



TARJETA NARANJA REPORTS FINANCIAL RESULTS FOR THE PERIOD ENDED ON JUNE 30, 2021

Summary of Activity

As of June 30, 2021, we had 3,301,888 open accounts under the Naranja brand. This figure reaches a total of 4,614,357 customers when considering Naranja additional cardholders.

During the reporting period, we completed 87,746,670 transactions, including purchases in stores and automatic debits, personal loans, cash advances and cash withdrawals from ATMs.

By way of General Resolution 777/2018, the C.N.V. provided that issuers subject to its oversight are required to restate their financial statements ended on and after December 31, 2018 into constant currency as required by IAS 29.

Originally reported comparative figures were adjusted accordingly.

As of June 30, 2020, profit was AR\$ 3,548,757, accounting for an increase of 50% in constant currency as compared to the previous year. At period-end, equity amounted to AR\$ 30,792,371 in constant currency.

Sources of Financing (Figures Expressed in Nominal Amounts)

As of June 30, 2021, Naranja secured financing through the issuance of Notes ("*Obligaciones Negociables*") for an aggregate amount of AR\$ 9,000,000 and US\$ 8,500,000 and new Borrowings and Credit Lines for AR\$ 9,040,000 (in nominal currency).

Additionally, during such period, the Company repaid principal and interest with regard to Notes ("*Obligaciones Negociables*"), Borrowings, Credit Lines and Leases for AR\$ 5,380,576 (in nominal currency).

Review of Operations as of June 30

Digital Evolution

During the second quarter of the year, we opened up 114,000 new accounts, primarily through the digital channel, which accounted for 82% of the total. In June, the result surpassed expectations with new open accounts reaching 42,800. Furthermore, a total of 22,660 cards on the spot (Ajnaran) were delivered to our customers.

Arrears Ratios

During the second quarter of 2021, our 30 days' arrears ratios reached an average of 6.45%. During the same period, the Company achieved average recovery rates of 52.33% and 31.33% in the 61-90 days' and in the 91-120 days' arrears tranches, respectively. In turn, the quality ratio (portfolio with more than 90 days' arrears / total portfolio) displayed very good performance during the reporting period, standing at 2.4%.

Loans

In view of the prevailing scenario and given the increased chances for origination, during the second quarter of 2021, Tarjeta Naranja S.A.'s customers could access loans repayable in up to 36 installments and for up to AR\$ 750 (subject to credit rating).

Insurance and Assistance Products

During the second quarter of 2021, the Company reached a stock of 2,180,000 insurance policies and assistance products. Eight per cent (8%) of the sales were completed through digital channels, with an average of 80,000 new products per month. These indicators reflect an improvement in stock and in the digital channel's contribution compared to the first quarter of the year.

2021 Environmental Impact Project Kickoff

Last April, the Company launched the 2021 Environmental Impact project. At an on-line meeting that convened employees, strategic partners and suppliers, the Company announced the focus areas and plan for 2021. In this regard, in June 2021, the Company decided to entirely offset the carbon footprint generated in 2020, which will allow it to become a carbon neutral company.

Promotions and Benefits

During the second quarter, Naranja's customers could enjoy several benefits, including the Z Plan (3, 6, 9 and 12 installments), discounts, and special and deferred payment plans on essential items, such as supermarkets, drug stores, delivery companies, and gas stations. Naranja launched benefits for special dates, such as the Father's Day, on several categories, including clothing, sports, construction and electronics, among others.

This year, in order to support the e-commerce growing trend, Naranja X was the Hot Sale official sponsor, as means of payment. Naranja's engagement in this initiative had a positive impact on consumption, the negotiation of promotions targeted at on-line sales, and brand positioning.

Outlook

Naranja has reshaped its purpose, seeking to scale up new products and services in a simple and massive fashion, thus facilitating efficiency. Local economic and social conditions are likely to improve and display favorable indicators as the restrictions imposed due to the pandemic are gradually lifted.

TARJETA NARANJA S.A.'S COMPARATIVE STATISTICAL DATA FOR CURRENT AND PREVIOUS YEARS

(This information is not within the scope of the Independent Auditors' Report)

TARJETA NARANJA S.A.'S USERS

Naranja	06.30.21	06.30.20	06.30.19	06.30.18
Open Accounts (in Thousands)	3,302	3,179	3,320	3,043
Monthly Average Consumption per Active Account (in Thousands of AR\$) (1)	13.54	10.88	11.92	15.43

Nevada	06.30.21	06.30.20	06.30.19	06.30.18
Open Accounts (in Thousands)	-	-	-	675
Monthly Average Consumption per Active Account (in Thousands of AR\$)	-	-	-	10.89

(1) It includes the managed brands Naranja Visa, Naranja MasterCard, Naranja Amex.

OPERATIONS (purchases in stores, personal loans, cash advances and cash withdrawals from ATMs)

Transactions with Naranja	06.30.21	06.30.20	06.30.19	06.30.18
Amounts in Thousands (until June) (1)	87,747	78,075	90,062	80,182
Monthly Average Amount (in Thousands of AR\$) (1)	39,646,424	31,554,218	37,572,580	43,816,527
Merchants' Average Fee	1.76%	1.94%	2.01%	2.17%

Transactions with Nevada	06.30.21	06.30.20	06.30.19	06.30.18
Amounts in Thousands	-	-	-	14,465
Monthly Average Amount (in Thousands of AR\$)	-	-	-	5,751,468

(1) It includes the managed brands Naranja Visa, Naranja MasterCard, Naranja Amex.

NUMBER OF TARJETA NARANJA S.A.'S AUTHORIZED CREDIT CARDS (in Thousands)

	06.30.21	06.30.20	06.30.19	06.30.18
Naranja Clásica and Oro	4,614	4,501	4,666	4,336
Naranja Visa	3,566	3,392	3,463	3,117
Naranja MasterCard	400	432	468	516
Naranja Amex	66	(52)	48	43
Nevada	-	-	-	831
Nevada Visa	-	-	-	474
Total	8,646	8,377	8,645	9,317

COMPARATIVE CHART OF BALANCE SHEET (in Thousands of AR\$)

	06.30.21	06.30.20	06.30.19	06.30.18
Current Assets	124,124,908	77,650,785	104,612,507	127,998,666
Non-current Assets	9,374,867	12,120,239	13,105,481	12,679,387
Assets	133,499,775	89,771,024	117,717,988	140,678,053
Current Liabilities	101,137,860	58,699,972	75,855,673	75,117,674
Non-current Liabilities	1,569,544	2,973,667	17,148,319	34,351,383
Liabilities	102,707,404	61,673,639	93,003,992	109,469,057
Equity	30,792,371	28,097,385	24,713,996	31,208,996

COMPARATIVE CHART OF STATEMENTS OF PROFIT OR LOSS (in Thousands of AR\$)

	06.30.21	06.30.20	06.30.19	06.30.18
Operating Revenue	25,640,947	22,621,636	24,844,559	29,405,121
Operating Revenue, Net of Provision for Loan Losses	22,959,063	18,192,282	18,308,945	24,180,717
Total Operating Expenses	(12,877,818)	(12,036,892)	(14,396,757)	(16,617,341)
(Loss) Income from Investments Accounted for Using the Equity Method	(23,757)	(5,854)	(1,223)	515
Loss on Net Monetary Position	(5,092,565)	(2,565,222)	(3,771,510)	(3,945,807)
Profit before Income Tax	4,964,923	3,584,314	139,455	3,618,084
Income Tax	(1,416,166)	(1,223,857)	105,074	(2,457,528)
Profit for the Period	3,548,757	2,360,457	244,529	1,160,556

COMPARATIVE STRUCTURE OF THE STATEMENT OF CASH FLOWS (in Thousands of AR\$)

	06.30.21	06.30.20	06.30.19	06.30.18
Net Cash Inflow / (Outflow) from Operating Activities	(11,640,200)	9,077,121	13,428,639	(7,649,129)
Net Cash Inflow / (Outflow) from Investing Activities	(666,951)	1,441,184	(625,029)	(784,800)
Net Cash Inflow / (Outflow) from Financing Activities	11,999,176	(12,686,079)	(11,229,973)	7,897,784
Total Net Cash (Outflow) / Inflow during the Six-month Period	(307,975)	(2,167,774)	1,573,637	(536,145)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	3,378,208	12,404,053	13,266,754	8,318,745
Loss on Net Monetary Position on Cash and Cash Equivalents	(663,578)	(2,130,752)	(2,487,581)	(1,188,321)
Increase due to Effects of Exchange Rate Changes on Cash and Cash Equivalents	85,217	313,843	(47,128)	(1,619)
CASH AND CASH EQUIVALENTS AT PERIOD-END	2,491,872	8,419,370	12,305,682	6,592,660

RATIOS

	06.30.21	06.30.20	06.30.19	06.30.18
Liquidity	1.227	1.323	1.379	1.704
Indebtedness	3.335	2.195	3.763	3.508
Solvency	0.300	0.456	0.266	0.285
Tied-up Capital	0.070	0.135	0.111	0,090
ROE for the Period	⁽¹⁾ 11.70%	8.60%	0.99%	3.66%
ROA for the Period	⁽²⁾ 2.74%	2.38%	0.19%	0.82%

⁽¹⁾ Profit / (Loss) for the Period / (Equity 03/21 + Equity 12/20) / 2

⁽²⁾ Profit / (Loss) for the Period / (Assets 03/21 + Assets 12/20) / 2

Statement of Profit or Loss
For the periods ended June 30, 2021 and 2020
Expressed in thousands of constant Argentine Pesos at period-end

	Year-to-Date		Quarter	
	01.01.2021	01.01.2020	04.01.2021	04.01.2020
	06.30.2021	06.30.2020	06.30.2021	06.30.2020
In Thousands of AR\$				
Revenues from Services	12,942,582	12,953,422	6,790,859	6,167,564
Cost of Services	(2,807,381)	(3,070,045)	(1,468,121)	(1,516,555)
Net Revenues from Services	10,135,201	9,883,377	5,322,738	4,651,009
Revenues from Financing	20,429,460	14,325,691	10,808,190	6,349,805
Cost of Financing	(5,053,595)	(3,896,166)	(2,898,719)	(1,758,446)
Net Revenues from Financing	15,375,865	10,429,525	7,909,471	4,591,359
Net Income from Short-term Investments	129,881	2,308,734	52,400	671,938
Operating Revenues	25,640,947	22,621,636	13,284,609	9,914,306
Provision for Loan Losses	(2,681,884)	(4,429,354)	(1,328,254)	(2,328,366)
Operating Revenue, Net of Provision for Loan Losses	22,959,063	18,192,282	11,956,355	7,585,940
Employee Benefits Expenses	(5,027,792)	(4,529,784)	(2,736,496)	(2,232,545)
Taxes and Charges	(4,052,535)	(3,290,814)	(2,095,277)	(1,499,508)
Marketing Expenses	(227,635)	(374,290)	(146,198)	(252,109)
Depreciation and Amortization	(1,302,005)	(1,096,211)	(656,632)	(531,238)
Other Operating Expenses	(2,267,851)	(2,745,793)	(1,082,485)	(1,434,076)
Total Operating Expenses	(12,877,818)	(12,036,892)	(6,717,088)	(5,949,476)
Net Profit before Income from Investments Accounted for Using the Equity Method	10,081,245	6,155,390	5,239,267	1,636,464
Income (Loss) from Investments Accounted for Using the Equity Method	(23,757)	(5,854)	(14,576)	(5,099)
Loss on Net Monetary Position	(5,092,565)	(2,565,222)	(2,365,535)	(1,073,367)
Profit before Income Tax	4,964,923	3,584,314	2,859,156	557,998
Income Tax	(1,416,166)	(1,223,857)	(659,425)	(233,656)
Profit for the Year	3,548,757	2,360,457	2,199,731	324,342
Earnings per Share				
Basic and Diluted Earnings per Share	1,256.64	835.86	778.94	114.85

Statement of Other Comprehensive Income
For the periods ended June 30, 2021 and 2020
Expressed in thousands of constant Argentine Pesos at period-end

	Year-to-Date		Quarter	
	01.01.2021	01.01.2020	04.01.2021	04.01.2020
	06.30.2021	06.30.2020	06.30.2021	06.30.2020
	In Thousands of AR\$			
Profit for the Period	3,548,757	2,360,457	2,199,731	324,342
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income for the Period	3,548,757	2,360,457	2,199,731	324,342
Earnings per Share				
Basic and Diluted Earnings per Share	1,256.64	835.86	778.94	114.85

Balance Sheet

For the periods ended June 30, 2021 and December 31, 2020
Expressed in thousands of constant Argentine Pesos at period-end

	06.30.2021	12.31.2020		06.30.2021	12.31.2020
	In Thousands of AR\$			In Thousands of AR\$	
ASSETS			LIABILITIES		
CURRENT ASSETS			CURRENT LIABILITIES		
Cash and Cash Equivalents	2,491,872	3,378,208	Trade and Other Payables	61,426,189	68,570,140
Receivables from Trade	121,076,975	109,538,192	Borrowings	32,944,812	17,048,246
Other Receivables	556,061	479,495	Employee Benefit Obligations	1,579,636	1,909,533
			Current Tax Liabilities	2,667,467	2,360,071
			Other Liabilities	1,582,325	181,917
			Income Tax Provision	937,431	1,491,078
Total Current Assets	124,124,908	113,395,895	Total Current Liabilities	101,137,860	91,560,985
NON-CURRENT ASSETS			NON-CURRENT LIABILITIES		
Receivables from Trade	400,630	626,379	Borrowings	1,405,929	3,815,236
Other Receivables	8,592	9,658	Provisions	146,662	181,793
Deferred Tax Assets	2,012,671	3,801,555	Other Liabilities	16,953	15,056
Investments Accounted for Using the Equity Method	37,043	9,081			
Property, Plant and Equipment	5,509,240	6,025,734			
Intangible Assets	1,406,691	1,597,429			
Total Non-current Assets	9,374,867	12,069,836	Total Non-current Liabilities	1,569,544	4,012,085
			Total Liabilities	102,707,404	95,573,070
			EQUITY	30,792,371	29,892,661
Total Assets	133,499,775	125,465,731	Total Liabilities and Equity	133,499,775	125,465,731