



FINANCIERA
INDEPENDENCIA™



FINANCIERA INDEPENDENCIA

4Q23

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Financiera Independencia posts record profit during the year

Mexico City, February 22nd, 2024.- Financiera Independencia, S.A.B. de C.V., SOFOM, E.N.R. (BMV: FINDEP; OTC: FNCRY), ("FINDEP" or the "Company") the leader in bringing financial inclusion to underserved Hispanic communities of North America through responsible lending and insurance products, announced today its results for the three and twelve months ended December 31st, 2023.

- Reported **Net Profit** for the whole year was Ps. 710 million and 14% higher YoY.
- **Net Profit** result includes positive net adjustments of Ps.19.5 million from amortizing loan origination costs, Ps. 43.7 million from a COVID related grant and tax credit in the US and a negative net adjustment of Ps. 33.6 million from credit reserves derived from the impact of hurricane Otis in Acapulco. Without these effects, 4Q23 Proforma Net Profit would be Ps. 185 million pesos, 6% above 4Q22 and still the best quarter in the past 10 years; and for full year 2023, Net Profit would be Ps. 680 million or 9% above 2022, excluding these adjustments.
- **Total Loan Portfolio** closed at Ps. 7.6 billion, an 11% YoY reduction. Under a constant FX basis, the portfolio would have decreased 6% YoY. Our US operations currently represent 36% of our portfolio.
- **Consolidated NPL ratio**, measured as Stage 3 loan portfolio over total portfolio, stood at 6.3% in 4Q23, 20 basis points below 3Q23, and 40 basis points below the 6.7% from twelve months ago.
- **Net Interest Income** for the whole year closed at Ps. 4.2 billion, 0.5% higher than 2022.
- **Income Before Tax** in 2023 increased Ps. 107 million, or 12%, YoY. This is composed by an increase of Ps. 79 million in **Revenue**, and a Ps. 96 million decrease in **Operating expenses**, offsetting the increase in **Provision for Loan Losses** (Ps. 27 million) and **Interest Expense** (Ps. 46 million).
- **The Provision for Loan Losses** was Ps. 1.4 billion for the whole year, a 2% YoY increase. Annualized **PLL to average loans** increased from 17% to 18% YoY.
- **Write-offs** reached Ps. 1.6 billion, 27% higher YoY, in cumulative terms. Compared to the trailing-twelve-month average portfolio, trailing twelve months write-offs increased from 16 to 20%.
- **Non-interest Expense**, decreased 4% YoY during 2023, with costs as a percentage of our average portfolio at 32% managed tightly in the context of a decreasing portfolio balance.
- **Net Debt** declined 31% YoY from Ps. 4.6 billion in 2022 to Ps. 3.1 billion in 2023. On a neutral FX basis, net debt declined 28% YoY.
- **Cash and Cash Equivalents** closed the quarter at Ps. 734 million, 31% below YoY and 47% QoQ.
- The Company's **Return on Equity** improved from 13.6% in 2022 to 14.1% in 2023, and the **Return on Assets** reached 6.4% in 2023, up from 5.6% in 2022. **Return on Tangible Equity** decreased from 19.8% in 2022 to 17.7% in 2023.



MESSAGE FROM THE CEO

All of our businesses achieved solid results to drive a record quarterly profit for our Company in the fourth quarter. We are pleased to see the execution of our strategy in action as we were able to take continued steps during the quarter to strengthen our balance sheet and deliver consistent results.

Our Loan portfolio declined 11% year over year, or 6% on a constant FX basis, given the continued focus on high-quality origination. And while portfolio growth is moderated, we are able to support profitability by improving operating efficiency with the ratio of non-interest expenses to the average portfolio at 30%.

Our balance sheet is strong and liquidity is sound with Ps. 735 million in cash and cash equivalents and Net debt of Ps. 3.1 billion, declining 25% on a constant FX basis. During the quarter, we were able to address short term debt maturities by executing the early amortization of the Company's 8% senior notes that were maturing in July 2024. The Company's equity-to-asset ratio stands at 50% at quarter end, 9.8 percentage points above the same time last year.

As the Company sets new performance records we are committed to delivering continued improvement leveraging our expertise in credit analysis and loan origination across our core business and markets. Our discipline and focus on these core principles has helped us to deliver these record results for the quarter and year.

Eduardo Messmacher
Chief Executive Officer



4Q23 CONSOLIDATED RESULTS

Table 1: Financial & Operational Highlights

	4Q23	4Q22	%	12M23	12M22	%
Income Statement Data						
Net Interest Income after Provisions*	662.1	698.9	-5.3%	2,780.6	2,788.2	-0.3%
Net Operating Income (Loss)*	303.5	249.6	21.6%	1007.6	900.9	11.9%
Net Income (Loss)*	215.1	173.5	23.9%	710.0	625.0	13.6%
Total Shares Outstanding (million)	337.5	337.5	0.0%	337.5	337.5	0.0%
Earnings (Loss) Per Share	0.6373	0.5142	23.9%	2.1037	1.8520	13.6%
Profitability & Efficiency						
NIM before Provisions Excl. Fees	47.7%	45.7%	2 pp	46.6%	46.9%	-0.4 pp
NIM after Provisions Excl. Fees	30.2%	29.0%	1.2 pp	30.9%	31.4%	-0.5 pp
NIM after Provisions Incl. Fees	40.2%	36.5%	3.7 pp	38.9%	39.2%	-0.4 pp
ROA	7.9%	5.9%	1.9 pp	6.4%	5.6%	0.7 pp
ROE	16.5%	14.9%	1.6 pp	14.1%	13.6%	0.5 pp
Efficiency Ratio Incl. Provisions	65.5%	71.6%	-6.1 pp	71.2%	74.2%	-3 pp
Efficiency Ratio Excl. Provisions	45.6%	49.1%	-3.5 pp	50.8%	53.1%	-2.4 pp
Operating Efficiency	21.1%	21.4%	-0.4 pp	22.4%	23.2%	-0.8 pp
Fee Income	13.8%	15.7%	-1.9 pp	14.1%	15.0%	-0.9 pp
Capitalization						
Equity to Total Assets	50.3%	40.6%	9.8 pp	50.3%	40.6%	9.8 pp
Credit Quality Ratios						
NPL Ratio	6.3%	6.7%	-0.4 pp	6.3%	6.7%	-0.4 pp
Coverage Ratio	217.0%	202.2%	14.8 pp	217.0%	202.2%	14.8 pp
Operational Data						
Number of Clients	291,780	320,405	-8.9%	291,780	320,405	-8.9%
Number of Offices	344	346	-0.6%	344	346	-0.6%
Total Loan Portfolio*	7,646.6	8,559.9	-10.7%	7,646.6	8,559.9	-10.7%
Average Balance (Ps.)**	26,206.7	26,715.9	-1.9%	26,206.7	26,715.9	-1.9%

* Figures in millions of Mexican Pesos.

** Excludes Other Loans from the average calculation

INTEREST INCOME

In 4Q23 **Interest Income** was Ps.1.2 billion, that is Ps. 51 million below 4Q22, or a 4% YoY reduction. Interest Income for the twelve-month period was Ps. 4.8 billion, Ps. 66 million or 1% higher than in the twelve-month period of 2022 primarily driven by the decline in our portfolio versus the prior year.

During 4Q23 **Net interest income** was Ps. 1.05 billion, that is Ps. 57 million below 4Q22, or a 5% YoY reduction. Financial Margin, for the last twelve months, was Ps. 4.2 billion, or 0.5% YoY higher, primarily driven by the decline in our portfolio.

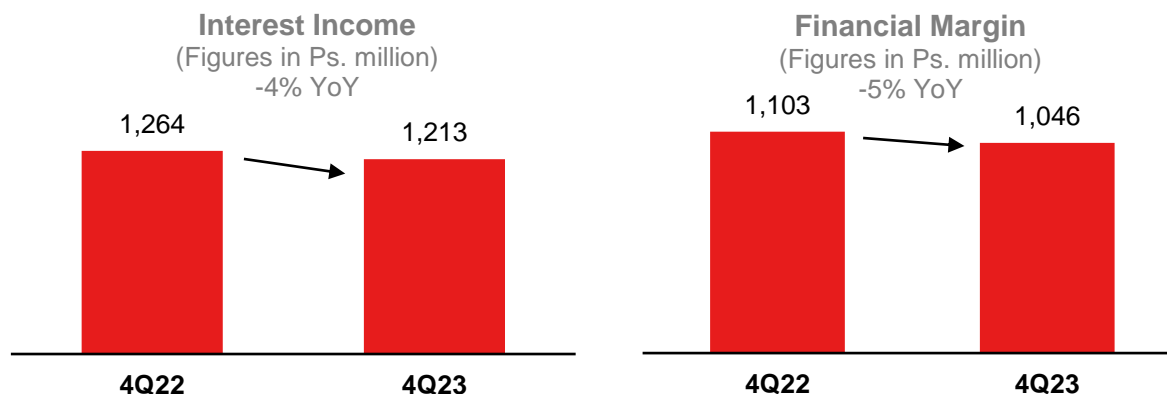


Table 2: Financial Margin

	4Q23	3Q23	4Q22	QoQ %	YoY %	12M23	12M22	%
Interest Income	1,213.0	1,197.9	1,263.9	1.3%	-4.0%	4,813.6	4,748.0	1.4%
Interest on Loans	1,192.0	1,183.9	1,245.5	0.7%	-4.3%	4,744.0	4,710.3	0.7%
Interest from Investment in Securities	21.0	14.0	18.4	50.0%	14.0%	69.6	37.7	84.5%
Interest Expense	167.1	141.0	161.4	18.6%	3.6%	623.3	577.2	8.0%
Net Interest Income	1,045.8	1,056.9	1,102.5	-1.0%	-5.1%	4,190.4	4,170.9	0.5%
Provision for Loan Losses	383.8	357.0	403.6	7.5%	-4.9%	1,409.7	1,382.7	2.0%
Net Interest Income After Provision for Loan Losses	662.1	699.9	698.9	-5.4%	-5.3%	2,780.6	2,788.2	-0.3%

* Figures in millions of Mexican Pesos

INTEREST EXPENSE

Interest Expense in 4Q23 was Ps. 167 million, a 4% YoY expansion, on a comparable basis. Throughout the year, Interest Expense was Ps. 623 billion, Ps. 46 million or 8% YoY higher.

PROVISION FOR LOAN LOSSES

PLL was Ps. 384 million in 4Q23, a 5% decrease when compared to the Ps. 404 million of 4Q22. On a cumulative basis, PLLs reached Ps. 623 million posting Ps. 46 million or 8% expansion against 2022.

NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES

Net Interest Income after Provisions posted a 5% YoY contraction, reaching Ps. 662 million during the quarter. For the twelve-month period, Net Interest Income after Provisions was Ps. 2.8 billion, 0.3% lower YoY. This is consistent with the lower Interest Income YoY.

NET OPERATING REVENUE

Net Operating Revenue was Ps. 880 million in 4Q23, a 0.1% increase when compared to Ps. 879 million in 4Q22. *AFI's* net operating revenues increased 61% YoY, while *Independencia* and *AEF's* observed a 6% and 7% YoY decrease, respectively.

For the last twelve months, **Net Operating Revenue** was Ps. 3.5 billion, a 0.3% increase when compared to Ps. 3.49 billion reported in the twelve-month period of 2022. *AFI's* net operating revenues declined 61% YoY, while *Independencia* and *AEF's* observed a 2% and 4% YoY increase, respectively.



During 4Q23, **Commissions and Fees Collected** were Ps. 142 million, 11% decrease compared to Ps. 159 million registered in 4Q22. **Commissions and Fees Paid** were Ps. 20 million in 4Q23, 2% decrease when compared to the Ps. 21 million paid in 4Q22. **Other Operating Income** reached Ps. 98 million in 4Q23 in comparison of Ps. 43 million in the prior year.

On a twelve month comparison, **Commissions and Fees Collected** were Ps. 571 million, posting a 5% YoY decrease. **Commissions and Fees Paid** were Ps. 77 million in 2023, 4% lower than 2022. **Other Operating Income** was Ps. 167 million in 2023, 38% higher on a YoY basis.

NON-INTEREST EXPENSES

Non-Interest Expenses in 4Q23 were 8% lower YoY, with costs as a percentage of our average portfolio at 32% managed tightly in the context of a decreasing portfolio balance. On a whole year basis, we witnessed non-interest expense decline 4% YoY. This is the result of the disciplined strategy executed by the Company to improve operating efficiency indicators and maintain spending discipline across expenditure categories while continuing to drive positive top line performance.

TOTAL INCOME BEFORE TAXES

Total Income Before Taxes posted a 22% YoY expansion during the quarter, standing at Ps. 303 million. During 2023, Total income before Taxes increased Ps. 1 million, or 12%, year over year.

NET INCOME (LOSS)

In 4Q23, the Company posted a **Net Profit** of Ps. 215 million, a 24% increase compared to 4Q22. This resulted in earnings per share (EPS) for the quarter of Ps. 0.6373 compared with Ps. 0.4842 for the same period of last year. On a whole year basis, **Net Profit** reached Ps. 710 million, standing as the highest ever in the Company's history, as for EPS they stood at Ps. 2.1037, 14% higher than 2022's.

Table 3: Net Operating Income

	4Q23	3Q23	4Q22	QoQ %	YoY %	12M23	12M22	% Change
Financial Margin	1,045.8	1,056.9	1,102.5	-1.0%	-5.1%	4,190.4	4,170.9	0.5%
Provision for Loan Losses	383.8	357.0	403.6	7.5%	-4.9%	1,409.7	1,382.7	2.0%
Financial Margin After Provision for Loan Losses	662.1	699.9	698.9	-5.4%	-5.3%	2,780.6	2,788.2	-0.3%
Non-Interest Income, net	121.4	130.8	138.0	-7.2%	-12.0%	493.9	523.5	-5.7%
- Commissions and Fees Collected	141.5	148.6	158.5	-4.8%	-10.7%	571.1	603.9	-5.4%
- Commissions and Fees Paid	20.1	17.8	20.6	13.0%	-2.1%	77.2	80.3	-3.9%
Market Related Income	-1.8	1.5	-0.6	-225.6%	221.1%	57.2	55.5	2.9%
Other Operating Income (expense)	98.5	28.4	43.2	246.5%	127.9%	167.4	121.1	38.2%
Net Operating Revenue	880.1	860.6	879.5	2.3%	0.1%	3,499.1	3,488.3	0.3%
Non-Interest Expense	576.6	631.0	629.9	-8.6%	-8.5%	2,491.5	2,587.5	-3.7%
- Other Administrative & Operational Expenses	188.5	245.7	252.9	-23.3%	-25.5%	952.6	1,027.4	-7.3%
- Salaries & Employee Benefits	388.1	385.3	377.0	0.7%	2.9%	1,538.9	1,560.1	-1.4%
Net Operating Income (Loss)	303.5	229.6	249.6	32.2%	21.6%	1,007.6	900.9	11.9%

* Figures in millions of Mexican Pesos.



FINANCIAL POSITION

CURRENT ASSETS

Cash and Cash Equivalents closed at Ps. 735 million, 31% below 4Q22. This represents roughly 7% of Total Assets. On a sequential basis, Cash and Cash Equivalents decreased Ps. 639 million.

TOTAL LOAN PORTFOLIO

In 4Q23 the Company's **Total Loan Portfolio** was Ps. 7.6 billion, a 2% QoQ and 11% YoY reduction or 6% on a constant FX basis. This performance comes on the back of a more conservative stance on origination, favoring cash flow generation with a focus on asset quality and profitability.

Portfolio Composition

(Figures in Ps. million)

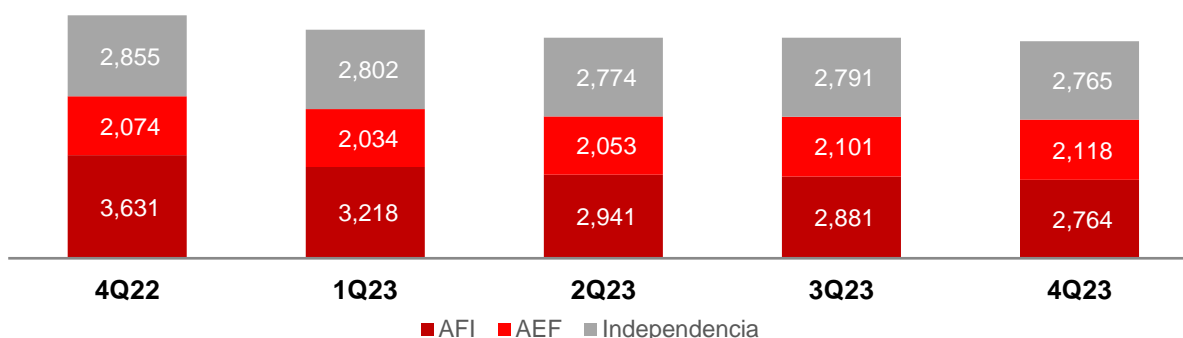


Table 4: Loan Portfolio

	4Q23	% of Total	3Q23	% of Total	4Q22	% of Total	QoQ % Change	YoY % Change
By Business Line								
<i>Apoyo Financiero Inc</i>	2,763.8	36.1%	2,881.3	37.1%	3,631.3	42.4%	-4.1%	-23.9%
<i>Independencia</i>	2,764.8	36.2%	2,790.6	35.9%	2,854.6	33.3%	-0.9%	-3.1%
<i>Apoyo Económico Familiar</i>	2,118.0	27.7%	2,101.5	27.0%	2,074.0	24.2%	0.8%	2.1%
By Segment								
<i>Formal Sector</i>	5,856.0	76.6%	5,880.5	75.6%	6,725.0	78.6%	-0.4%	-12.9%
<i>Informal Sector</i>	1,790.5	23.4%	1,892.7	24.3%	1,834.2	21.4%	-5.4%	-2.4%
Total Loan Portfolio	7,646.6	100.0%	7,773.4	100.0%	8,559.9	100.0%	-1.6%	-10.7%

* Figures in millions of Mexican Pesos.

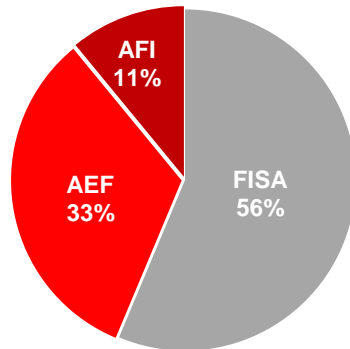
Apoyo Financiero's Loan Portfolio (AFI) closed 4Q23 with a balance of Ps. 2.8 billion (163 million USD), with a 4% quarterly retreat in Mexican pesos and a 24% YoY contraction versus 4Q22. On a constant FX basis *AFI's* loan portfolio decreased 1% QoQ and 12% YoY. *AFI's* portfolio represents 36% of the Company's loan portfolio.

Independencia's Loan Portfolio (FISA) closed 4Q23 with a balance of Ps. 2.8 billion, with a 1% QoQ and a 3% YoY decrease.

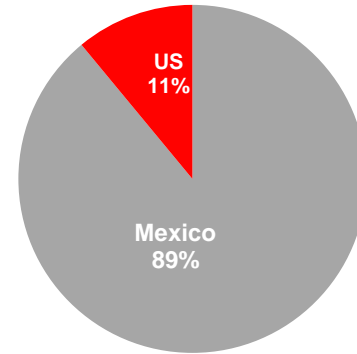
Apoyo Económico Familiar Loan Portfolio (AEF) closed 4Q23 with a balance of Ps. 2.1 billion, posting a 1% QoQ and a 2% YoY expansion.



Client Distribution by Business Line



Client Distribution by Region



In 4Q23 the **Number of Clients** served was 291,780, a decrease of 3,757 compared to the 295,537 clients served in 4Q22.

The client base distribution was as follows:

- **Independencia:** 164,329 clients
- **AEF:** 95,486 clients
- **AFI:** 31,965 clients

Table 5: Loan Portfolio, Number of Clients & Average Balance

	4Q23	3Q23	4Q22	QoQ %	YoY %
Loan Portfolio (million Ps.)	7,646.6	7,773.4	8,559.9	-1.6%	-10.7%
Number of Clients	291,780	295,537	320,405	-1.3%	-8.9%
Average Balance (Ps.)	26,206.7	26,302.5	26,715.9	-0.4%	-1.9%

Table 6: Number of Clients by Product Type

	4Q23	% of Total	3Q23	% of Total	4Q22	% of Total	QoQ % Change	YoY % Change
Independencia	164,329	56.3%	165,937	56.1%	181,651	56.7%	-1.0%	-9.5%
Apoyo Económico Familiar	95,486	32.7%	96,704	32.7%	102,569	32.0%	-1.3%	-6.9%
Apoyo Financiero Inc	31,965	11.0%	32,896	11.1%	36,185	11.3%	-2.8%	-11.7%
Total number of loans	291,780	100.0%	295,537	100.0%	320,405	100.0%	-1.3%	-8.9%

Table 7: Portfolio by Credit Type*

	4Q23	% of Total	3Q23	% of Total	4Q22	% of Total	QoQ % Change	YoY % Change
Independencia	2,764.8	36.2%	2,790.6	35.9%	2,854.6	33.3%	-0.9%	-3.1%
Apoyo Económico Familiar	2,118.0	27.7%	2,101.5	27.0%	2,074.0	24.2%	0.8%	2.1%
Apoyo Financiero Inc	2,763.8	36.1%	2,881.3	37.1%	3,631.3	42.4%	-4.1%	-23.9%
Total Loan Portfolio	7,646.6	100.0%	7,773.4	100.0%	8,559.9	100.0%	-1.6%	-10.7%

* Figures in millions of Mexican Pesos.

LOAN PORTFOLIO BY STAGES & NON-PERFORMING LOANS PORTFOLIO (NPLs)

Our **Stage 1 Loan Portfolio** amounted to 86.0% of the total, whereas **Stage 2 and 3** represented 7.7% and 6.3%, respectively.

The **Stage 3 to total loan portfolio Ratio** in 4Q23 was 6.3%, 20bps below from last quarter, and 40 basis-points below the 6.7% from twelve months ago.



The **Stage 3 ratio in *Independencia*** was 6.3%, showing a 40-bps increase compared to 5.9% in 3Q23. The **Stage 3 ratio in *AEF*** was 7.2%, 40 bp lower than the 7.6% NPL ratio observed last quarter. The **Stage 3 ratio in *AFI*** was 5.5% in 4Q23, 70 bp below the 6.2% reported in 3Q23.

Write-Offs amounted to Ps. 396 million, 3% higher both 3Q23 and 4Q22's figure, with a portfolio 11% lower year on year. Compared to the average portfolio, trailing twelve months' write-offs increased from 16 to 20% YoY.

TTM Write-Offs / Avg. Portfolio & NPL Ratio

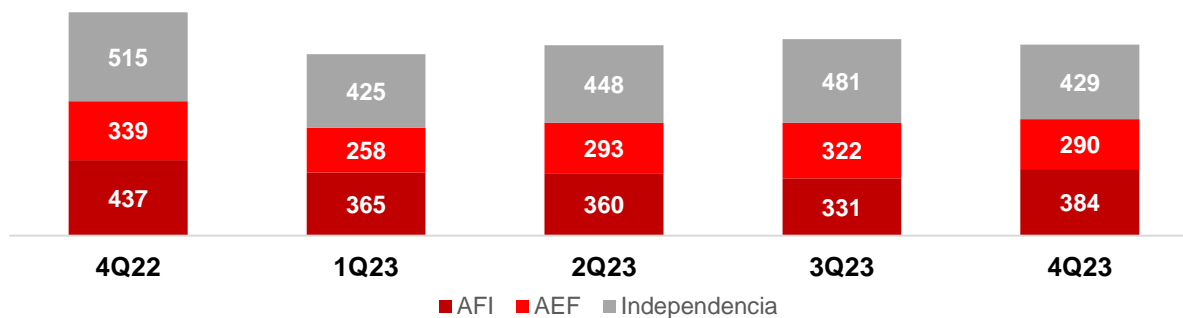


Recoveries during the quarter reached Ps. 26 million, 12% higher when compared to 3Q23, and 22% higher YoY.

The **Coverage Ratio**, measured as Allowances for Loan Losses over Performing Loans Stage 3, reached 217%, standing 13 percentage points above the 204% observed in the last quarter, and a 15 percentage points increase from 202% of the twelve months ago.

ORIGINATIONS

Originations by Business Line (Figures in Ps. million)



Originations for the quarter reached Ps.1.1 billion, decreasing 15% YoY. On a sequential basis, originations reduced 3%.

COLLECTIONS



Below you can see the **Cash Collected** for our main portfolios. This considers cash collected from clients including interest, amortization, and commissions.

The **Cash Collected from the Portfolio** decreased 8% YoY. On a quarterly basis, it posted a 2% reduction. On a constant FX basis, AFI's collections declined 7% YoY, while consolidated collections decreased 4% YoY. Overall, collections roughly doubled originations during the quarter, boosting cash generation.

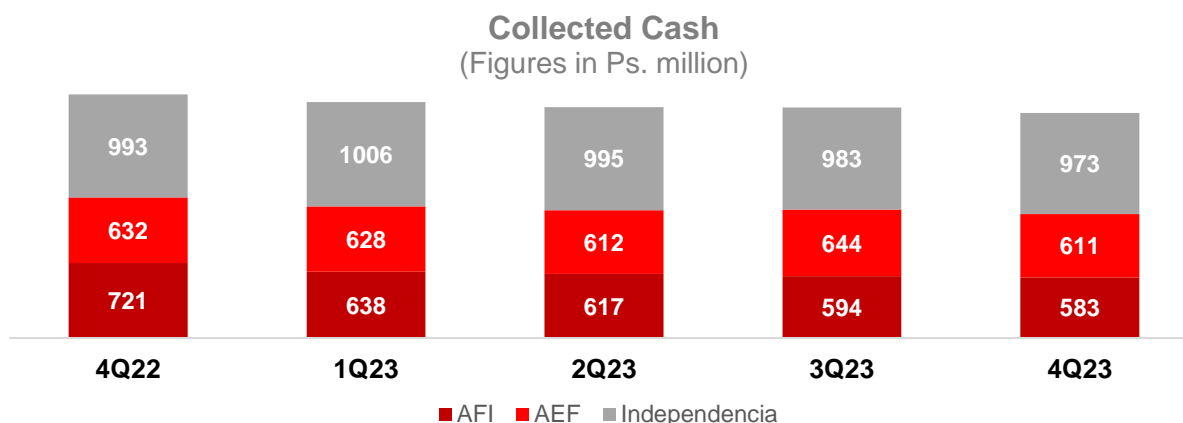


Table 8: Origination and Collected Cash*

	4Q23	3Q23	4Q22	QoQ %	YoY %
Independencia	428.6	481.4	514.5	-11.0%	-16.7%
Apoyo Económico Familiar	290.2	322.1	339.0	-9.9%	-14.4%
Apoyo Financiero Inc	384.4	331.4	437.2	16.0%	-12.1%
Total Originations	1,103.1	1,134.9	1,290.8	-2.8%	-14.5%
Independencia	972.8	982.7	992.7	-1.0%	-2.0%
Apoyo Económico Familiar	610.5	643.7	632.6	-5.1%	-3.5%
Apoyo Financiero Inc	583.2	594.1	720.9	-1.8%	-19.1%
Total Collections	2,166.6	2,220.4	2,346.2	-2.4%	-7.7%

* Figures in millions of Mexican Pesos.

LIABILITIES

In 4Q23, **Interest Bearing Liabilities** were Ps. 3.9 billion, a 31% decrease vs. Ps. 5.6 billion in 4Q22. On a constant FX basis the decline was Ps. 1.6 billion, or 28% YoY driven by a reduction in our unsecured debt. Compared to the prior quarter, net debt decreased Ps. 840 million or 18% on a constant FX basis as we work to structure the balance sheet to meet short term maturities.

In 4Q23, FINDEP's **Debt** consisted of Ps. 1.3 billion of US dollar-denominated Long-Term Debt due in March 2028 as well as Ps. 2.6 billion in Bank and other entities loans. The Company's total credit lines amounted to Ps. 2.6 billion at the end of 4Q23.

Our **Net Debt**, measured as interest bearing liabilities minus cash and cash equivalents, reached Ps. 3.1 billion at the end of the quarter, a Ps. 1.4 billion or 31% YoY reduction. When adjusting for FX impacts, the Net Debt declined 28% YoY.



STOCKHOLDERS' EQUITY

In 4Q23 **Stockholder's Equity** was Ps. 5.3 billion, a 12% increase from Ps. 4.7 billion at the end of 4Q22. Stockholders' equity reflects Ps. 625 million in Net Income and Retained Earnings for the Year, - Ps. 126 million YoY variation in foreign exchange effect and a -Ps. 13 million YoY variation in derivatives for hedging purposes.

FREE CASH FLOW GENERATION

During the quarter, our **Operating Cash Flow** was Ps. 724 million, these resources were deployed in portfolio growth. On a twelve months basis, our Operating Cash Flow reached Ps. 2.6 billion, with interest-bearing liabilities decreasing Ps. 1.8 billion while our cash position declined from Ps. 1.1 billion to Ps. 735 million YoY while supporting 2023' loan originations of Ps. 4.4 million.

Table 9: Free Cash Flow Reconciliation

	4Q22	1Q23	2Q23	3Q23	4Q23
A) OPERATING CASH FLOW					
Net Income (Loss)	173.5	166.1	165.4	163.4	215.1
Provision for Loan Losses	424.6	355.3	358.6	379.9	409.4
Depreciation and Amortization	11.7	11.7	12.1	11.7	11.6
Income Tax	76.0	72.8	70.3	66.1	88.4
Impairment in investing activities	0	0	0	0	0
Operating Cash Flow	685.9	605.9	606.4	621.1	724.5
B) USE OF CASH FLOW					
1) Loan Portfolio		0	0	0	0
Principal Collection / Amortization*	988.2	1,119.3	980.7	747.7	806.4
Origination	(1,290.8)	(1,047.3)	(1,100.9)	(1,134.9)	(1,103.1)
Cash used in Loan Portfolio	(302.6)	72.0	(120.2)	(387.2)	(296.7)
2) Changes in Interest Bearing Liabilities		0.0	0.0	0.0	0.0
Long Term debt Issuance	(48.5)	(745.3)	(192.5)	(23.2)	(1,005.3)
Bank and Other Entities Loans	(286.2)	27.3	(479.3)	517.6	130.8
Changes in Interest Bearing Liabilities	(334.7)	(717.9)	(671.7)	494.5	(874.5)
3) Changes in other lines		0	0	0	0
	(13.7)	82.5	(200.2)	(71.0)	(192.5)
C) FREE CASH FLOW	34.8	42.5	(385.6)	657.4	(639.3)
(+) Cash and Cash Equivalents beginning of period	1,024.8	1,059.7	1,102.2	716.5	1,374.0
Total Cash and Cash Equivalents end of period	1,059.6	1,102.2	716.5	1,374.0	734.7

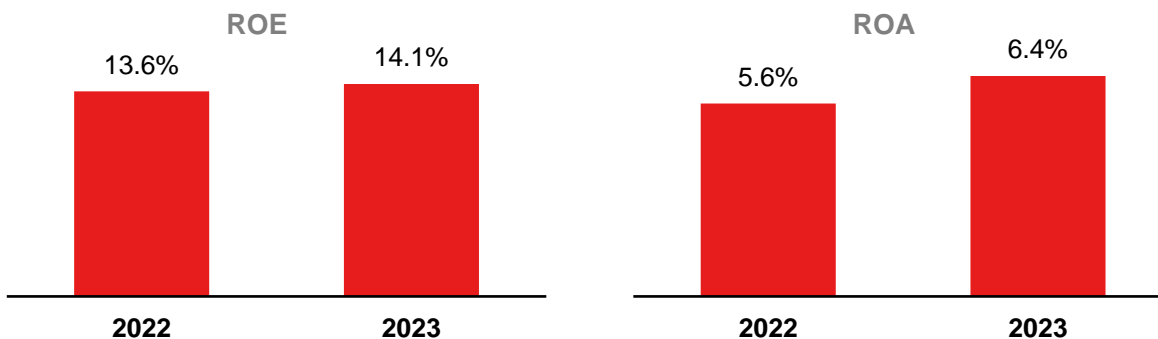
* Including collections, amortization, and FX variances in the US denominated portfolio. Without the exchange rate effects, the amounts would have been for 1Q23 816.02, 2Q23 809.59, 3Q23 796.32 y 4Q23 722.33

** Figures in millions of Mexican Pesos

PROFITABILITY, EFFICIENCY AND CAPITALIZATION RATIOS

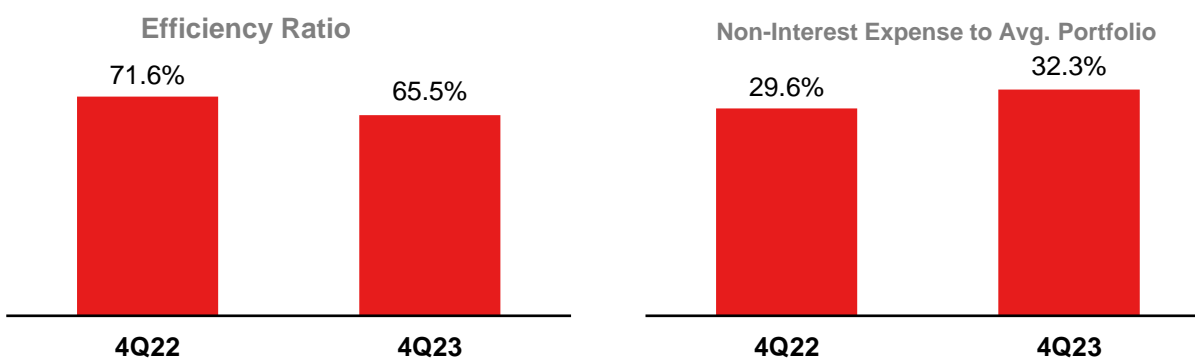
ROE / ROA

The Company's **Return on Equity** increased to 14.1% during 2023 from 13.6% in the same period of 2022, and the **Return on Assets** reached 6.4% in the twelve-month period of the year, up from 5.6% a year ago. Return on Tangible Equity was 17.7%, declining 2.1% YoY.



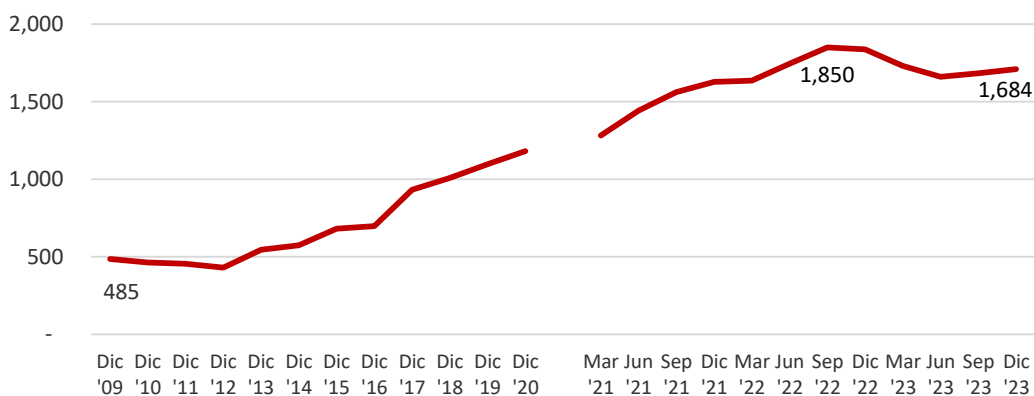
EFFICIENCY RATIO

During the quarter, the Company's labor force reached 4,473 people, reducing by 143 collaborators. The **Efficiency Ratio** during 4Q23 stood at 65.5%, compared with 71.6% in 4Q22. Our non-interest expense as a percentage of our average portfolio increased to 32.3% from 29.6% observed during 4Q22 in the context of a decreasing portfolio balance.



Loan Portfolio per Employee

(Figures in Ps. thousands)





CAPITALIZATION

As of 4Q23, **Equity to Total Assets Ratio** was 50.3%, a 970 bps increase vs. 40.6% reported in 4Q22.

DISTRIBUTION NETWORK

In 4Q23 the Company had a network of 344 branches, 1 less office (1 Financiera Independencia office) than in 3Q23.

The distribution of the 344 offices is as follows:

- 318 in Mexico
 - 163 *Independencia*.
 - 155 *AEF*.
- 26 in California, U.S. (*AFI*).

The Company's loan portfolio in Mexico is well diversified and no Mexican federal entity represents more than 19.9% of the total. The three federal entities in Mexico with the largest share are Estado de Mexico (19.9%), Mexico City (9.9%), and Tamaulipas (6.1%).

Table 10: Operational Information

	4Q23	3Q23	4Q22	QoQ %	YoY %	12M23	12M22	% Change
Number of Offices	344	345	346	-0.3%	-0.6%	344	346	-0.6%
- Independencia	163	164	163	-0.6%	0.0%	163	163	0.0%
- Apoyo Económico Familiar	155	155	156	0.0%	-0.6%	155	156	-0.6%
- Apoyo Financiero Inc	26	26	27	0.0%	-3.7%	26	27	-3.7%
Total Labor Force	4,473	4,616	4,658	-3.1%	-4.0%	4,473	4,658	-4.0%
- Independencia	2,785	2,870	2,878	-3.0%	-3.2%	2,785	2,878	-3.2%
- Apoyo Económico Familiar	1,515	1,565	1,590	-3.2%	-4.7%	1,515	1,590	-4.7%
- Apoyo Financiero Inc	173	181	190	-4.4%	-8.9%	173	190	-8.9%

* Figures in millions of Mexican Pesos.

4Q23 EARNINGS CONFERENCE CALL



Date:

Friday, February 23rd, 2024

Time:

12:00 pm ET | 11:00 am CT

Register Link:

[Click here](#)



MATERIAL EVENTS

- **December 26th, 2023** – [Moody's withdraws ratings granted to FINDEP](#)
- **December 20th, 2023** – [Fitch Affirms FINDEP's Credit Rating to 'B+' and removes Rating Watch 'Negative'; Outlook 'Stable'](#)
- **December 15th, 2023** – [Findep announces the Total Early Amortization of its preferred unsecured debt instruments called "senior notes" with a rate of 8.000% and maturity in 2024](#)
- **November 29th, 2023** – [Unusual movements in the trading of securities representing the capital stock of Financiera Independencia, S.A.B. de C.V., SOFOM, E.N.R. \(FINDEP\), single series*](#)
- **November 24th, 2023** – [Findep signs credit line with HSBC Mexico.](#)
- **November 15th, 2023** – [Share Transfer Notice](#)
- **November 14th, 2023** – [Unusual movements in the trading of securities representing the capital stock of Financiera Independencia, S.A.B. de C.V., SOFOM, E.N.R. \(FINDEP\), single series*](#)
- **November 10th, 2023** – [Findep announces its intention to carry out the cash redemption of its preferred unsecured debt instruments called "senior notes" with a rate of 8.000% and maturity in 2024 that are in circulation.](#)
- **October 09th, 2023** – [Fitch affirms Financiera Independencia's Primary Service Rating at 'AAFC3+\(mex\)', modifies Outlook to Negative](#)
- **October 03rd, 2023** – [Fitch Downgrades FINDEP's Credit Rating to 'B+'; Ratings placed on 'Negative' Watch.](#)

ANALYST COVERAGE

As of December 31st, 2023, debt analysis coverage was provided by:

Name	Institution	e-mail
Arturo Galindo	BCP Securities, Inc.	agalindo@bcpsecurities.com
Nicolas Riva	BofA	nicolas.riva@bofa.com
Natalia Corfield	J.P. Morgan	natalia.corfield@jpmorgan.com
Jonathan Szwarc	DebtWire	jonathan.szwarc@acuris.com
Nick Dimitrov	Morgan Stanley	nikolai.dimitrov@morganstanley.com



ABOUT FINANCIERA INDEPENDENCIA

Financiera Independencia, S.A.B. de C.V., SOFOM, E.N.R. (FINDEP), the leader in bringing financial inclusion to underserved Hispanic communities of North America through responsible lending and insurance products. As of December 31st, 2023, FINDEP had a total outstanding loan balance of Ps.7.6 billion, operated 344 offices in Mexico and the US and had a total labor force of 4,473 people. The Company listed on the Mexican Stock Exchange on November 1st, 2007, where it trades under the symbol “FINDEP”. More information can be found at www.findep.mx

Some of the statements contained in this press release discuss future expectations or state other forward-looking information. Those statements are subject to risks identified in this press release and in FINDEP’s filings with the Mexican Stock Exchange. Actual developments could differ significantly from those contemplated in these forward-looking statements. The forward-looking information is based on various factors and was derived using numerous assumptions. Our forward-looking statements speak only as of the date they are made and, except as may be required by applicable law, we do not have an obligation to update or revise them, whether as a result of new information, future or otherwise.

GLOSSARY

- **PLLs:** Provision for Loan Losses
- **NI:** Net Interest Income
- **AFI:** Apoyo Financiero Inc.
- **AEF:** Apoyo Económico Familiar
- **FISA:** Financiera Independencia
- **ROE:** Net Income for the quarter annualized / Average Stockholders’ Equity of the current and previous quarters
- **ROA:** Net Income for the quarter annualized / Average Total Assets of the current and previous quarters
- **Net Interest Margin after Provisions (excluding Fees):** Net Interest Margin after Provision for Loan Losses / Average Interest-Earning Assets
- **Net Interest Margin after Provisions (including Fees):** Net Interest Margin after Provision for Loan Losses + Fees Collected - Fees Paid / Average Interest-Earning Assets
- **Return on Asset Ratio:** Net Income / Average Assets
- **Return on Equity Ratio:** Net Income / Average Shareholders’ Equity
- **Efficiency Ratio:** Non-Interest Expense / Net Operating Revenues
- **Efficiency Ratio Excluding Provisions:** Non-Interest Expense / Net Operating Revenues + Provision for Loan Losses
- **Operating Efficiency:** Non-interest Expense / Average Assets
- **Fee Income:** Commissions and Fees (Net) / Net Operating Revenue
- **NPL Ratio (Legacy):** Stage 3 Non-Performing Loans / Total Loan Portfolio
- **Coverage Ratio (Legacy) :** Allowances for Loan Losses / Stage 3 Non-Performing Loans



FINANCIAL STATEMENTS

FINANCIERA INDEPENDENCIA S.A.B. DE C.V., SOFOM, E.N.R.

Consolidated Income Statement

For the Twelve Months Periods Ended December 31, 2023 and 2022

(Millions of Mexican Pesos)

(Millions of Mexican Pesos)

				4 Q23 vs 4 Q22				12M23 vs 12M22	
	4 Q23	3 Q23	4 Q22	\$	%	12M23	12M22	\$	%
Interest Income	1,213.0	1,197.9	1,263.9	(50.9)	(4.0%)	4,813.6	4,748.0	65.6	1.4%
Interest Expense	167.1	141.0	161.4	5.8	3.6%	623.3	577.2	46.1	8.0%
Net Interest Income e	1,045.8	1,056.9	1,102.5	(56.7)	(5.1%)	4,190.4	4,170.9	19.5	0.5%
Provision for Loan Losses	383.8	357.0	403.6	(19.9)	(4.9%)	1,409.7	1,382.7	27.0	2.0%
Net Interest Income e After Provision for Loan Losses	662.1	699.9	698.9	(36.8)	(5.3%)	2,780.6	2,788.2	(7.5)	(0.3%)
Commissions and Fees Collected	141.5	148.6	158.5	(17.0)	(10.7%)	571.1	603.9	(32.8)	(5.4%)
Commissions and Fees Paid	20.1	17.8	20.6	(0.4)	(2.1%)	77.2	80.3	(3.1)	(3.9%)
Market Related Income	(1.8)	1.5	(0.6)	(1.3)	221.1%	57.2	55.5	1.6	2.9%
Other Operating Income (expense)	98.5	28.4	43.2	55.3	127.9%	167.4	121.1	46.3	38.2%
Net Operating Revenue	880.1	860.6	879.5	0.6	0.1%	3,499.1	3,488.3	10.8	0.3%
Non-Interest Expense	576.6	631.0	629.9	(53.3)	(8.5%)	2,491.5	2,587.5	(96.0)	(3.7%)
Total Income e (Loss) Before in the Results of Associates	303.5	229.6	249.6	53.9	21.6%	1,007.6	900.9	106.8	11.9%
Participation in the Results of Associates	-	-	-	-	n/a	-	-	-	n/a
Total Income e (Loss) Before Taxes	303.5	229.6	249.6	53.9	21.6%	1,007.6	900.9	106.8	11.9%
Income Tax									
Current	108.7	82.7	182.1	(73.5)	(40.3%)	322.3	250.9	71.4	28.5%
Deferred	(20.3)	(16.6)	(106.1)	85.8	(80.9%)	(24.6)	21.8	(46.4)	(212.9%)
Income e (Loss) Before Discontinued Operations	215.1	163.4	173.5	41.5	23.9%	710.0	628.2	81.8	13.0%
Discontinued Operations	-	-	-	-	n/a	-	3.2	(3.2)	(100.0%)
Net Income e (Loss)	215.1	163.4	173.5	41.5	23.9%	710.0	625.0	85.0	13.6%
Minority Interest	-	-	-	-	n/a	-	(0.0)	0.0	(100.0%)
Weighted Average Number of Shares	337.5	337.5	337.5	-	0.0%	337.5	337.5	-	0.0%
EPS	0.6373	0.4842	0.5142	0.1231	23.9%	2.1037	1.8520	0.2517	13.6%

n/a: Not applicable



FINANCIERA INDEPENDENCIA S.A.B. DE C.V., SOFOM, E.N.R.

Consolidated Balance Sheet

As of December 31, 2023 and 2022

(Millions of Mexican Pesos)

	4Q23	3Q23	4Q22	4Q23 vs 4Q22	
				\$	%
ASSETS					
Cash and Cash Equivalents	734.7	1,374.0	1,059.7	(325.0)	(30.7%)
Performing Loans 1	6,577.5	6,667.5	7,315.6	(738.1)	(10.1%)
Performing Loans 2	590.7	602.7	674.4	(83.7)	(12.4%)
Performing Loans 3	478.4	503.3	569.9	(91.5)	(16.1%)
Total Loan Portfolio	7,646.6	7,773.4	8,559.9	(913.3)	(10.7%)
Deferred items*	27.9	-	-	27.9	n/a
Allowances for Loan Losses	(1,038.0)	(1,024.2)	(1,152.3)	114.3	(9.9%)
Total Loan Portfolio - Net	6,636.5	6,749.1	7,407.6	(771.1)	(10.4%)
Other Accounts Receivable - Net	454.4	547.9	520.8	(66.3)	(12.7%)
Property, Plant & Equipment - Net	144.0	146.7	152.2	(8.2)	(5.4%)
Deferred Income Tax	830.6	826.5	713.8	116.8	16.4%
Derivative Financial Instruments	-	-	113.6	(113.6)	(100.0%)
Other Assets	1,754.9	1,714.9	1,717.9	37.0	2.2%
Total Assets	10,555.1	11,359.1	11,685.6	(1,130.5)	(9.7%)
LIABILITIES					
Long term debt issuance	1,300.7	2,306.0	3,266.9	(1,966.2)	(60.2%)
Bank and Other Entities Loans	2,576.2	2,445.4	2,379.7	196.5	8.3%
Derivative Financial Instruments	-	3.7	-	-	n/a
Other Accounts Payable	1,366.9	1,481.0	1,299.3	67.6	5.2%
Total Liabilities	5,243.8	6,236.1	6,945.9	(1,702.0)	(24.5%)
STOCKHOLDERS' EQUITY					
Capital Stock	157.2	157.2	157.2	-	0.0%
Additional Paid-In Capital	1,574.7	1,574.7	1,574.7	-	0.0%
Capital Reserves	14.3	14.3	14.3	0.0	0.0%
Retained Earnings	3,000.8	3,000.8	2,375.8	625.0	26.3%
Net Income (Loss) for the Year	710.0	494.9	625.0	85.0	13.6%
Financial Instruments - Derivatives	-	1.6	12.8	(12.8)	(100.0%)
Foreign exchange effect	(143.0)	(117.8)	(17.4)	(125.6)	722.4%
Other comprehensive income movement ent related to NIF D-1	(2.7)	(2.7)	(2.7)	-	0.0%
Minority Interest	-	-	-	-	n/a
Total Stockholders' Equity	5,311.3	5,123.0	4,739.8	571.5	12.1%
Total Liabilities and Stockholders' Equity	10,555.1	11,359.1	11,685.6	(1,130.5)	(9.7%)

n/a: Not applicable

The CNBV issued Modifying Resolutions to the general provisions applicable to different financial institutions, through which they incorporate measurement at amortized cost (effective interest method) for Financial Instruments. FINDEP recognized this amortized cost effect in 4Q23.

Independencia Income Statement

For the Twelve Months Periods Ended December 31, 2023 and 2022

(Millions of Mexican Pesos)

	4Q23	3Q23	4Q22	4Q23 vs 4Q22		12M23	12M22	12M23 vs 12M22	
				\$	%			\$	%
Interest Income	588.7	581.4	574.1	(5.4)	(0.9%)	2,240.2	2,116.3	123.9	5.9%
Interest Expense	66.5	46.6	71.7	(5.2)	(7.2%)	238.3	237.7	0.6	0.2%
Net Interest Income e	502.2	514.9	502.4	(0.2)	(0.0%)	2,001.9	1,878.6	123.3	6.6%
Provision for Loan Losses	151.9	143.3	138.1	13.8	10.0%	535.2	471.2	64.1	13.6%
Net Interest Income e After Provision for Loan Losses	350.3	371.6	364.3	(14.0)	(3.8%)	1,466.6	1,407.4	59.2	4.2%
Commissions and Fees Collected	87.0	93.6	97.1	(10.1)	(10.4%)	356.8	359.1	(2.3)	(0.6%)
Commissions and Fees Paid	6.2	4.6	4.7	1.4	30.8%	21.0	19.2	1.8	9.1%
Market Related Income	0.1	0.9	(0.8)	0.9	(111.2%)	57.4	55.6	1.7	3.1%
Other Operating Income (expense)	7.7	8.4	8.7	(0.9)	(10.8%)	26.4	41.2	(14.8)	(36.0%)
Net Operating Revenue	438.9	469.9	464.6	(25.6)	(5.5%)	1,886.2	1,844.1	42.1	2.3%
Non-Interest Expense	301.2	330.5	331.2	(30.0)	(9.0%)	1,324.9	1,328.4	(3.4)	(0.3%)
Total Income (Loss) Before in the Results of Associates	137.7	139.5	133.4	4.3	3.2%	561.3	515.8	45.5	8.8%
Participation in the Results of Associates	-	-	-	-	n/a	-	(3.2)	3.2	(100.0%)
Total Income (Loss) Before Taxes	137.7	139.5	133.4	4.3	3.2%	561.3	512.6	48.7	9.5%
Income Tax									
Current	51.9	34.9	102.9	(51.0)	(49.6%)	164.3	104.0	60.2	57.9%
Deferred	(14.5)	3.9	(63.3)	48.8	(77.1%)	(4.3)	53.6	(57.9)	(108.0%)
Income (Loss) Before Discontinued Operations	100.3	100.7	93.8	6.6	7.0%	401.3	354.9	46.4	13.1%
Discontinued operations	-	-	-	-	n/a	-	-	-	n/a
Net Income (Loss)	100.3	100.7	93.8	6.6	7.0%	401.3	354.9	46.4	13.1%
Minority Interest	-	-	-	-	n/a	-	-	-	n/a

n/a: Not applicable



Independencia

Balance Sheet

As of December 31, 2023 and 2022

(Millions of Mexican Pesos)

	4Q23	3Q23	4Q22	4Q23 vs 4Q22	
				\$	%
ASSETS					
Cash and Cash Equivalents	351.1	795.3	760.4	(409.3)	(53.8%)
Performing Loans 1	2,316.7	2,338.8	2,396.4	(79.7)	(3.3%)
Performing Loans 2	272.7	287.2	286.4	(13.7)	(4.8%)
Performing Loans 3	175.4	164.6	171.8	3.6	2.1%
Total Loan Portfolio	2,764.8	2,790.6	2,854.6	(89.8)	(3.1%)
Deferred items*	15.1	-	-		
Allowances for Loan Losses	(423.8)	(410.1)	(436.1)	12.3	(2.8%)
Total Loan Portfolio - Net	2,356.1	2,380.5	2,418.5	(62.4)	(2.6%)
Other Accounts Receivable - Net	2,903.8	3,411.3	3,903.1	(999.4)	(25.6%)
Property, Plant & Equipment - Net	107.0	110.2	115.6	(8.6)	(7.4%)
Deferred Income Tax	358.5	339.4	343.5	14.9	4.3%
Derivative Financial Instruments	-	-	113.1	(113.1)	(100.0%)
Other Assets	3,284.2	3,220.9	2,963.0	321.2	10.8%
Total Assets	9,360.6	10,257.5	10,617.3	(1,256.7)	(11.8%)
LIABILITIES					
International bonds	1,300.7	2,306.0	3,266.9	(1,966.2)	(60.2%)
Bank and Other Entities Loans	2,085.3	2,024.1	2,027.1	58.3	2.9%
Derivative Financial Instruments	-	3.7	-	-	n/a
Other Accounts Payable	971.9	994.6	854.2	117.7	13.8%
Total Liabilities	4,358.0	5,328.4	6,148.2	(1,790.2)	(29.1%)
Capital Stock	157.2	157.2	157.2	-	0.0%
Additional Paid-In Capital	1,574.7	1,574.7	1,574.7	-	0.0%
Capital Reserves	14.3	14.3	14.3	-	0.0%
Retained Earnings	3,000.8	3,000.8	2,375.8	625.0	26.3%
Net Income (Loss) for the Year	401.3	301.0	354.9	46.4	13.1%
Financial Instruments - Derivatives	-	1.6	12.3	(12.3)	(100.0%)
Cumulative Conversion Effect	(143.0)	(117.8)	(17.4)	(125.6)	722.4%
Remediones x benef. definidos a empleados	(2.7)	(2.7)	(2.7)	-	0.0%
Minority Interest	-	-	-	-	n/a
Total Stockholders' Equity	5,002.6	4,929.1	4,469.2	533.4	11.9%
Total Liabilities and Stockholders' Equity	9,360.6	10,257.5	10,617.3	(1,256.7)	(11.8%)

n/a: Not applicable

The CNBV issued Modifying Resolutions to the general provisions applicable to different financial institutions, through which they incorporate measurement at amortized cost (effective interest method) for Financial Instruments. FINDEP recognized this amortized cost effect in 4Q 23.

Apoyo Económico Familiar

Income Statement

For the Twelve Months Periods Ended December 31, 2023 and 2022

(Millions of Mexican Pesos)

	4Q23	3Q23	4Q22	4Q23 vs 4Q22		12M23	12M22	12M23 vs 12M22	
				\$	%			\$	%
Interest Income	407.2	405.0	392.8	14.5	3.7%	1,603.0	1,467.0	135.9	9.3%
Interest Expense	53.3	46.6	31.3	22.0	70.1%	186.3	119.6	66.7	55.8%
Net Interest Income	353.9	358.4	361.4	(7.5)	(2.1%)	1,416.7	1,347.4	69.2	5.1%
Provision for Loan Losses	154.6	130.7	133.6	21.0	15.7%	524.3	499.0	25.2	5.1%
Net Interest Income After Provision for Loan Losses	199.3	227.7	227.8	(28.5)	(12.5%)	892.4	848.4	44.0	5.2%
Commissions and Fees Collected	45.8	47.7	51.0	(5.2)	(10.1%)	180.4	194.7	(14.3)	(7.4%)
Commissions and Fees Paid	1.0	1.0	1.0	(0.1)	(5.2%)	4.0	4.8	(0.7)	(15.4%)
Market Related Income	0.1	(0.6)	(0.3)	0.3	(123.0%)	(1.8)	(0.2)	(1.6)	638.3%
Other Operating Income (expense)	38.5	34.2	26.4	12.0	45.4%	137.4	121.8	15.6	12.8%
Net Operating Revenue	282.7	308.0	304.0	(21.3)	(7.0%)	1,204.4	1,159.9	44.5	3.8%
Non-Interest Expense	209.0	226.1	202.8	6.2	3.0%	880.8	863.0	17.9	2.1%
Net Operating Income (Loss)	73.7	82.0	101.1	(27.5)	(27.1%)	323.5	296.9	26.6	9.0%
Income Tax									
Current	32.2	44.3	41.8	(9.6)	(22.9%)	118.3	93.4	24.8	26.6%
Deferred	(10.0)	(19.4)	(10.8)	0.8	(7.2%)	(18.7)	(4.9)	(13.8)	281.1%
Total Income (Loss) Before Minority Interest	51.5	57.1	70.2	(18.7)	(26.6%)	224.0	208.4	15.6	7.5%
Participation in the Results of Associates	-	-	-	-	n/a	-	-	-	n/a
Net Income (Loss)	51.5	57.1	70.2	(18.7)	(26.6%)	224.0	208.4	15.6	7.5%

n/a: Not applicable



Apoyo Económico Familiar Balance Sheet

As of December 31, 2023 and 2022

(Millions of Mexican Pesos)

	4Q23	3Q23	4Q22	4Q23 vs 4Q22	
				\$	%
ASSETS					
Cash and Cash Equivalents	264.2	357.6	152.6	111.6	73.1%
Performing Loans 1	1,766.5	1,735.1	1,674.3	92.3	5.5%
Performing Loans 2	199.4	206.9	217.1	(17.7)	(8.1%)
Performing Loans 3	152.0	159.5	182.6	(30.6)	(16.8%)
Total Loan Portfolio	2,118.0	2,101.5	2,074.0	44.0	2.1%
Deferred items*	7.9	-	-	7.9	n/a
Allowances for Loan Losses	(335.8)	(318.1)	(338.3)	2.6	(0.8%)
Total Loan Portfolio - Net	1,790.2	1,783.4	1,735.7	54.5	3.1%
Assets, Accounts Receivable & Other Assets	957.6	1,004.5	855.0	102.7	12.0%
Total Assets	3,012.0	3,145.5	2,743.3	268.7	9.8%
LIABILITIES					
Long Term Debt Issuance	-	-	-	-	n/a
Bank and Other Entities Loans	490.8	421.3	162.2	328.6	202.5%
Other Accounts Payable	1,365.6	1,620.1	1,649.4	(283.8)	(17.2%)
Total Liabilities	1,856.4	2,041.4	1,811.6	44.8	2.5%
Total Stockholders' Equity	1,155.6	1,104.1	931.6	224.0	24.0%
Total Liabilities and Stockholders' Equity	3,012.0	3,145.5	2,743.3	268.7	9.8%

n/a: Not applicable

The CNBV issued Modifying Resolutions to the general provisions applicable to different financial institutions, through which they incorporate measurement at amortized cost (effective interest method) for Financial Instruments. FINDEP recognized this amortized cost effect in 4Q23.

Apoyo Financiero Inc

Income Statement

For the Twelve Months Periods Ended December 31, 2023 and 2022

(Millions of Mexican Pesos)

	4Q23	3Q23	4Q22	4Q23 vs 4Q22		12M23	12M22	12M23 vs 12M22	
				\$	%			\$	%
Interest Income	236.5	230.9	297.1	(60.6)	(20.4%)	968.5	1,164.4	(195.9)	(16.8%)
Interest Expense	47.3	47.8	58.4	(11.0)	(18.9%)	198.7	219.8	(21.1)	(9.6%)
Net Interest Income	189.2	183.1	238.8	(49.6)	(20.8%)	769.8	944.6	(174.8)	(18.5%)
Provision for Loan Losses	76.2	82.2	131.4	(55.1)	(42.0%)	346.8	410.4	(63.5)	(15.5%)
Net Interest Income After Provision for Loan Losses	113.0	100.9	107.4	5.6	5.2%	423.0	534.3	(111.2)	(20.8%)
Commissions and Fees Collected	7.7	6.5	9.9	(2.2)	(22.2%)	30.5	47.2	(16.7)	(35.4%)
Commissions and Fees Paid	0.3	0.2	0.4	(0.1)	(28.7%)	1.1	1.4	(0.3)	(19.6%)
Market Related Income	(2.0)	1.2	0.5	(2.5)	(512.3%)	1.6	0.1	1.5	1003.9%
Other Operating Income (expense)	60.2	(5.1)	(6.6)	66.8	(1008.7%)	43.2	(24.1)	67.3	(279.1%)
Net Operating Revenue	178.6	103.1	110.7	67.9	61.3%	497.2	556.1	(59.0)	(10.6%)
Non-Interest Expense	91.9	94.9	95.9	(4.1)	(4.2%)	380.5	488.3	(107.8)	(22.1%)
Net Operating Income (Loss)	86.7	8.2	14.8	71.9	486.5%	116.7	67.8	48.9	72.1%
Income Tax									
Current	24.6	3.5	37.4	(12.9)	(34.4%)	39.7	53.4	(13.6)	(25.6%)
Deferred	2.3	(1.0)	(32.1)	34.3	(107.0%)	(3.9)	(32.1)	28.2	(87.9%)
Total Income (Loss) Before Minority Interest	59.9	5.7	9.4	50.5	535.1%	80.9	46.5	34.3	73.7%
Net Income (Loss)	59.9	5.7	9.4	50.5	535.1%	80.9	46.5	34.3	73.7%

n/a: Not applicable



Apoyo Financiero Inc
Balance Sheet
As of December 31, 2023 and 2022
(Millions of Mexican Pesos)

	4Q23	3Q23	4Q22	4Q23 vs 4Q22	
				\$	%
ASSETS					
Cash and Cash Equivalents	99.2	201.3	128.1	(28.9)	(22.5%)
Performing Loans 1	2,494.3	2,593.6	3,245.0	(750.7)	(23.1%)
Performing Loans 2	118.6	108.6	170.9	(52.3)	(30.6%)
Performing Loans 3	150.9	179.1	215.4	(64.5)	(29.9%)
Total Loan Portfolio	2,763.8	2,881.3	3,631.3	(867.5)	(23.9%)
Deferred items*	4.9	-	-	4.9	n/a
Allowances for Loan Losses	(278.4)	(296.0)	(377.9)	99.5	(26.3%)
Total Loan Portfolio - Net	2,490.2	2,585.3	3,253.4	(763.2)	(23.5%)
Assets, Accounts Receivable & Other Assets	156.3	157.0	178.0	(21.8)	(12.2%)
Total Assets	2,745.7	2,943.5	3,559.6	(813.9)	(22.9%)
LIABILITIES					
Bank and Other Entities Loans	-	-	190.3	(190.3)	(100.0%)
Other Accounts Payable	1,864.6	2,097.1	2,443.4	(578.8)	(23.7%)
Total Liabilities	1,864.6	2,097.1	2,633.7	(769.1)	(29.2%)
Total Stockholders' Equity	881.1	846.5	925.9	(44.7)	(4.8%)
Total Liabilities and Stockholders' Equity	2,745.7	2,943.5	3,559.6	(813.9)	(22.9%)

n/a: Not applicable

The CNBV issued Modifying Resolutions to the general provisions applicable to different financial institutions, through which they incorporate measurement at amortized cost (effective interest method) for Financial Instruments. FINDEP recognized this amortized cost effect in 4Q23.