



APL GLOBAL
GROUP

INITIATION OF COVERAGE

 **nuam**
exchange




Table 1. Valuation Summary

BUY	IV	DIC25	CLP 5,505.9
Share price (NUAM) (CLP)			3,900.0
Min./max. (2A) (CLP)			3,560 / 4,600
Dividend yield (fwd)			2.0%
Total Expected Yield			43.2%
Market cap (CLP Mill.)			344,666
Enterprise value (CLP Mill.)			368,864
Shares outstanding (Mill.)			88.4
Avg. daily amount 1A (CLP Mill.)			115.7

Price as of 16/12/2024.

Source: APL Global and BCS

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We initiated formal coverage of NUAM (Holding Bursátil Regional S.A.) with a fundamental recommendation of BUY. In our opinion, the shares are currently undervalued, presenting a discount with respect to their Intrinsic Value (IV). The estimated VI implies a return of 43.2%, 7.6 times the yield on Chile's 10-year bond.

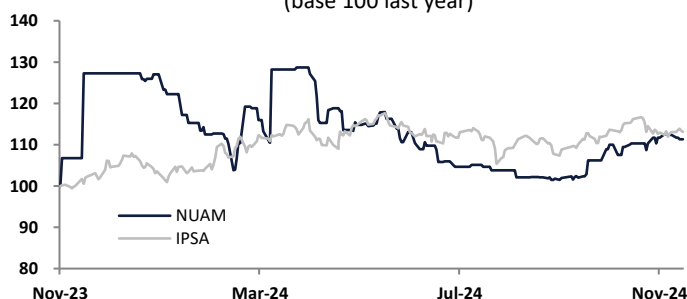
Considering several factors, we have established a 12-month Intrinsic Value (IV) (December 25) of CLP 5,505.9 per share. Our investment opinion is based on: i) the integration of three regional markets that promotes a significant increase in liquidity and product diversification; ii) the use of technology that allows greater efficiency in operational processes and increases profitability margins; and, iii) the discount at which it is trading with respect to the average of the stock markets of emerging countries' stock exchanges.

In this context, we anticipate that NUAM will continue to consolidate itself as a prominent player in the Latin American stock markets, attracting both local and international investors. As global volatility and interest rates decrease, we expect the flow into riskier assets to increase, a situation that will continue to drive NUAM's growth as the number of investors increases.

NUAM currently has a *float* of 75%.

NUAM VS S&P CLX IPSA

(base 100 last year)



Source: Elaborated by APL Global with data from economatica.



COMPANY'S DESCRIPTION

Holding Bursátil Regional S.A. (BCS/BVL: NUAM and BVC: NUAMCO) is a holding company that integrates the Santiago (BCS: BOLSASTGO), Lima (BVL: BVLC1) and Colombia (BVC: BVC) Stock Exchanges, thus managing the infrastructure of the securities market of three countries.

Currently NUAM concentrates within its structure:

9 subsidiaries:

- Three stock exchanges (Santiago, Lima and Colombia).
- Two clearinghouses (CCLV, CRCC).
- Deposits of securities (Deceval, Cavalli)
- Other businesses (Precia, Finexo)

4 joint ventures and strategic alliances:

- Fintree
- Set – Icap
- Datatec
- Port X

5 long-term investments:

- i) Central Securities Depository (CSD) (Chile); ii) Commodity Exchange (Chile); iii) Stock Exchange and Securities Markets of the Dominican Republic (BVRD) (Dominican Republic); iv) Derivex (energy derivatives platform) (Colombia); and, v) Securities Depository Institution (Bolivia).

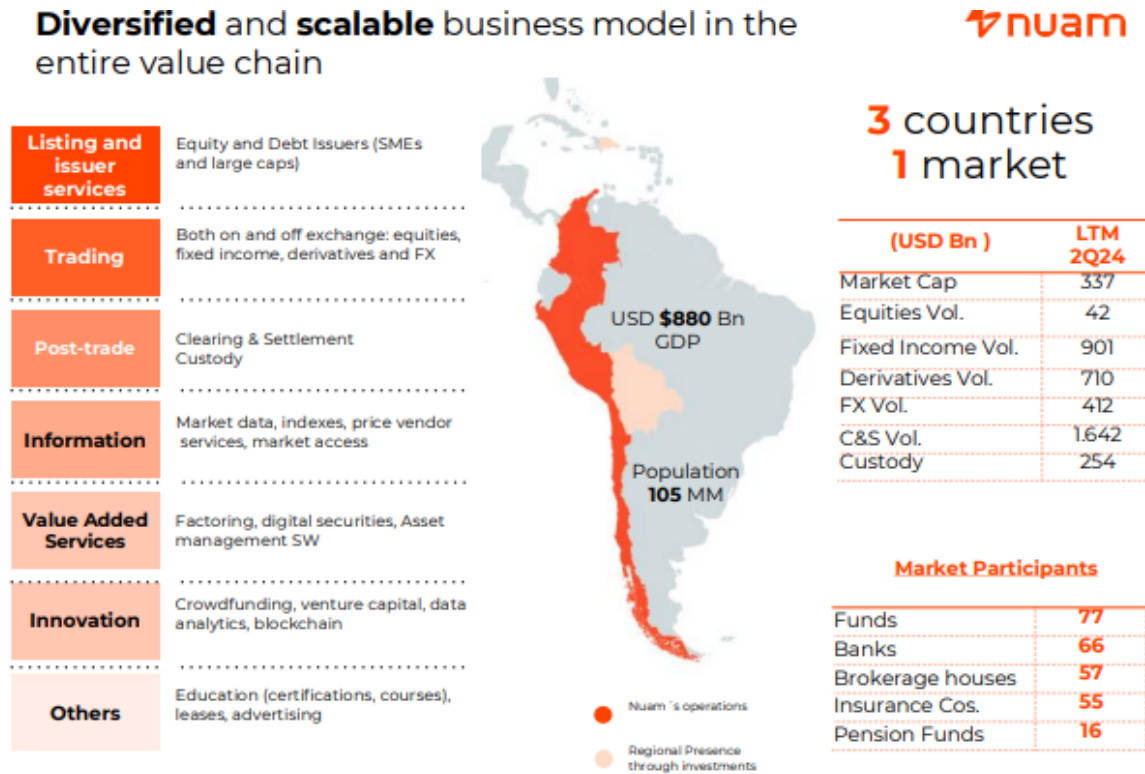
Illustration 1. NUAM Corporate Structure



Source: NUAM Corporate Presentation.

Through this integration, NUAM is developing a single market, which will be composed of a platform with unified rules, with the aim of improving the experience of those who participate in and/or use any of the structures of the stock market sector. In addition, the issuer will seek to encourage issuance and trading through various initiatives, seeking to increase considerably the main factors of development of the stock markets, such as liquidity and depth.

Illustration 2. Relevant Single Market Metrics.



Source: NUAM Corporate Presentation.

NUAM's single market will allow vertical integration in the value chain, optimizing processes from issuance to post-trade, maintaining a structure based on four stages:

- Broadcast.** A single access point is established for issuers in the three countries involved. The automatic listing and realization of regional issuances is promoted, such as equity issuances (IPOs, takeover bids), Follow-Ons (capital increases), debt issuances, among others, facilitating regional integration and reducing operational complexity.
- Negotiation.** A single market will be created with homogenized features and tools, together with the support of world-class technology providers; a single matching engine to optimize trading (provided by Nasdaq), special trading screens for each market (Devexperts for Equities and Sebra HT for Fixed Income) and a surveillance system to ensure market transparency and security.
- Clearing and settlement.** It implements interoperability between the clearing houses of the different countries, such as CCLV, CRCC and a new Peruvian clearing house. This process is supported by advanced technologies provided by specialized companies such as Vermiculus, which ensures efficient and safe management of operations in this area.



- iv. **Post-negotiation.** The interconnected deposits between DCV, Deceval and Cavali stand out, which operate under a new technological platform designed for post-trade and collateral management, in addition to an improved *back office* (BO) system.

This new value chain seeks to promote efficiency, transparency and connectivity in the region's capital markets.

For the development and consolidation of the unification project, NUAM has approved investing a total of US\$34.2 million until 2027, resources that will be used mainly for the establishment of platforms, consolidation of systems and development of protocols that allow effective compliance with the single market, supported by companies contained within the Chilean stock exchanges. Peru and Colombia, as well as international benchmarks such as NASDAQ.

Illustration 3. Investment plan approved by NUAM.

AREA	PROJECT	BUDGET MUS\$				TOTAL
		2024	2025	2026	2027	
Trading	Equity/Derivatives Platform - NASDAQ	\$4.29	\$1.14			\$5.43
	Equity/FI/Derivatives Trading and Information Displays	\$2.26	\$0.25			\$2.51
	FI Platform Peru Colombia	\$1.62	\$0.24			\$1.86
Post-trading	Regional core CCP system and creation of CPP Perú	\$2.72	\$1.90	\$1.10		\$5.70
	Change of CSD core deposit system	\$1.20	\$1.85	\$1.96	\$1.96	\$6.97
	Technology upgrade of current backoffice	\$0.92	\$1.43	\$0.25		\$2.6
Infrastructure	Developments day 1 Wari - Siidj	\$1.19	\$0.17			\$1.36
	Data center and layer 3 network	\$2.99	\$0.80			\$3.79
	Integration bus	\$0.97	\$1.03			\$2.00
Total for core change projects		\$18.16	\$8.81	\$3.31	\$1.96	\$32.23
Consolidation	Market data projects	\$0.61				\$0.61
	Jira for the region	\$0.46				\$0.46
	ERP for the region SAP for the region	\$0.38				\$0.38
	Positioning, nuam exchange	\$0.32				\$0.32
	Culture and platforms, nuam	\$0.16				\$0.16
	Risk and compliance	\$0.07				\$0.07
Total for consolidation projects		\$2.00	\$0.00	\$0.00	\$0.00	\$2.00
Total for integration projects		\$20.16	\$8.81	\$3.31	\$1.96	\$34.23

Source: NUAM Annual Report 2023.

In line with the investment plans, NUAM is executing various harmonization projects, mainly focused on negotiation and post-negotiation.



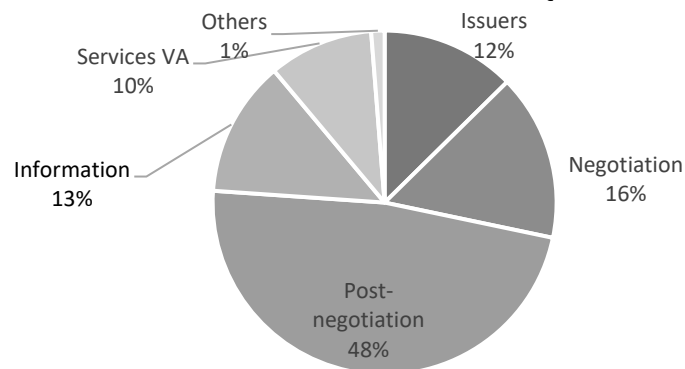
Illustration 4. NUAM Integration Projects.

AREA	PROJECT	SCOPE	PLATFORM / VENDOR
Trading	Trading platform	Implement a new matching engine to operate equity and derivatives markets within the integrated market. The project includes migration to FIX 5.0 messaging.	Nasdaq EME
	New TWS trading workstation	Enable a new front screen to negotiate and show information from the equities and derivatives markets.	Devexperts XDTrade
	FI Peru Colombia	Migrate operation of the Peruvian and Colombian fixed income markets to Chile's HT system.	nuam
Post-trading	Regional CCP	Implement a new system to operate the Chilean and Colombian clearing houses. Establish the CCP in Peru. Enable interoperability between the three markets.	Vermiculus Vericlear
	Nubo BackOffice	Develop a new proprietary system for post-trading value-added processes for Colombia and Peru.	TBD
	Change of CSD core deposit system	Select and implement a functional and technical world-class solution for the Colombia and Peru depositories.	TBD
Infrastructure	Integration bus and data center	New technological and integration infrastructure for nuam systems	Equinix and Kafka

Source: NUAM Annual Report 2023

Through this robust structure, NUAM offers a unique and differentiated value proposition that seeks to meet the needs of local and international issuers, intermediaries and investors. The objective is not only to modernize and unify regional markets, but also to project their relevance at a global level by creating a more efficient, liquid and accessible environment. Here's a breakdown of NUAM's revenue by line of business:

Illustration 5. YTD Revenue 3Q24.



Source: Prepared by APL Global with data from NUAM.



At the end of 3Q24, NUAM had 88.4 million shares outstanding (subscribed and paid), with a shareholder structure distributed as follows:

Illustration 6. Principal Shareholder Structure

Main Shareholders As of September 30, 2024	Number of Subscribed Shares	Number of Subscribed and Paid Shares	% Ownership
Deceval S.A. Depósito Centralizado de Valores de Colombia	30,764,612	30,764,612	34.81%
Cavali S.A. I.C.L.V.	15,226,230	15,226,230	17.23%
Banco Santander Chile	5,434,902	5,434,902	6.15%
B3 S.A. - Brasil Bolsa Balcao	5,338,479	5,338,479	6.04%
Banchile Corredores de Bolsa S.A.	3,793,589	3,793,589	4.29%
BTG Pactual Chile S.A. Corredores de Bolsa	1,787,328	1,787,328	2.02%
Nevasa S.A. Corredores de Bolsa	1,588,393	1,588,393	1.80%
Itaú Corredores de Bolsa Limitada	1,582,486	1,582,486	1.79%
Scotia Corredora de Bolsa Chile Limitada	1,527,234	1,527,234	1.73%
Valores Security S.A. Corredores de Bolsa	1,522,348	1,522,348	1.72%
Other Shareholders	19,810,371	19,810,371	22.42%
Totals	88,375,972	88,375,972	100.00%

Source: Consolidated Financial Statements 3Q24.

Finally, it should be noted that last April the shareholders approved the distribution of 50% of the profit for the year.



ESG

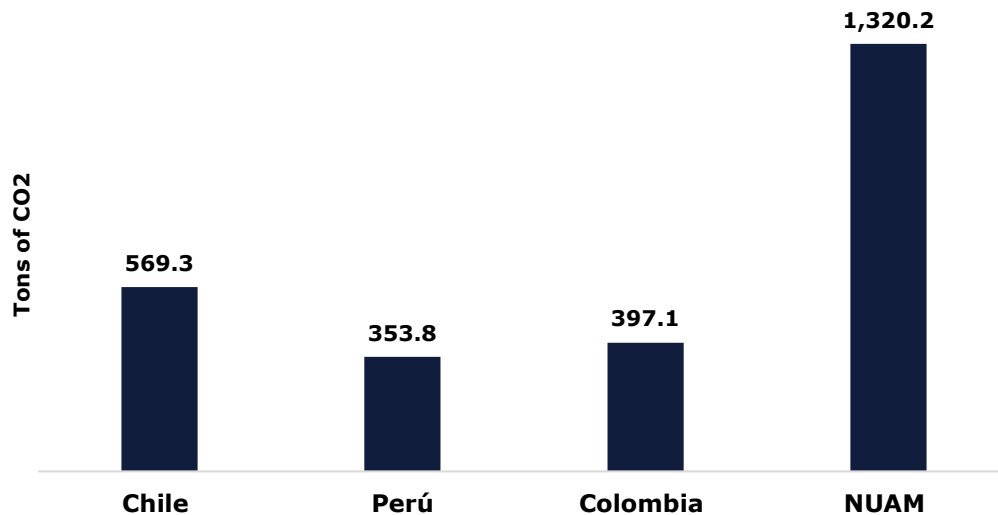
NUAM has a strong commitment to sustainability, integrating environmental, social and governance (ESG) axes into its business model:

Environmental

Carbon footprint reduction: It is implementing energy efficiency systems in all its regional operations and the Greenhouse Gas Protocol (*GHG Protocol*), which is an international tool to calculate its Greenhouse Gas (*GHG*) emissions.

In this context, NUAM reported the following figures corresponding to total CO₂ emissions at the end of 2023, this is equivalent to an average of 2.2 tons of CO₂ per employee for the region of Chile, 1.9 for Peru and 0.8 for Colombia.

Chart 1. Total Emissions 2023.

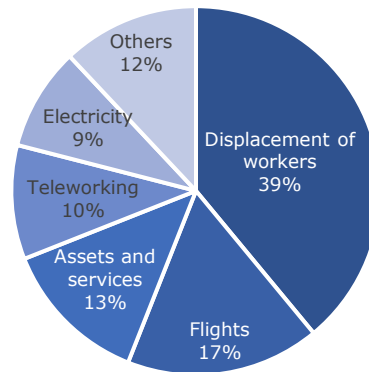


Source: Prepared by APL Global with data from NUAM.

For a broader context, 1,320 TC02s are equivalent to the average 294 cars in 1 year or the electricity of 257 homes in 1 year. Among the main factors that contribute to these emissions we can highlight:

- Posting of workers
- Flights
- Goods and Services
- Telecommuting
- Electricity

Chart 2. Sources of Emissions 2023.



Source: prepared by APL Global with data from NUAM.

NUAM's challenge in this regard is to reduce its current average emissions per employee from 1.4 tons of CO₂ to 0.6 by 2050. In this sense, this implemented study allows it; i) identify areas where it can reduce its emissions and implement a carbon neutrality program; ii) to establish the basis of its emissions management plan within a comprehensive sustainability policy; and, iii) communicate to stakeholders about the initiatives taken on climate change.

Green bonds promotion: Through its integrated platform, it facilitates the issuance of sustainable financial instruments such as green and social bonds. In this regard, the main debt instruments available in this area are:

- **Green Instruments:** These are instruments that allow resources to be allocated, in whole or in part, to projects and/or initiatives that contemplate environmental benefits. Its objective is the mitigation and/or adaptation to climate change, the conservation of biodiversity, the preservation of natural resources, or the control of air, water and soil pollution.
- **Blue Instruments:** These are debt issues whose objective is to allocate resources to activities and/or projects that include the preservation and protection of the oceans and their ecosystems, activities with coastal and marine services, improvements in the processes of treatment, storage and distribution of drinking water, among others.
- **Sustainable Instruments:** These are securities whose resources are used exclusively to finance or refinance, either in part or in full, assets or projects that simultaneously contribute to the achievement of social and environmental objectives.
- **Bonds Linked to Sustainable Performance:** Debt instruments whose characteristics may vary depending on compliance with the sustainable performance objectives defined by the issuer in its corporate strategy.

This type of instrument promotes a series of benefits for both issuers and investors. The most prominent are:

Emitters:

- It is an additional source of sustainable financing.
- It broadens the investor base, capturing new business opportunities and attracting long-term capital.
- It increases transparency and accountability in the use and management of resources.



Investors:

- Doors to new markets and business opportunities, especially in emerging sectors such as renewable energies.
- Alignment of the investment strategy with the inclusion of ESG criteria, which contributes to the growth of companies with high impact potential.

Digitalization of operations: Advanced technology reduces dependence on physical processes, reducing their environmental impact.

Social

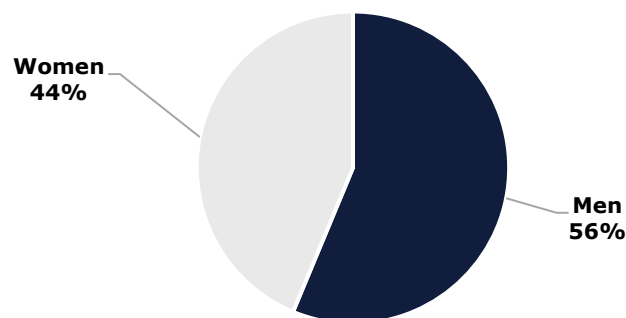
Financial and social inclusion: NUAM works with small issuers and startups to facilitate their access to the capital market through solutions such as crowdfunding.

It also seeks to promote inclusion within its 940 employees around the 3 regions, promoting the company's equity and diversity, taking into consideration various aspects among which the following stand out:

- Gender
- Age
- Wage gap

At the end of 2023, NUAM's work team is composed of 529 men and 411 women, of which 29 women were selected for leadership positions and 2 for corporate management.

Chart 3. Gender Diversity 2023.

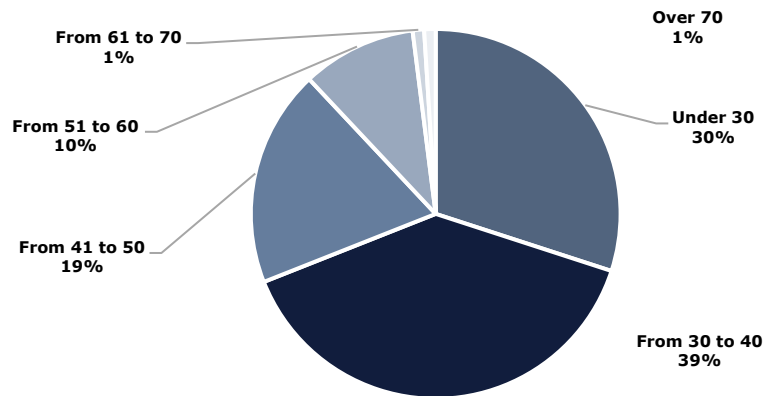


Source: Prepared by APL Global with data from NUAM.

The age of NUAM's employees does not represent a problem; therefore, at the end of 2023 the workforce is comprised of: i) 279 people under 30 years of age; ii) 367 people between 30 and 40 years of age; iii) 183 people between 41 and 50 years of age; iv) 95 people between 51 and 60 years of age; v) 13 people between 61 and 70 years of age; and, vi) 3 people over 70 years of age.



Figure 4. Collaborators by Age Group.



Source: Prepared by APL Global with data from NUAM.

With respect to the salary gap, the company has implemented a comprehensive compensation model that recognizes, manages, and retains talents objectively, guaranteeing internal equity and external competitiveness aligned with the best practices in the market. In this sense, this model is made up of 4 main factors that consider all NUAM members without exception.

Illustration 7. Employee Compensation Structure.

PILLAR	OBJECTIVE	ELIGIBLE EMPLOYEES*
Fixed compensation	Recognize and reflect the internal (company) and external (market) position.	All
Short-term variable compensation	Reward the achievement and surpassing of objectives by the organization and the employee, consistent with the budget and the strategic plan.	All
Benefits	Integrative and innovative proposal focused on talent retention, competitiveness, satisfaction, pride and alignment between the organizational culture and the employee.	All
Quality of life	Actions related to employee wellbeing.	All

Source: 2023 NUAM Annual Report.



It should be noted that, during 2024, as part of NUAM's strategy, long-term job valuation and compensation analyses have been carried out for corporate management and general management, in addition to the commercial model.

With these points, NUAM seeks to promote the personal and professional development of people in a positive work environment, with labor relations based on respect and with a long-term view, and in a safe and inclusive environment.

- **Financial education:** NUAM has an education business unit that provides financial education programs focused on capital markets in the three countries where it operates.

Corporate Governance

- **Transparency:** Adoption of global reporting standards and frameworks (GRI, SASB and TCFD) and Chile's General Standard 461
- **Diversity:** as implemented policies to promote inclusion and gender equality in management positions.
- **Innovation in governance:** NUAM has established a Best Practices and Sustainability Committee led by senior management, which oversees the execution of ESG strategies and ensures their integration into all key decisions. This committee reports directly to the Board of Directors.

INVESTMENT THESIS

1. Creation of a single market with greater size, liquidity and depth.

NUAM has a strategic position in Latin America's financial markets, with a unified model that connects three emerging economies (Chile, Colombia and Peru) in a single market for homologated trading. This integration facilitates portfolio diversification and increases liquidity in the face of greater access to issuers and investors. The company not only operates as a financial intermediary, but also as an enabler of economic development in the region.

2. Regulatory and operational efficiency

NUAM has proposed as one of its main guidelines in the development of the single market the simplification and standardization of regulations, situations that, in line with the various synergies that are generated, could favor the list of issuers in the face of competitive rates and technological schemes that provide greater profitability. In line with this, NUAM highlights the use of blockchain and digitalization, as well as the use of artificial intelligence for better monitoring, custody, and settlement of its operations.



3. Commitment to sustainability

NUAM is aligned with global ESG standards, promoting responsible practices in all aspects of its business model. This includes the issuance of green bonds, the digitization of operations to reduce environmental impact, and the implementation of diversity and inclusion policies in its governance structure.

NUAM has earned outstanding certifications and qualifications for its sustainability performance. In 2024, it was included in the MILA Pacific Alliance regional sustainability index and received an "A" rating from MSCI ESG Ratings. These achievements not only add to brand value, but also reinforce its attractiveness to investors who prioritize ESG factors in their decisions.

4. Access to a greater number of local and international investors

With the consolidation of the single market, companies listed in NUAM will have an easier time attracting foreign capital and obtaining sources of financing, mainly due to the operational and regulatory unification that will allow greater efficiency and lower costs, both for operation and for being listed in multiple markets.

5. Innovation potential and new products

Market consolidation will enable the development of new regional products and services that cater to the growth in demand from market participants. This increase in the potential of products to be developed increases NUAM's revenue expectation.

MAIN RISKS

1. Regulatory and Normative

NUAM's operation in three different jurisdictions with diverse regulatory frameworks poses significant challenges, including:

- Regulatory misalignment: Regulations in Chile, Colombia, and Peru are not always harmonized, which can delay the implementation of new financial products and affect market interoperability.
- Unexpected legislative changes: Sudden changes in taxes, securities or foreign investment laws could impact the company's profitability or increase compliance costs.
- Disclosure requirements: Each market has its own transparency and reporting requirements, which could increase the administrative burden and risks of non-compliance.

2. Dependence on the development of technological infrastructure

The reliance on advanced technological platforms and the implementation of new tools, such as the unified trading platform and automated clearing systems, pose a significant risk. Key challenges include:



- Cybersecurity: The increase in cyberattacks in the financial sector could jeopardize the integrity of NUAM's systems and data.
- Operational failures: Disruptions in trading or clearing technology could negatively affect the confidence of investors and market participants.
- Risks associated with innovation: The implementation of disruptive technologies, such as *blockchain*, implies uncertainty and potential challenges in their initial adoption.

3. Economic and market volatility

NUAM's exposure to non-synchronized business cycles in Chile, Colombia, and Peru creates risks related to macroeconomic and currency fluctuations. During periods of economic instability, such as high inflation rates or slowdowns in growth, trading volumes in financial markets often decrease, directly affecting NUAM's financial revenues. In addition, partial reliance on dollar-denominated revenues, as is the case with the sale of financial data services, makes the company's financial performance sensitive to exchange rate fluctuations.

4. Reputational risks

Any situation that calls into question the transparency or ethics of your operations could significantly damage the confidence of issuers, investors, and other market participants. In addition, in an environment where ESG factors are increasingly relevant, non-compliance with international standards could reduce its attractiveness to responsible investors, especially those seeking to align with sustainability goals.

5. Changes in fiscal and monetary policies

The fiscal and monetary environment in the three countries where NUAM operates (Chile, Colombia and Peru) represents a critical factor that can significantly affect their financial and operational performance. Changes in fiscal and monetary policies, whether due to decisions by local governments or international economic pressures, have the potential to directly influence trading volumes, issuer profitability, and investor confidence.



VALUATION

In order to determine the Intrinsic Value (VI), we have used the most common valuation methodologies for an issuer of its class, applying the discounted cash flow (DCF) method, as well as the valuation through the target EV/EBITDA multiple, taking into account the following variables:

Discounted cash flows (DCF). Our base exercise contemplates the projection of the NOPLAT (*Net Operating Profit Less Adjusted Taxes* + Depreciation & Amortization +/- Investment in Working Capital - Capital Investments & Intangibles), in a 10-year horizon for the period 2025E – 2034E. We give this method a weighting of 50%.

Table 2. DCF model.

CLP million except Intrinsic Value

DCF/Year	1	2	3	4	5	6	7	8	9	10
NOPLAT	19,959	21,453	23,653	24,760	25,873	26,991	28,117	29,250	30,391	31,541
Depreciation & Amortization	24,163	24,147	25,449	26,130	26,831	27,553	28,296	29,062	29,851	30,664
Working Capital Investment	(3,056)	(3,130)	(3,283)	(3,363)	(3,445)	(3,529)	(3,616)	(3,705)	(3,796)	(3,890)
CAPEX	(19,132)	(20,381)	(21,379)	(21,899)	(22,433)	(22,981)	(23,544)	(24,123)	(24,717)	(25,328)
Free Cash Flow (FLE):	21,934	22,089	24,440	25,628	26,826	28,034	29,253	30,485	31,729	32,988
Present Value FLE Years 1-10	182,660									
Residual value:	678,471									
Present value of the residual:	329,692									
Total Present Value:	512,352									
Net debt:	(16,213)									
Minority interest:	40,410									
Implied capitalization value:	488,155									
Shares outstanding (millions):	88									
Intrinsic Value:	5,523.61									

Source: APL Global

With our estimates, it is observed that the present value of the company would be CLP 488,155 million, compared to the current CLP 344,666 million (considering the price of NUAM at the close of December 16 of CLP 3,900.00), which implies that it is currently trading at a discount of ~ 29.4% compared to the sum of its future flows.

It should be noted that we have maintained a conservative projection with a perpetuity of 2.5%, an aspect that could be greater given the growth potential of the single market, derived from the greater depth and liquidity that could enhance the arrival of companies to this market.



Table 3. WACC Assumptions.

Assumptions for the calculation of the WACC	
Risk-free rate (M10):	5.7%
Risk premium on capital:	1.4%
Monthly Beta 3A:	0.81
Risk premium adjusted by Beta:	1.1%
Sovereign risk premium:	1.5%
Cost of equity:	8.2%
Implied credit spread:	3.0%
Pre-tax cost of debt:	8.7%
Effective Tax Rate:	30.0%
Cost of Debt:	6.1%
Debt mix in target financial structure:	35.0%
WACC:	7.5%
Residual growth:	2.5%

Source: APL Global and different recognized sources

The main assumptions for the calculation of weighted average cost of capital (WACC) and residual growth were:

- 🏰 Risk-free rate: We take as a reference the average price of the last 12 months of Chile's 10-year bond, to which we add Chile's country risk premium determined by the 12-month average of the EMBI (1.4%).
- 🏰 U12M sovereign risk premium: We calculate a sovereign risk premium of 1.5% according to the average of the last 12 months, which will be adjusted when the issuer's ESG analysis is carried out.
- 🏰 Residual growth: We assume that growth in perpetuity would be aligned with the average growth expectation of the economies that compose it (2.0%), to which we have added 0.5%, derived from the prospect of a higher volume of issuances before the implementation of the single market.

Any variation in our parameters for calculating the weighted cost of capital (WACC), which is currently 7.5%, could modify the intrinsic value, so we suggest revising our sensitivity matrix to different residual growth rates and WACC.

Table 4. Sensitivity Analysis.

DCF calculated LV sensitivity: Residual vs. WACC						
		Residual Growth Scenarios				
		0.5%	1.5%	2.5%	3.5%	4.5%
Scenarios for WACC Levels	8.5%	3,776.2	4,097.9	4,527.1	5,128.6	6,032.1
	8.0%	4,068.4	4,453.8	4,979.7	5,740.2	6,937.4
	7.5%	4,403.3	4,869.8	5,523.6	6,505.6	8,145.9
	7.0%	4,790.6	5,362.5	6,189.4	7,491.1	9,841.0
	6.5%	5,243.6	5,954.8	7,023.0	8,807.3	12,390.5

Source: APL Global and different recognized sources

Objective Multiple: Because NUAM has a wide universe of comparable issuers, we have decided to value the company by means of the EV/EBITDA multiple (EV=company value; EBITDA=EBITDA). The selection of the multiple is due to the fact that, once an analysis has been carried out, it better reflects the value of the issuers in the segment, so it is usually the most used for this niche of entities.

We have developed the analysis of multiples considering emerging markets, this to have a greater detail on the valuations that are assigned in each type of market, based on the weighted average by market capitalization of the emerging market segment to evaluate NUAM. We give this method a weighting of 50%.

Considering NUAM's EV/EBITDA multiple as of 3Q24, it is noted that the stock is trading at a 14.0% discount to the sample of *emerging market* peers.



Tabla 5. Peers.

Company	Ticker	Country	Price (US\$)	Mkt Cap (US\$ million)	P/S	P/BV	P/E	EV/EBITDA
Bolsa Mexicana de Valores	BOLSA	Mexico	1.56	877	4.72	2.55	11.34	5.41
B3	B3SA3	Brazil	1.55	8,305	5.48	2.58	11.90	7.10
Singapore Exchange Ltd	S68	Singapore	9.49	10,253	11.34	7.00	23.50	16.31
Dubai Financial Market	DFM	WATER	0.38	3,004	17.20	1.33	26.44	14.29
Hong Kong Exchanges	388	China	37.24	47,092	17.49	7.19	30.71	3.82
Multi Commodity Exchange	MCX	India	73.14	3,732	31.94	19.61	89.52	56.06
Emerging Markets				73,263	15.84	6.98	30.16	9.05
Holding Bursatil Regional	NUAM	Chile	1.61		3.68	0.78	-	7.00

Exchange rates used: BRL/USD = 0.17; SGL/USD = 0.75; AED/USD = 0.27; HKD/USD = 0.13; INR/USD = 0.012; and, MXN/USD = 0.049.

Source: Prepared by APL Global with data from Economática and TradingView.

Table 6. EV/EBITDA Sensitivity Analysis.

IV sensitivity calculated by multiple: Target EV/EBITDA vs. Changes in EBITDA						
		EV/EBITDA target multiple scenarios				
		6.6x	6.8x	7.0x	7.2x	7.4x
Changes in EBITDA	5.0%	5,430.4	5,603.8	5,777.2	5,950.6	6,123.9
	2.5%	5,294.2	5,463.4	5,632.7	5,801.9	5,971.2
	0.0%	5,158.0	5,323.1	5,488.2	5,653.3	5,818.5
	-2.5%	5,021.7	5,182.7	5,343.7	5,504.7	5,665.7
	-5.0%	4,885.5	5,042.4	5,199.2	5,356.1	5,513.0

Source: APL Global

In this way, we are setting NUAM's 12-month Intrinsic Value (December 2025) at CLP 5,505.9 per share, with a fundamental recommendation of BUY. This represents an expected potential return of 41.2% compared to the closing price of December 16, 2024; including dividend yield, results in an expected total return of 43.2%.

Table 8. Valuation Results and Multiples

Valuation Method	Price	Pond.	Multiple	Ult 12 months	Next 12 months
DCF	5,523.6	50%	Valuation calculated with VI:		
Target EV/EBITDA	5,488.2	50%	EV/EBITDA	7.3x	7.0x
Intrinsic Value 12 months	5,505.9	100%	Valuation calculated with current price:		
Current Price	3,900.0		EV/EBITDA	5.3x	5.1x
Potential LV performance	41.2%		Source: APL Global		
Dividend yield	2.0%				
Expected Total Yield	43.2%				
Recommendation:	PURCHASE				

Source: APL Global



RESULTS AND PROJECTIONS

Recent Results

NUAM's cumulative revenues as of September amounted to CLP 104,718 million, representing a growth of 31.7% compared to the same period in 2023. This increase was primarily supported by 43.9% growth in Clearing and Settlement revenue, a 29.9% increase in trading revenue, and a 19.0% YoY increase in information revenue.

Viewed by business segment, the revenue breakdown was as follows:

1. **Pos-trade:** CLP 50,092 million (+43.9% YoY);
2. **Information:** CLP 13,401 million (+19.0% YoY);
3. **Trading:** CLP 16,383 million (+29.9% YoY);
4. **Listing & Issuer Services:** CLP 13,220 million (+28.3% YoY);
5. **Value-Added Services:** CLP 10,340 million (+17.6% YoY); and,
6. **Others:** CLP 1,279 million (-23.3% YoY).

Regarding Ordinary Expenses, these amounted to CLP 69,541 million (+28.2% YoY), derived from higher expenses for employee benefits, as well as an increase in depreciation and amortization expenses.

As a result of the above, Operating Profit was CLP 35,178 million, an increase of 39.6% YoY due to the growth in revenues that allowed greater cost absorption.

In line with the above, Net Profit for the quarter was CLP 28,649 million (40.2% YoY).

Projections

For the development of our projections, we have considered the individual performance of the last 6 years of each of the stock exchanges prior to consolidation. Through this database, we have analyzed the correlation of revenue growth in each stock exchange with respect to the Gross Domestic Product of each country in which its operation operates, harmonizing the projections to an average growth in accordance with the cyclicity of the business, current economic projections and risks related to the region.

We believe that NUAM's Revenues will fluctuate annually between 2.4% and 2.6% for the coming years, mainly due to the depreciation and/or appreciation adjustments that may occur with respect to the currencies to which the business model is exposed.

Regarding Expenses, we expect them to show a slight slowdown from 2025, mainly due to lower depreciation and amortization expenses due to the unification of infrastructures that will in turn allow other expenses.

In this sense, considering these effects have a positive impact on the generation of EBITDA, due to greater efficiencies in infrastructure and a lower proportion of personnel expenses. This would give way to a margin that is in a range between 48% and 50%, being one of the highest with respect to the stock markets of emerging countries.



Similarly, we expect the generation of Net Income to maintain this trend, favoring the generation of free cash flow and allowing operating leverage that leads to the development of new projects that allow entering a more efficient dynamic.

Table 9. P&L projection.

P&L (CLP million)	2024 E	2025 E	2026 E	2027 E
Income from ordinary activities	146,413.5	149,943.7	153,568.6	157,291.1
Pos-trade	69,870.8	71,547.8	73,269.4	75,037.1
Information	18,538.7	18,936.9	19,344.2	19,760.8
Trading	23,524.6	24,042.8	24,573.3	25,116.4
Listing & Issuer Services	19,881.8	20,473.8	21,085.5	21,717.5
VA Services	13,767.8	14,087.4	14,415.2	14,751.3
Innovation	41.6	42.4	43.2	44.1
Other	788.2	812.6	837.8	864.0
Regular Activity Expenses	-101,737.0	-103,280.3	-105,312.7	-107,424.7
Staff	-39,253.1	-40,296.3	-41,369.6	-42,473.7
Depreciation and amortization expense	-24,888.2	-24,871.2	-25,532.1	-26,212.7
Other expenses, by nature	-37,595.7	-38,112.8	-38,411.0	-38,738.3
Operational Profit	44,676.5	46,663.4	48,256.0	49,866.4
<i>operational mgn</i>	30.5%	31.1%	31.4%	31.7%
EBITDA	69,564.7	71,534.6	73,788.0	76,079.1
<i>mgn EBITDA</i>	47.5%	47.7%	48.0%	48.4%
Non-ordinary activities	5,551.2	5,654.4	5,760.7	5,870.1
Equity method profit	6,218.5	6,334.1	6,453.2	6,575.7
Profit (loss) before taxes	56,446.1	58,652.0	60,469.8	62,312.2
Income tax	-24,118.2	-24,566.7	-25,028.4	-25,503.6
Net Profit (Loss)	32,328.0	34,085.3	35,441.5	36,808.6

Source: APL Global Projections



Table 10. Balance Sheet and Projected Cash Flows.

Balance General (CLP million)	2024 AND	2025 AND	2026 AND	2027 AND
Current assets				
Cash and cash equivalents	26,949.2	20,509.9	29,237.5	30,832.2
Other current financial assets	34,326.0	35,769.5	37,379.1	39,061.2
Other non-financial assets, current	5,236.2	5,403.7	5,560.4	5,733.4
Trade debtors and other accounts receivables	13,369.2	13,997.5	14,480.5	14,819.3
Current accounts receivable from related parties	811.6	820.6	837.8	854.1
Current tax assets	4,147.0	4,224.9	4,305.1	4,387.7
Total current assets	84,742.4	80,726.2	91,800.4	95,687.9
Other non-current financial assets	4,253.1	4,419.0	4,606.8	4,790.1
Other non-current non-financial assets	21,369.6	22,053.4	22,692.9	23,398.7
Non-current accounts receivable from related parties	41.8	43.8	45.3	46.4
Investments held under equity method	91,993.5	93,005.4	94,958.5	96,810.2
Intangible assets other than goodwill	154,685.8	156,387.4	159,671.5	162,785.1
Goodwill	199,633.4	211,199.8	222,707.6	237,294.6
Property, Plant & Equipment	27,893.9	29,204.9	30,212.5	30,919.4
Right-of-use assets	3,504.5	3,543.0	3,617.4	3,687.9
Deferred tax assets	16,032.4	16,785.9	17,365.0	17,771.4
Total non-current assets	519,408.0	536,642.5	555,877.6	577,503.8
Total assets	604,150.4	617,368.7	647,678.0	673,191.7
Other current financial liabilities	5,770.1	5,833.5	5,956.0	6,072.2
Current lease liabilities	947.2	977.6	1,005.9	1,037.2
Trade and other accounts payable	11,641.9	12,096.0	12,610.0	13,111.9
Accounts payable to related, current entities	191.1	313.3	495.1	803.0
Current tax liabilities	2,453.6	2,569.0	2,657.6	2,719.8
Provisions for employee benefits	4,774.8	4,827.4	4,928.7	5,024.9
Other short-term provisions	5.1	5.3	5.5	5.7
Other current non-financial liabilities	3,131.0	3,165.5	3,231.9	3,294.9
Total current liabilities	28,914.9	29,787.4	30,890.8	32,069.6
Other non-current financial liabilities	253.4	260.2	272.4	281.8
Non-current lease liabilities	3,715.6	3,890.2	4,024.4	4,118.6
Trade and other accounts payable, non-current	125.5	126.9	129.5	132.0
Other long-term provisions	407.6	423.5	441.5	459.1
Deferred tax liability	50,895.4	51,851.8	52,836.3	53,849.8
Non-current provisions for employee benefits	3,302.8	3,415.5	3,529.5	3,644.8
Other non-current non-financial liabilities	9,891.5	10,208.0	10,504.1	10,830.7
Total non-current liabilities	68,591.7	70,176.1	71,737.7	73,316.9
Total Liabilities	97,506.5	99,963.5	102,628.5	105,386.5
Suscribed and paid Capital	302,809.4	308,499.8	314,357.3	320,387.3
Accrued earnings (losses)	42,181.8	43,860.1	61,774.4	74,588.6
Other reserves	122,535.8	125,498.1	128,540.2	131,664.4
Equity attributable to owners of the parent company's owners	467,527.0	477,858.0	504,671.8	526,640.2
Non-controlling interests	39,116.9	39,547.2	40,377.7	41,165.0
Total Equity	506,643.8	517,405.2	545,049.5	567,805.2
Total equity and liabilities	604,150.4	617,368.7	647,678.0	673,191.7
Cash Flows (CLP million)	2024 AND	2025 AND	2026 AND	2027 AND
Cash flows provided by operating activities	45,905.7	48,401.1	50,326.9	52,268.2
Net flows from investment activities	-19,706.2	-20,992.1	-21,499.6	-22,020.8
Net flows from financing activities	-34,485.8	-32,231.3	-18,869.1	-26,898.5
Net increase (decrease) in cash	-8,286.3	-4,822.3	9,958.1	3,349.0
Effects of exchange rate change	-2,249.1	-1,617.0	-1,230.6	-1,754.2
Net Cash Increase (decrease)	-10,535.4	-6,439.3	8,727.5	1,594.7
Cash and equivalents at the beginning of the year	37,484.6	26,949.2	20,509.9	29,237.5
Cash and equivalents at the end of the year	26,949.2	20,509.9	29,237.5	30,832.2

Source: APL Global Projections



HISTORY OF NUAM

2020

- **January:** The Santiago, Lima and Colombia stock exchanges began formal negotiations to merge under a unified market model, seeking to compete with more consolidated markets and attract greater capital flows.

2022

- **February:** The terms and conditions under which the regional integration of the BVL BCS and the BVC are planned to be implemented.
- **May:** Approval by regulatory authorities in the three countries to move forward with integration. The creation of a common legal framework was a key step in harmonizing regulations.

2023

- **August:** Shareholders' meeting approves the merger by absorption between the Chilean Stock Exchange Holding and the Market Infrastructure Company. Likewise, the organization's board of directors, which is composed of 16 members, is elected.
- **November:** The merger of the three exchanges is formalized under the name Holding Bursátil Regional S.A., trading commercially as NUAM. This event marked the birth of the first integrated regional market in Latin America.

2024

- **January:** Nuam's share on the Santiago Stock Exchange initiated a market maker contract with BTG Pactual Chile.
- **February:** Signing of a strategic alliance with Nasdaq to implement trading and surveillance technology in the fixed income and derivatives markets.
- **March:** Announces agreement with Vermiculus Financial Technology, a Swedish Fintech dedicated to providing technological solutions for the financial industry.
- **April:** A partnership with Devexperts is announced for the creation of a unified interface for the single screen trading of equity and derivatives markets. The system will facilitate access to regional and international operators.
- **July:** First regional issuance of green bonds, marking a milestone in the promotion of sustainable financial instruments in Latin America.
- **August:** NUAM and MSCI announce the creation of a regional index for markets in Chile, Colombia and Peru.
An agreement is signed with Equinix, a global digital infrastructure company.
- **October:** NUAM receives first place in the Financial Infrastructure category in the Most Innovative Companies ranking.



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