

SPANISH MARKET ANNUAL REPORT

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Good afternoon:

As usual, it is a pleasure to welcome you to the Palacio de la Bolsa de Madrid. Once again this year, I would like to take this opportunity to thank you for the work you do every day as journalists. . As you know, for BME financial education is a fundamental objective and, without a doubt, rigorous, serious and didactic journalism plays a central role in increasing the country's financial culture.

You only have to read and listen to your companies to know that we live in a context full of uncertainties and doubts. Despite this, 2024 has been a very positive year for the Spanish Stock markets. It has been a year not without its difficulties, but one in which growth has been recorded in the main indicators of stock market activity. We have received more companies, shareholder remuneration has increased, as has the volume of trading and the amount of corporate financing through the financial markets. We can be reasonably satisfied with what we have achieved this year.

These are the ten main milestones :

- **More return.** The Ibex 35® is up 15.2% to the end of November and has been among the best indexes in Europe for two years. If last year at this time we were celebrating the fact that the selective index exceeded 10,000 points, it is now around 12,000, and has now risen for five consecutive semesters.
- **More IPO.** The essence of the stock exchange is to welcome new companies to the capital markets. And in this respect, 2024 has also been a good year. Up to the close of November, BME has welcomed 24 new companies: 3 on the Stock Exchange and 21 in the BME Growth and BME Scaleup growth markets. This is the best year in number of IPO since 2018. Naturally, we always want more, but this path is the right one. It is important that more companies, of all sizes and sectors, benefit from the advantages of becoming listed companies. In December, two more companies joined.
- **More capital increases.** This year was also positive in terms of capital increases, the amount of which rose by 32% to 6 billion euros. The number of transactions also increased by 29% to 157.

- **More financing.** The main advantage for companies of being listed on the stock exchange is access to recurrent financing. According to data from the World Federation of Stock Exchanges, Spain was the tenth largest stock exchange in the world in terms of new financing flows in 2024, with a 97% growth to 9.3 billion euros.
- **More shareholder remuneration.** One of the hallmarks of the Spanish stock market is its high shareholder remuneration. In this respect, 2024 has also been a remarkable year. Listed companies have increased shareholder remuneration by 25% up to November and distributed 34.6 billion euros. It is also very significant that, if share redemptions are added to this figure, another booming formula for shareholder remuneration, the figure exceeds 48.2 billion euros. This represents a growth of 11% and a new all-time high in shareholder remuneration for Spanish listed companies.
- **More turnover.** After several years of declines, 2024 has also produced positive figures in terms of trading turnover. With data up to the end of November, the volume traded in equities grew by 6% compared to last year to 294,218 million euros.
- **More issues in the MARF.** It is not only equities that provide financing for companies of all sizes, but also fixed income, which is particularly suitable due to its flexibility to meet the needs of issuers. In this field, the 5.2% growth in issues incorporated into the MARF, up to 14.4 billion euros, is noteworthy. It is also significant that the number of social, green and sustainable issues registered in BME's markets and platforms continues to grow. Up to November, 60 new issues of this type have been added, bringing the total number of live issues to 222.
- **More activity in financial derivatives.** The financial derivatives area recorded growth in several types of contracts. The most significant growth was in derivatives on dividend payments, which increased fivefold, but there was also a significant increase in the volume of IBEX 35® Options (up 50%) and Electricity Futures (up 46%).
- **More growth at BME Clearing.** As you know, I am responsible for SIX's Securities Services area. This post-trading business unit has also had a good

year. For instance, trading in xRolling FX contracts grew by 32% and average daily cash cleared in equities was up by 3.6%.

- **More activity in Iberclear.** The Spanish Central Securities Depository also recorded increases in several areas of activity, such as the 6% increase in the nominal balance recorded in Private Fixed Income or the 3% increase in instructions from stock market operations settled in Iberclear.

Before I finish, I would like to talk about two other issues. Firstly, I believe that on a day like today it is important to remember that at the beginning of January we presented our White Paper on boosting the competitiveness of Spanish capital markets. Almost a year later, we can say that we are very satisfied with the reception of that report, which proposed 56 measures to boost our country's markets. Our report was followed by others such as the Letta Report, the Draghi Report and the most recent OECD report with recommendations to boost European and Spanish capital markets. We believe that a fundamental debate has been opened that should allow us to attend to the financial markets as what they are, the main generator of business activity, economic growth and social welfare.

The stock market is a matter of state and without the support of the financial markets it will not be possible to finance the necessary green transition. The same applies to the future of pensions, which, according to all the experts, will require private savings through the financial markets. Or the necessary growth in the average size of companies, which is vital for the Spanish economy, given the heavy weight of SMEs in our country. For all these reasons, boosting the access of more companies to the financial markets and increasing the presence of retail investors in them must be two national priorities.

Finally, as you all know, as good journalists, this year has been my last as CEO of BME. I will continue to serve on the company's Board of Directors and also on the SIX Executive Board as head of the post trade area. I would therefore like to end this speech by thanking you for all these years of coverage of our company's activities. Of course, we will keep in touch.

I am convinced that Juan Flames will also count on your professional rigor, your know-how and your human qualities. I wish you all the best in this journey, Juan, in which you know you can always count on me. You have an exciting adventure ahead

of you, with an excellent team of professionals and the best ingredients to continue growing the Spanish capital markets. Best of luck.

And that's all, thank you all very much. I wish you that 2025 will be a year in which hopefully you will have a lot of good news. We will work to bring them to you.

Merry Christmas. Juan, the floor is yours.