Money market	4,110	9,837	14,990	20,172	21,948
Bonds	88,819	93,708	95,115	91,785	100,862
Deposits global account without movements	6,716	6,495	6,573	7,177	6,560
INTER BANK LOANS AND LOANS FROM OTHER ENTITIES	39,162	38,323	39,084	39,437	40,070
Payable on demand	0	0	257	0	0
Short- term	6,528	5,946	5,262	6,137	6,728
Long- term	32,634	32,377	33,565	33,300	33,342
Creditors from repurchase agreements	187,057	228,610	300,407	317,070	242,601
Securities creditors	2	2	1	2	1
COLLATERALS SOLD OR DELIVERED IN GUARANTEE	54,734	53,628	39,586	88,003	85,062
Repurchase	15,304	21,573	4,577	21,764	18,428
Securities lending	39,430	32,055	35,009	66,239	66,634
DERIVATIVES	241,172	238,703	220,987	256,265	201,563
Trading	232,352	231,528	213,401	248,089	196,759
Hedge transactions	8,820	7,175	7,586	8,176	4,804
Valuation adjustments derived from hedges of financial liabilities	(4,771)	(3,472)	(3,955)	(6,084)	(3,039)
Lease liability	5,139	5,560	5,788	5,930	5,876
OTHER PAYABLES	155,775	216,472	170,143	124,118	135,455
Transaction settlement creditors	13,847	87,002	81,932	70,701	79,471
Creditors for margin accounts	342	190	25	3,383	80
Creditors from collaterals received in cash	13,438	18,680	18,371	12,881	16,761
contributions payable	2,797	2,708	3,654	2,792	3,276
Accrued liabilities and other	125,351	107,892	66,161	34,361	35,867
FINANCIAL INSTRUMENTS THAT QUALIFY AS LIABILITIES	38,623	35,289	50,943	51,873	50,504
Subordinated debt	38,623	35,289	50,943	51,873	50,504
Income tax liability	14,112	7,519	8,081	6,998	2,978
Liabilities for employee benefits	6,993	3,960	8,457	9,406	11,530
Deferred credits and advanced collections	5,359	5,328	5,654	5,628	6,465
TOTAL LIABILITIES	2,453,568	2,500,434	2,498,463	2,587,393	2,631,997
SUBSCRIBED CAPITAL	40,003	40,003	40,003	40,003	40,003
Paid- in capital	24,143	24,143	24,143	24,143	24,143
Share premium	15,860	15,860	15,860	15,860	15,860
EARNED CAPITAL	259,951	267,727	276,579	286,654	288,486
Capital reserves	6,901	6,901	6,901	6,901	6,901
Results of prior years	267,846	274,480	285,035	296,681	294,350
Other Integral Income	(14,796)	(13,654)	(15,357)	(16,928)	(12,765)
Valuation of financial instruments to collect or sell	(8,703)	(7,657)	(6,835)	(8,704)	(4,500)
Valuation of derivative financial instruments for cash flow hedges	(1,353)	(1,307)	(1,048)	(868)	(544)
Remeasurements of Defined Benefits to Employees	(4,740)	(4,690)	(7,474)	(7,356)	(7,721)
EARNED CAPITAL	299,954	307,730	316,582	326,657	328,489
Non- controlling interest in consolidated subsidiaries	79	85	92	99	106
TOTAL STOCKHOLDERS EQUITY	300,033	307,815	316,674	326,756	328,595
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	2,753,601	2,808,249	2,815,137	2,914,149	2,960,592

Memorandum accounts

MEMORANDUM ACCOUNTS (MILLION PESOS)					
BBVA Mexico	2022			2023	
	Dec.	Mar.	Jun.	Sep.	Dec.
Contingent assets and liabilities	2,524	198	210	235	265
Credit commitments	792,231	790,919	802,739	813,116	826,305
In trusts	672,475	825,597	816,729	778,149	564,116
Under mandate	200	212	214	221	293
Assets in trust or under mandate	672,675	825,809	816,943	778,370	564,409
Assets in custody or under administration	264,323	306,201	297,837	299,783	292,957
Collaterals received by the institution	77,156	67,482	72,986	153,669	175,745
Collaterals received and sold or pledged as collateral by the institution	55,253	53,661	39,995	87,999	86,090
Investment banking transactions on behalf of third parties, net	2,035,619	2,209,451	2,331,658	2,338,828	2,531,393
Accrued interest on non- performing loans	2,195	2,192	2,197	2,467	2,674
Other record accounts	3,772,334	3,761,845	3,677,046	3,834,485	3,938,539

"The historical balance of the capital stock as of December 31, 2023 is 4,248 million pesos".

"This consolidated balance sheet is prepared in accordance with the Accounting Criteria for Credit Institutions issued by the National Banking and Securities Commission, based on the Articles 99, 101 and 102 of the Mexican Credit Institutions Law, of general and compulsory observance, consistently applied, reflecting the operations conducted by the Bank up to the above date, which were realized and valued in accordance with sound banking practices and applicable legal and administrative disposals.

The Board of Directors under the responsibility of the managers who subscribe it approved this consolidated financial statement."

Eduardo Osuna Osuna

Luis Ignacio De La Luz
Dávalos

Adolfo Arcos González

Ana Luisa Miriam Ordorica
Amezcu

CEO

CFO

Head of Internal Audit

Head of Accounting

P&L

INCOME STATEMENT (MILLION PESOS)					
BBVA Mexico	4Q	1Q	2Q	3Q	4Q
	2022	2023	2023	2023	2023
Interest Income	66,648	70,338	73,000	79,118	80,853
Interest Expenses	(20,397)	(21,002)	(24,018)	(26,718)	(31,289)
Net interest income	46,251	49,336	48,982	52,400	49,564
Provisions for loan losses	(11,162)	(9,197)	(10,006)	(12,198)	(13,565)
Net interest income after provisions for loan losses	35,089	40,139	38,976	40,202	35,999
Commissions and fees charged	17,235	16,675	17,431	18,210	19,391
Commissions and fees paid	(8,012)	(7,019)	(7,519)	(7,352)	(8,728)
Total Fees & Commissions	9,223	9,656	9,912	10,858	10,663
Trading income	3,665	2,519	4,333	126	5,838
Other operating income	(1,763)	(1,765)	(2,119)	(2,077)	(1,887)
Non-interest expense	(17,689)	(18,979)	(19,886)	(20,024)	(22,186)
Net operating income	28,525	31,570	31,216	29,085	28,427
Share in net income of unconsolidated subsidiaries and affiliates	165	24	230	4	50
Income before income tax and profit sharing	28,690	31,594	31,446	29,089	28,477
Net Taxes	(8,329)	(8,710)	(8,541)	(7,443)	(8,308)
Net Income	20,361	22,884	22,905	21,646	20,169
Other integral income for the period:					
Valuation of financial instruments to collect or sell	2,207	1,046	823	(1,870)	4,204
Valuation of derivative financial instruments for cash flow hedges	159	46	259	179	325
Remeasurement of defined benefits to employees	(540)	50	(2,784)	118	(365)
Other comprehensive income for the period	1,826	1,142	(1,702)	(1,573)	4,164
Integral result	22,187	24,026	21,203	20,073	24,333
Net Income attributable to:					
Controlling Interest	20,367	22,890	22,912	21,653	20,176
Non-controlling interest	(6)	(6)	(7)	(7)	(7)
	20,361	22,884	22,905	21,646	20,169
Net Income attributable to:					
Controlling Interest	22,196	24,032	21,210	20,080	24,340
Non-controlling interest	(9)	(6)	(7)	(7)	(7)
	22,187	24,026	21,203	20,073	24,333
Basic Earnings per Ordinary share (pesos per share)	1.34	1.51	1.51	1.43	1.32

"This consolidated income statement is prepared in accordance with the Accounting Criteria for Credit Institutions issued by the National Banking and Securities Commission, based on the Articles 99, 101 and 102 of the Mexican Credit Institutions Law, of general and compulsory observance, consistently applied, reflecting the operations conducted by the Bank up to the above date, which were realized and valued in accordance with sound banking practices and applicable legal and administrative disposals.

The Board of Directors under the responsibility of the managers who subscribe it approved this consolidated financial statement."

Eduardo Osuna Osuna

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Dávalos

Adolfo Arcos González

Ana Luisa Miriam Ordorica
Amezcu

CEO

CFO

Head of Internal Audit

Head of Accounting

Cash Flow Statement

CASH FLOW STATEMENT (MILLION PESOS)

BBVA México

from January 1st to December 31st 2023

Income before taxes		120,606
Adjustments associated with items of investing activities:		
Losses or reversal of losses due to impairment of long-lived assets	169	
Depreciation of property, furniture and fixtures	2,737	
Amortization of installation expenses	1,998	
Amortization of intangible assets	1,688	
Participation in the net result of other entities	(308)	6,284

Operating activities

Change in margin call accounts	(370)
Change in investments in financial instruments (securities) (net)	(116,025)
Change in debtors from repurchase agreement	(65,253)
Change in derivatives (assets)	36,347
Change in loan portfolio (net)	(185,387)
Change in other accounts receivable (net)	45,400
Change in foreclosed assets (net)	466
Change in other operating assets (net)	976
Change in deposits	175,730
Change in interbank loans and other loans from other entities	1,232
Change in creditors from repurchase agreements	55,544
Change in collaterals sold or delivered in guarantee	30,328
Change in derivative financial instruments (liability)	(35,593)
Change in other operating liabilities	72,655
Change in hedging instruments (of hedge items related to operation activities)	(3,345)
Change in assets/liabilities for employee benefits	944
Change in other accounts payable	(88,653)
Income tax payments	(46,747)
Net cash flows used in operating activities	5,139

Investment activities

Proceeds from the disposal of property, furniture and fixtures	143
Payments for the acquisition of property furniture and fixtures	(8,030)
Payments for acquisition of intangible assets	(2,398)
Net cash flows used in investment activities	(10,285)

Financing activities

Cash Dividend Payments	(61,100)
Proceeds associated with financial instruments that qualify as liabilities	16,935
Net cash flows from financing activities	(44,165)
Net increase or decrease in cash and cash equivalents	(49,311)
Effects of changes in the value of cash and cash equivalents	(7,224)
Cash and cash equivalents at the beginning of the period	275,795
Cash and cash equivalents at the end of the period	219,260

"This consolidated cash flow statement is prepared in accordance with the Accounting Criteria for Credit Institutions issued by the National Banking and Securities Commission, based on the Articles 99, 101 and 102 of the Mexican Credit Institutions Law, of general and compulsory observance, consistently applied, reflecting the operations conducted by the Bank up to the above date, which were realized and valued in accordance with sound banking practices and applicable legal and administrative disposals.

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Changes in Stockholders Equity

CHANGES IN STOCKHOLDERS EQUITY (MILLION PESOS)										
BBVA Mexico	Subscribed Capital		Earned Capital					Total participation of the controlling company	noncontrolling interest	Total Stockholder's Equity
from January 1 to December 31st, 2023	Paid in Capital	Share Premium	Capital Reserves	Results of prior years	Unrealized Gain on Available for Sale Securities	Result from Valuation of Cash Flow Hedging Instruments	Remeasurement of defined benefits to employees			
Balances as of December 31st, 2022	24,143	15,860	6,901	267,846	(8,703)	(1,353)	(4,740)	299,954	79	300,033
OWNER MOVEMENTS										
Dividend Decree	-	-	-	(61,100)	-	-	-	(61,100)	-	(61,100)
Total	-	-	-	(61,100)	-	-	-	(61,100)	-	(61,100)
INTEGRAL RESULT										
Net result				87,604				87,604	27	87,631
Other comprehensive results										
Valuation of financial instruments to collect or sell					4,203			4,203		4,203
Result from valuation of cash flow hedging instruments						809		809		809
Remeasurement of defined employee benefits							(2,981)	(2,981)		(2,981)
Total	-	-	-	87,604	4,203	809	(2,981)	89,635	27	89,662
Balances as of December 31st, 2023	24,143	15,860	6,901	294,350	(4,500)	(544)	(7,721)	328,489	106	328,595

"This consolidated variation in stakeholders' equity statement is prepared in accordance with the Accounting Criteria for Credit Institutions issued by the National Banking and Securities Commission, based on the Articles 99, 101 and 102 of the Mexican Credit Institutions Law, of general and compulsory observance, consistently applied, reflecting the operations conducted by the Bank up to the above date, which were realized and valued in accordance with sound banking practices and applicable legal and administrative disposals.

The Board of Directors, under the responsibility of the managers who subscribe to it, approved this consolidated financial statement.."

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Regulatory accounting pronouncement recently issued

For more detail, please refer to the 4Q23 Financial Report (in Spanish) where you can find the explanations and effects.

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BBVA Mexico

Financial Results and Achievements

January-December 2023

Contact

Investor Relations

investorrelations.mx@bbva.com

<http://investors.bbva.mx>

The image shows a modern building with a glass facade and a dark metal frame. A large blue sign with the white BBVA logo is mounted on the building. The building is set against a dramatic sky with orange and pink clouds. The BBVA logo is prominently displayed in the center of the image.

BBVA