

Tarjeta Naranja S.A.

Condensed Interim Financial Statements

For the three-month period commenced January 1, 2020 and ended March 31, 2020, presented on a comparative basis
(Free Translation from the Original in Spanish for Publication in Argentina)

Tarjeta Naranja S.A.

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Condensed Interim Financial Statements

For the three-month period commenced January 1, 2020 and ended March 31, 2020, presented on a comparative basis

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Tarjeta Naranja S.A.

(Free Translation from the Original in Spanish for Publication in Argentina)

Legal Domicile: La Tablada 451 – Córdoba

Principal Line of Business: Credit Card Administrator

26th Year

Condensed Interim Financial Statements

For the three-month period commenced January 1, 2020 and ended
March 31, 2020, presented on a comparative basis

Expressed in thousands of constant Argentine Pesos at period-end.

Date of Registration with the Public Registry of Commerce:

Of Bylaws: December 12, 1995, May 3, 2001, March 24,
2004, and May 9, 2018 (Note 5)

Registration Number with the Public Registry of
Commerce: No. 1363 Fo. 5857 Vol. 24/95

Date of Expiration of Company's Bylaws: December 12, 2094

CAPITAL STATUS (Note 5)				
Shares			Subscribed	Paid-in
Number	Type	Voting Rights per Share		
2,824	Ordinary shares with a face value of AR\$ 10,000	1	In Thousands of AR\$	
			28,240	28,240
2,824			28,240	28,240

Information on the Controlling Company:

Company's Name: **Tarjetas Regionales S.A.**

Legal Domicile: Tte. Gral. Juan D. Perón No. 430 – 19th Floor, Autonomous City
of Buenos Aires.

Principal Line of Business: Financial and investment activities. Its principal line of business is
to invest in nonbanking credit card issuers and in companies that
perform services supplementary to the abovementioned activity
(holding company).

Interest in Equity: 99.96%

Percentage of Votes: 99.96%

Please refer to our report dated May 28, 2020
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C. N° 21.00004.3
Andrés Suarez
Certified Public Accountant (U.B.A.)
Professional License No. 10.11421.4 – C.P.C.E.Cba.

TARJETA NARANJA S.A.

CONDENSED INTERIM FINANCIAL STATEMENTS
As of March 31, 2020, presented on a comparative basis
(Free Translation from the Original in Spanish for Publication in Argentina)

Tarjeta Naranja S.A.

Registration Number with the Public Registry of Commerce: No. 1363 Fo. 5857 Vol. 24/95

Condensed Interim Statement of Profit or Loss

For the three-month periods ended March 31, 2020 and 2019

Expressed in thousands of constant Argentine Pesos at period-end
(Free Translation from the Original in Spanish for Publication in Argentina)

	Notes	Year-to-Date	
		01.01.2020	01.01.2019
		03.31.2020	03.31.2019
		In Thousands of AR\$	
Revenues from Services	7	4,287,445	4,480,056
Costs of Services	8	(525,231)	(503,518)
Net Revenues from Services		3,762,214	3,976,538
Revenues from Financing	9	5,039,329	6,627,302
Costs of Financing	10	(1,350,656)	(3,049,754)
Loss on Net Monetary Position		(942,585)	(1,313,589)
Net Revenues from Financing		2,746,088	2,263,959
Net Income from Short-term Investments	11	1,034,161	609,843
Operating Revenue		7,542,463	6,850,340
Provision for Loan Losses	12	(1,209,768)	(2,040,133)
Operating Revenue, Net of Provision for Loan Losses		6,332,695	4,810,207
Employee Benefits Expenses	13	(1,451,443)	(1,465,544)
Taxes and Charges	14	(1,131,784)	(1,257,090)
Marketing Expenses	15	(107,061)	(114,522)
Depreciation and Amortization	16	(356,962)	(289,758)
Other Operating Expenses	17	(1,372,880)	(1,306,936)
Total Operating Expenses		(4,420,130)	(4,433,850)
Net Profit before Income from Investments Accounted for Using the Equity Method		1,912,565	376,357
Loss from Investments Accounted for Using the Equity Method	18	(477)	(544)
Profit before Income Tax		1,912,088	375,813
Income Tax	19	(625,629)	(278,925)
Profit for the Period		1,286,459	96,888
Earnings per Share			
Basic and Diluted Earnings per Share		455.54	34.31

The notes are an integral part of these condensed interim financial statements.

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Jorge F. Gregorat
For the Supervisory Committee

Alejandro Asrin
President

Tarjeta Naranja S.A.

Registration Number with the Public Registry of Commerce: No. 1363 Fo. 5857 Vol. 24/95

Condensed Interim Statement of Other Comprehensive Income

For the three-month periods ended March 31, 2020 and 2019

Expressed in thousands of constant Argentine Pesos at period-end

(Free Translation from the Original in Spanish for Publication in Argentina)

		Year-to-Date	
		01.01.2020	01.01.2019
		03.31.2020	03.31.2019
		In Thousands of AR\$	
Profit for the Period		1,286,459	96,888
Other Comprehensive Income		-	-
Total Comprehensive Income for the Period		1,286,459	96,888
Earnings per Share		455.54	34.31
Basic and Diluted Earnings per Share			

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Jorge F. Gregorat
For the Supervisory Committee

Alejandro Asrin
President

Tarjeta Naranja S.A.

Registration Number with the Public Registry of Commerce: No. 1363 Fo. 5857 Vol. 24/95

Condensed Interim Balance Sheet

As of March 31, 2020 and December 31, 2019

Expressed in thousands of constant Argentine Pesos at period-end
(Free Translation from the Original in Spanish for Publication in Argentina)

	Note	03.31.2020	12.31.2019		Note	03.31.2020	12.31.2019
		In Thousands of AR\$				In Thousands of AR\$	
ASSETS				LIABILITIES			
CURRENT ASSETS				CURRENT LIABILITIES			
Cash and Cash Equivalents	20	13,603,033	7,837,135	Trade and Other Payables	27	30,365,880	34,008,668
Investments	21	-	1,426,741	Borrowings	28	12,755,140	10,905,507
Receivables from Trade	22	47,015,848	51,327,629	Employee Benefit Obligations	29	909,552	895,167
Other Receivables	23	373,551	291,773	Current Tax Liabilities	30	1,342,079	1,283,373
				Other Liabilities	31	10,699	13,095
				Income Tax Provision	19	765,887	1,004,102
Total Current Assets		60,992,432	60,883,278	Total Current Liabilities		46,149,237	48,109,912
NON-CURRENT ASSETS				NON-CURRENT LIABILITIES			
Receivables from Trade	22	225,819	446,714	Borrowings	28	3,317,641	3,655,444
Other Receivables	23	12,912	8,348	Employee Benefit Obligations	29	54,128	-
Deferred Tax Assets	19	2,500,224	2,424,414	Other Liabilities	31	11,539	7,921
Investments Accounted for Using the Equity Method	24	12,434	13,922	Provisions	32	128,453	116,812
Property, Plant and Equipment	25	3,618,050	3,657,855	Income Tax Provision	19	775,778	-
Intangible Assets	26	1,292,469	1,386,663				
Total Non-current Assets		7,661,908	7,937,916	Total Non-current Liabilities		4,287,539	3,780,177
				Total Liabilities		50,436,776	51,890,089
				EQUITY		18,217,564	16,931,105
Total Assets		68,654,340	68,821,194	Total Liabilities and Equity		68,654,340	68,821,194

The notes are an integral part of these condensed interim financial statements.

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Registration Number with the Public Registry of Commerce: No. 1363 Fo. 5857 Vol. 24/95

Condensed Interim Statement of Changes in Equity

For the three-month periods ended March 31, 2020 and 2019

Expressed in thousands of constant Argentine Pesos at period-end

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	Shareholders' Contributions				Reserves			Retained Earnings	Total Equity
	Capital Stock (Note 5)	Comprehensive Adjustment to Capital Stock	Additional Paid-in Capital from Merger	Subtotal	Legal Reserve	Discretionary Reserve	Reserve for Conduction of New Operations		
In Thousands of AR\$									
Balances at 01.01.2020	28,240	921,495	70,503	1,020,238	47,076	-	15,858,270	5,521	16,931,105
Changes during the Period:									
Profit for the Period	-	-	-	-	-	-	-	1,286,459	1,286,459
Balances at 03.31.2020	28,240	921,495	70,503	1,020,238	47,076	-	15,858,270	1,291,980	18,217,564
Balances at 01.01.2019	28,240	921,495	70,503	1,020,238	47,076	-	21,902,841	(7,506,745)	15,463,410
Changes during the Period:									
Profit for the Period	-	-	-	-	-	-	-	96,888	96,888
Balances at 03.31.2019	28,240	921,495	70,503	1,020,238	47,076	-	21,902,841	(7,409,857)	15,560,298

The notes are an integral part of these condensed interim financial statements.

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Notes to the Condensed Interim Financial Statements

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	Note	03.31.2020	03.31.2019
		In Thousands of AR\$	
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit for the Period		1,286,459	96,888
Plus Income Tax Accrued during the Period		625,629	278,925
Plus Interest and Other Financial Expenses Accrued during the Period, Net of Interest and Other Financial Income Accrued		1,350,656	3,034,585
Plus Loss on Net Monetary Position		942,585	1,313,589
Adjustments to Calculate Net Cash Flow and Cash Equivalents from Operating Activities	38	2,109,620	2,981,714
Changes in Operating Assets	39	(579,057)	(1,398,550)
Changes in Operating Liabilities	40	(1,785,119)	(1,311,421)
NET CASH INFLOW FROM OPERATING ACTIVITIES		3,950,773	4,995,730
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Collection of Non-cash Equivalent Investments		1,426,741	-
Payments for Property, Plant and Equipment		(184,485)	(75,389)
Payments for Intangible Assets		(64,971)	(112,956)
Payments for Capital Contributions to Subsidiaries		-	(6,991)
NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES		1,177,285	(195,336)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Proceeds from Bank and Financial Loans		2,640,000	-
Proceeds from Credit Lines	41	800,000	-
Notes (" <i>Obligaciones Negociables</i> ") Issued	41	-	2,033,194
Repayment of Principal, Interest and Expenses on Bank and Financial Loans	41	(385,234)	(2,700,215)
Repayment of Principal, Interest and Expenses on Notes (" <i>Obligaciones Negociables</i> ")	41	(1,814,417)	(2,584,810)
Payment of Tax on Bank Credits and Debits	41	(8,846)	(29,143)
Financial Lease Payments	41	(68,658)	(86,516)
NET CASH INFLOW / (OUTFLOW) FROM FINANCING ACTIVITIES		1,162,845	(3,367,490)
Net Increase in Cash and Cash Equivalents		6,290,903	1,432,904
Cash and Cash Equivalents at the Beginning of the Year		7,837,135	8,383,845
Loss on Net Monetary Position on Cash and Cash Equivalents		(714,932)	(887,316)
Increase / (Decrease) Resulting from Exchange Rate Changes on Cash and Cash Equivalents		189,927	(4,791)
Cash and Cash Equivalents at Period-End	37	13,603,033	8,924,642

Additional information on the Condensed Statement of Cash Flows is disclosed in Note 41.

The notes are an integral part of these condensed interim financial statements.

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Notes to the Condensed Interim Financial Statements

For the three-month periods ended March 31, 2020 and 2019

Expressed in thousands of constant Argentine Pesos at period-end

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Notes to the Condensed Interim Financial Statements

(In the notes, figures are expressed in thousands of Argentine Pesos, except otherwise noted)

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Please refer to our report dated May 28, 2020

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Registration Number with the Public Registry of Commerce: No. 1363 Fo. 5857 Vol. 24/95

Notes to the Condensed Interim Financial Statements (Continued)

For the three-month periods ended March 31, 2020 and 2019

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NOTE 1 – GENERAL INFORMATION

Tarjeta Naranja S.A. (hereinafter, “the Company”) was organized as a corporation in the Province of Córdoba on September 1, 1995. The Company is a leading credit-card company in Argentina. Its main business is to create, develop, direct, manage, market, exploit and operate credit and/or debit and/or purchase and/or similar card systems. The Company may hold an interest in the capital stock of other companies rendering supplementary services to the financial activity, which are allowed by the Argentine Central Bank (BCRA).

These financial statements were approved for their issuance by the Company’s Board of Directors on May 28, 2020.

Tarjeta Naranja S.A. is a subsidiary of Tarjetas Regionales S.A., which, in turn, is a subsidiary of Grupo Financiero Galicia S.A.

NOTE 2 – BASIS FOR PREPARATION

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), adopted by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE) as professional accounting standards and as approved by the International Accounting Standards Board (IASB), and, particularly, in accordance with International Accounting Standard (IAS) 34 “Interim Financial Reporting” used in preparing the condensed interim financial statements.

The Argentine National Securities Commission (C.N.V.), pursuant to Title IV “Periodical Reporting Requirements”- Chapter III “Rules concerning the Presentation and Valuation Criteria of Financial Statements” - Section 1 of its regulations, has established the application of Technical Pronouncement No. 26 (TP No. 26) issued by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE), as amended, adopting the IFRS issued by the IASB for certain entities included in the public offer regime prescribed in Law No. 17811, whether by reason of their capital stock or notes (“obligaciones negociables”), or because these entities have applied for authorization to be included in such regime.

Also, some additional matters required by the Companies Law and/or C.N.V. regulations, among others, the supplementary information established in the last paragraph of Section 1, Chapter III, Title IV of General Resolution No. 622/13 were included. Such information is included in the notes to these condensed interim financial statements, as established by IFRS.

In preparing these condensed interim financial statements, the Company has availed of the option set forth in IAS 34, and has prepared such statements on a condensed basis. Therefore, these financial statements do not include all such information required to prepare a full set of annual financial statements, and users are encouraged to read them jointly with the Company’s annual financial statements as of December 31, 2019.

The figures disclosed in these condensed interim financial statements and in their accompanying notes are stated in thousands of Argentine Pesos, except for net earnings per share.

a) Going Concern

As of the date of these condensed interim financial statements, there are no uncertainties as to events or conditions that may pose any doubt about the likelihood that the Company will continue operating normally as a going concern.

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Notes to the Condensed Interim Financial Statements (Continued)

For the three-month periods ended March 31, 2020 and 2019

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NOTE 2 – BASIS FOR PREPARATION (CONTINUED)

b) Measuring Unit

IAS 29 "Financial Reporting in Hyperinflationary Economies" ("IAS 29") requires that an entity's financial statements whose functional currency is the currency of a hyperinflationary economy, regardless of whether they are based on the historical cost method or on the current cost method, be stated in terms of the measuring unit current at the end of the reporting period. For such purpose, in general, the inflation from the acquisition date or the revaluation date, as the case may be, should be computed in non-monetary items. Such requirements are also applicable to the comparative information disclosed in the financial statements.

To conclude on the existence of a hyperinflationary economy pursuant to the provisions set forth in IAS 29, the standard details a series of factors to be considered, including an accumulated three-year inflation rate that approximates to or exceeds 100%. Accordingly, pursuant to the requirements of IAS 29, effective since July 1, 2018, the Argentine economy should have been regarded as a hyperinflationary economy.

In turn, Law No. 27,468 (published in the Official Gazette on December 4, 2018) introduced certain changes to Section 10 of Law No. 23,928, as amended, establishing that the repeal of all such legal and regulatory standards which establish or authorize price indexation mechanisms, monetary adjustments, changes in costs or any other form of restatement of indebtedness, taxes, prices or rates for goods, works or services, is not applicable to financial statements, which should continue to be subject to the provisions of Section 62 *in fine* of the Argentine General Companies Law No. 19,550 (as amended in 1984) and its amendments. In addition, Law No. 27,468 repealed Decree No. 1269/2002 dated July 16, 2002, as amended, and entrusted the National Executive Branch, through its regulatory agencies, with the duty of setting the date as from which the foregoing provisions would come into force in respect of financial statements filed with them. Accordingly, by way of General Resolution 777/2018 (published in the Official Gazette on December 28, 2018), the C.N.V. provided that issuers subject to its oversight were required to restate their annual, interim and special financial statements ended on and after December 31, 2018 into constant currency as required by IAS 29. Therefore, the Company's condensed interim financial statements as of March 31, 2020 have been restated.

Besides, the Argentine Central Bank provided that, effective since years commencing on and after January 1, 2020, financial institutions and exchange houses under its oversight would be subject to the terms of Sections 5 and 7, paragraph c), of Law No. 27468.

In accordance with IAS 29, the financial statements of an entity reporting in the currency of a hyperinflationary economy should be presented in the current unit of measurement as of the end of the reporting period. All balances disclosed in the entity's balance sheet, other than those stated in the current unit of measurement as of the end of the reporting period, should be adjusted by reference to a general price index. All profit & loss items should be reported in terms of a unit of measurement adjusted as of the end of the reporting period by reference to the changes in the general price index occurring since the date on which revenues and expenses have been originally recognized in the financial statements.

The inflation adjustment was calculated by reference to the indexes established by the FACPCE, which are based on the price indexes released by the Argentine Institute of Statistics and Census ("INDEC"). The following table shows the applicable indexes as of the end of each reporting year/period, and the indexes applicable to each month.

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Notes to the Condensed Interim Financial Statements (Continued)

For the three-month periods ended March 31, 2020 and 2019

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NOTE 2 – BASIS FOR PREPARATION (CONTINUED)

b) Measuring Unit (Continued)

Month	FACPCE's Indexes	
	2020	2019
December (Previous Year)	283.4442	184.2552
January	289.8299	189.6101
February	295.6660	196.7501
March	305.5515	205.9571
April	-	213.0517
May	-	219.5691
June	-	225.5370
July	-	230.4940
August	-	239.6077
September	-	253.7102
October	-	262.0661
November	-	273.2158
December	-	283.4442

Below is a detail of the main guidelines for the application of the inflation adjustment:

- Monetary assets and liabilities should not be restated, for they are stated in current currency as of the end of the reporting period.
- Non-monetary assets and liabilities recognized at cost and equity items should be restated, by reference to the respective adjustment ratios, for they are stated in a currency prior to the end of the reporting period.
- All profit & loss items are restated by reference to the respective adjustment factors.
- The effects of inflation on the Company's net monetary position are disclosed in the statement of profit or loss in a separate item, under "Loss on Net Monetary Position".
- The Company has reported revenues from financing and costs of financing (including, without limitation, interest and foreign exchange gain (loss)) at their restated nominal value, as provided for in paragraph 28 of IAS 29. Accordingly, such items are not reported net of the effects of inflation (in real terms).

Comparative figures were restated into constant currency at the reporting period end.

NOTE 3 – ACCOUNTING POLICIES

The accounting policies adopted are consistent with those used for the preparation of the annual financial statements for the year ended December 31, 2019.

Some new standards, amendments and interpretations are effective for the years beginning after January 1, 2020 and have been applied in the preparation of these condensed interim financial statements. Below is a detail of the main standards or amendments:

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Notes to the Condensed Interim Financial Statements (Continued)

For the three-month periods ended March 31, 2020 and 2019

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NOTE 3 – ACCOUNTING POLICIES (CONTINUED)

- Amendments to IFRS 3 “Business Combinations,” shedding light on the definition of “business,” to help entities determine whether a transaction should be accounted for as a business combination or as an asset acquisition. Such amendments have not had a material impact on these condensed interim financial statements.
- Amendments to IAS 1 and IAS 8 to change the definition of “Material or Relative Importance.” Such amendments have not had a material impact on these condensed interim financial statements.
- Amendments to IFRS 9, IAS 39 and IFRS 7 concerning the definition and application of the “Interest Rate Benchmark Reform.” Such amendments have not had a material impact on these condensed interim financial statements.
- IFRS 9 “Financial Instruments.” Effective since reporting periods commencing on and after January 1, 2020, the Company has adopted the new expected credit loss (ECL) model for impairment recognition as set forth in paragraph 5.5 of IFRS 9. Such model had not been applied in previous years in compliance with General Resolution 714-E/2017 handed down by the National Securities Commission (C.N.V.) pursuant to which credit card issuers were exclusively exempted from such requirement until the establishment of a future application schedule, in line with the provisions of the Argentine Central Bank. On February 12, 2018, the Argentine Central Bank handed down Communiqué “A” 6430 setting January 1, 2020 as first-time adoption date. On September 5, 2019, the Argentine Central Bank handed down Communiqué “A” 6778, stating that the provisions in paragraph 5.5 of IFRS 9 should be applied retroactively, with January 1, 2019 being established as transition date.

Below is a description of the retroactive effect of the application of this standard on the comparative information disclosed in the condensed interim financial statements as of March 31, 2020:

	In Constant Currency as of March 31, 2020		In Nominal Currency	
	Impact on Assets / Equity (Net of Tax)	Impact on Profit (Loss) (Net of Tax)	Impact on Assets / Equity (Net of Tax)	Impact on Profit (Loss) (Net of Tax)
	Debtor / (Creditor)	Profit / (Loss)	Debtor / (Creditor)	Profit / (Loss)
12.31.2018 and for the year then ended	(1,465,274)	(703,460)	(883,597)	(572,451)
03.31.2019 and for the period then ended	(1,397,452)	67,822	(941,953)	(58,356)
06.30.2019 and for the period then ended	(1,563,435)	(98,161)	(1,154,020)	(270,423)
09.30.2019 and for the period then ended	(1,653,452)	(188,178)	(1,372,920)	(489,323)
12.31.2019 and for the year then ended	(1,214,457)	250,817	(1,126,588)	(242,991)

Please refer to our report dated May 28, 2020
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C. N° 21.00004.3

Tarjeta Naranja S.A.

Registration Number with the Public Registry of Commerce: No. 1363 Fo. 5857 Vol. 24/95

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NOTE 3 – ACCOUNTING POLICIES (CONTINUED)

Effects of First-time Adoption of IFRS 9 as of December 31, 2019

	December 31, 2019	December 31, 2019	Adjustment upon First-time Adoption of IFRS 9
	(IFRS 9)	(IAS 39)	
Credit Loss Allowances	(7,979,370)	(6,244,432)	(1,734,938)
Tax Effect	-	-	520,481
Total	(7,979,370)	(6,244,432)	(1,214,457)
Provision for Loan Losses	5,100,023	5,458,333	(358,310)
Tax Effect	-	-	107,493
Total	5,100,023	5,458,335	(250,817)

Effects of First-time Adoption of IFRS 9 as of March 31, 2019

	March 31, 2019	March 31, 2019	Adjustment upon First-time Adoption of IFRS 9
	(IFRS 9)	(IAS 39)	
Credit Loss Allowances	(9,640,785)	(7,644,426)	(1,996,359)
Tax Effect	-	-	598,907
Total	(9,640,785)	(7,644,426)	(1,397,452)
Provision for Loan Losses	1,993,833	2,090,722	(96,889)
Tax Effect	-	-	29,067
Total	1,993,833	2,090,722	(67,822)

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Notes to the Condensed Interim Financial Statements (Continued)

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NOTE 4 – ESTIMATES

The preparation of the condensed interim financial statements requires that the Company make judgments, estimates and assumptions that affect the application of the accounting policies and the amounts of assets and liabilities disclosed, as well as income and expenses. Actual amounts may differ from such estimates.

In preparing these condensed interim financial statements, the significant judgments made by the Company in applying the accounting policies and the key sources of estimates were the same as those applied to the financial statements for the year ended December 31, 2019.

NOTE 5 – CAPITAL STOCK

The share capital is represented by non-endorsable registered ordinary shares, with a face value of AR\$ 10,000 per share.

CAPITAL STATUS				
Shares			Subscribed	Paid-in
Number	Type	Voting Rights per Share		
			In Thousands of AR\$	
2,824	Ordinary shares with a face value of AR\$ 10,000	1	28,240	28,240
2,824			28,240	28,240

As of March 31, 2020 and as of December 31, 2019, capital status was as follows:

Capital	Face Value	Approved by		Date of Registration with the Public Registry of Commerce
	In Thousands of AR\$	Body	Date	
Subscribed, Issued and Paid in	12,000	Extraordinary Shareholders' Meeting	09.04.95	12.12.95
Capital Increase due to Merger with Tarjetas del Sur S.A.	6,600	Extraordinary Shareholders' Meeting	02.16.01	05.03.01
Capital Increase due to Merger with Tarjeta Comfiar S.A.	5,400	Extraordinary Shareholders' Meeting	10.02.03	03.24.04
Capital Increase due to Merger with Tarjetas Cuyanas S.A.	4,240	Extraordinary Shareholders' Meeting	10.24.17	05.09.18
Total	28,240			

In addition, in compliance with Section 4, Part I, Chapter IV, Title II of the regulations of the National Securities Commission (C.N.V.), the following is disclosed:

	2018	2019	2020
Capital Stock at the Beginning of the Year	28,240	28,240	28,240
Capital Stock at Year-End / Period-End	28,240	28,240	28,240

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NOTE 6 – SEGMENT INFORMATION

Segment Information as of 03.31.2020

	Córdoba	Central Region	Northwest of Argentina	Patagonia	Northeast of Argentina	Inside the Province of Buenos Aires	Gold	Greater Buenos Aires I	Greater Buenos Aires II	Cuyo	Non-allocable	Effects of Restatement	Total
Revenues from Services	434,142	452,464	734,257	411,608	614,686	157,780	263,853	194,157	358,500	530,613	10,200	125,185	4,287,445
Costs of Services	(26,158)	(20,798)	(38,849)	(15,207)	(28,559)	(8,552)	(14,270)	(12,019)	(23,434)	(17,782)	(304,925)	(14,678)	(525,231)
Net Revenues from Services	407,984	431,666	695,408	396,401	586,127	149,228	249,583	182,138	335,066	512,831	(294,725)	110,507	3,762,214
Revenues from Financing	472,632	534,897	874,059	570,321	766,560	168,867	300,409	211,065	364,807	630,182	-	145,530	5,039,329
Costs of Financing	(126,698)	(143,390)	(234,308)	(152,885)	(205,491)	(45,268)	(80,531)	(56,580)	(97,794)	(168,934)	-	(38,777)	(1,350,656)
Loss on Net Monetary Position	-	-	-	-	-	-	-	-	-	-	-	(942,585)	(942,585)
Net Revenues / (Loss) from Financing	345,934	391,507	639,751	417,436	561,069	123,599	219,878	154,485	267,013	461,248	-	(835,832)	2,746,088
Net Income from Short-term Investments	98,537	111,519	182,230	118,904	159,818	35,207	62,631	44,004	76,057	131,385	-	13,869	1,034,161
Provision for Loan Losses	(93,411)	(102,695)	(172,836)	(86,946)	(157,321)	(47,441)	(90,120)	(115,562)	(177,296)	(156,276)	-	(9,864)	(1,209,768)
Depreciation	(2,240)	(2,758)	(3,497)	(2,004)	(2,018)	(857)	(1,851)	(3,053)	(1,405)	(3,002)	(81,407)	(93,705)	(197,797)
Amortization	-	-	-	-	-	-	-	-	-	-	(92,444)	(66,721)	(159,165)
Other Operating Expenses	(310,941)	(332,714)	(520,540)	(316,378)	(454,124)	(134,720)	(215,719)	(187,960)	(297,850)	(410,829)	(772,999)	(108,394)	(4,063,168)
Income / (Loss) from Investments Accounted for Using the Equity Method	-	-	-	-	-	-	-	-	-	-	(481)	4	(477)
Income Tax	-	-	-	-	-	-	-	-	-	-	(548,999)	(76,630)	(625,629)
Profit / (Loss) for the Period	445,863	496,525	820,516	527,413	693,551	125,016	224,402	74,052	201,585	535,357	(1,791,055)	(1,066,766)	1,286,459

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(Partner)

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NOTE 6 – SEGMENT INFORMATION (CONTINUED)

Segment Information as of 03.31.2019

	Córdoba	Central Region	Northwest of Argentina	Patagonia	Northeast of Argentina	Inside the Province of Buenos Aires	Gold	Greater Buenos Aires I	Greater Buenos Aires II	Cuyo	Non-allocable	Effects of Restatement	Total
Revenues from Services	301,082	299,973	598,418	253,238	375,587	100,383	174,436	133,179	242,379	215,229	202,544	1,583,608	4,480,056
Costs of Services	(21,432)	(22,931)	(44,985)	(17,042)	(32,068)	(10,003)	(16,368)	(15,775)	(27,207)	(20,520)	(96,379)	(178,808)	(503,518)
Net Revenues from Services	279,650	277,042	553,433	236,196	343,519	90,380	158,068	117,404	215,172	194,709	106,165	1,404,800	3,976,538
Revenues from Financing	411,798	462,354	964,907	460,202	642,449	146,254	274,115	213,711	356,785	345,886	-	2,348,841	6,627,302
Costs of Financing	(189,401)	(212,654)	(443,794)	(211,664)	(295,486)	(67,268)	(126,076)	(98,294)	(164,098)	(159,086)	-	(1,081,933)	(3,049,754)
Loss on Net Monetary Position	-	-	-	-	-	-	-	-	-	-	-	(1,313,589)	(1,313,589)
Net Revenues / (Loss) from Financing	222,397	249,700	521,113	248,538	346,963	78,986	148,039	115,417	192,687	186,800	-	(46,681)	2,263,959
Net Income from Short-term Investments	37,860	42,508	88,711	42,310	59,065	13,446	25,201	19,648	32,802	31,800	-	216,492	609,843
Provision for Loan Losses	(97,366)	(106,762)	(272,310)	(99,343)	(177,497)	(44,498)	(95,693)	(101,242)	(169,076)	(125,171)	-	(751,175)	(2,040,133)
Depreciation	(1,658)	(2,035)	(3,960)	(2,372)	(1,984)	(796)	(1,783)	(2,268)	(1,467)	(820)	(70,068)	(104,182)	(193,393)
Amortization	-	-	-	-	-	-	-	-	-	-	(36,191)	(60,174)	(96,365)
Other Operating Expenses	(221,629)	(239,525)	(476,392)	(213,040)	(328,864)	(96,456)	(165,591)	(148,983)	(238,581)	(204,225)	(337,266)	(1,473,540)	(4,144,092)
Income / (Loss) from Investments Accounted for Using the Equity Method	-	-	-	-	-	-	-	-	-	-	(344)	(200)	(544)
Income Tax	-	-	-	-	-	-	-	-	-	-	(113,605)	(165,320)	(278,925)
Profit / (Loss) for the Period	219,254	220,928	410,595	212,289	241,202	41,062	68,241	(24)	31,537	83,093	(451,309)	(979,980)	96,888

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(Partner)

C.P.C.E.C. N° 21.00004.3

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Registration Number with the Public Registry of Commerce: No. 1363 Fo. 5857 Vol. 24/95

Notes to the Condensed Interim Financial Statements (Continued)

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NOTE 6 – SEGMENT INFORMATION (CONTINUED)

Segment Information as of 03.31.2020

	Córdoba	Central Region	Northwest of Argentina	Patagonia	Northeast of Argentina	Inside the Province of Buenos Aires	Gold	Greater Buenos Aires I	Greater Buenos Aires II	Cuyo	Non-allocable	Effects of Restatement	Total
In Thousands of AR\$													
ASSETS													
Cash and Cash Equivalents	1,696,297	1,521,537	2,529,702	1,538,660	1,944,551	388,202	735,333	544,396	910,349	1,794,006	-	-	13,603,033
Receivables from Trade	5,891,031	5,284,110	8,785,345	5,343,579	6,753,186	1,348,180	2,553,720	1,890,621	3,161,530	6,230,365	-	-	47,241,667
Other Assets	-	-	-	-	-	-	-	-	-	-	3,543,718	(644,597)	2,899,121
Property, Plant and Equipment and Intangible Assets	52,144	53,635	54,546	26,015	35,578	14,621	41,540	49,306	20,065	88,316	1,897,676	2,577,077	4,910,519
Total Assets	7,639,472	6,859,282	11,369,593	6,908,254	8,733,315	1,751,003	3,330,593	2,484,323	4,091,944	8,112,687	5,441,394	1,932,480	68,654,340
LIABILITIES													
Trade and Other Payables	4,137,673	3,695,496	7,381,493	3,556,859	4,066,930	841,313	1,655,682	886,160	1,604,527	2,539,747	-	-	30,365,880
Borrowings	2,004,274	1,797,785	2,988,989	1,818,018	2,297,601	458,684	868,839	643,236	1,075,631	2,119,724	-	-	16,072,781
Employee Benefit Obligations	59,226	62,376	97,974	44,734	87,579	35,914	45,995	38,749	74,662	82,223	334,248	-	963,680
Other Liabilities	-	-	-	-	-	-	-	-	-	-	3,034,435	-	3,034,435
Total Liabilities	6,201,173	5,555,657	10,468,456	5,419,611	6,452,110	1,335,911	2,570,516	1,568,145	2,754,820	4,741,694	3,368,683	-	50,436,776

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(Partner)

C.P.C.E.C. N° 21.00004/8

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NOTE 6 – SEGMENT INFORMATION (CONTINUED)

Segment Information as of 12.31.2019

	Córdoba	Central Region	Northwest of Argentina	Patagonia	Northeast of Argentina	Inside the Province of Buenos Aires	Gold	Greater Buenos Aires I	Greater Buenos Aires II	Cuyo	Non-allocable	Effects of Restatement	Total
In Thousands of AR\$													
ASSETS													
Cash and Cash Equivalents	914,406	805,936	1,673,190	827,495	1,011,808	225,219	404,621	322,087	524,712	560,627	-	567,034	7,837,135
Receivables from Trade	6,116,618	5,367,913	11,103,936	5,535,298	6,680,728	1,477,394	2,645,117	2,054,108	3,358,019	3,689,228	-	3,745,984	51,774,343
Other Assets	-	-	-	-	-	-	-	-	-	-	4,455,249	290,051	4,165,198
Property, Plant and Equipment	26,244	27,560	33,610	21,373	21,209	8,931	27,732	23,725	13,324	11,371	2,098,801	2,730,638	5,044,518
Total Assets	7,057,268	6,201,409	12,810,736	6,384,166	7,713,745	1,711,544	3,077,470	2,399,920	3,896,055	4,261,226	6,554,050	6,753,605	68,821,194
LIABILITIES													
Trade and Other Payables	4,298,758	3,839,367	7,668,866	3,695,332	4,225,262	874,067	1,720,140	920,660	1,666,994	2,638,623	-	2,460,599	34,008,668
Borrowings	1,698,914	1,497,383	3,108,690	1,537,439	1,879,881	418,444	751,763	598,419	974,886	1,041,616	-	1,053,516	14,560,951
Employee Benefit Obligations	51,243	53,940	103,832	38,836	75,515	30,746	40,455	34,252	65,537	52,320	283,723	64,768	895,167
Other Liabilities	-	-	-	-	-	-	-	-	-	-	2,249,827	175,476	2,425,303
Total Liabilities	6,048,915	5,390,690	10,881,388	5,271,607	6,180,658	1,323,257	2,512,358	1,553,331	2,707,417	3,732,559	2,533,550	3,754,359	51,890,089

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(Partner)

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NOTE 7 – REVENUES FROM SERVICES

	03.31.2020	03.31.2019
	In Thousands of AR\$	
Account Maintenance Fee	2,171,937	2,096,961
Fees	1,006,073	1,127,129
Revenues from Third-Party Portfolio Managed	20,710	23,243
Card Renewal Fees	339,002	256,012
Other Revenues from Services	749,723	976,711
Total	4,287,445	4,480,056

NOTE 8 – COSTS OF SERVICES

	03.31.2020	03.31.2019
	In Thousands of AR\$	
Printing and Distribution Expenses	(96,284)	(113,840)
Expenses from Call Center Services	(176,111)	(89,623)
Openings of Accounts	(22,345)	(30,257)
Special Promotions	(28,065)	(17,864)
Other Costs of Services	(180,522)	(170,031)
Expenses for Telephone Sale Channel	(21,904)	(81,903)
Total	(525,231)	(503,518)

NOTE 9 – REVENUES FROM FINANCING

	03.31.2020	03.31.2019
	In Thousands of AR\$	
Merchants ("Comercios Amigos") Interest	1,349,224	1,586,962
Interest on Financing through Credit Cards	2,146,074	3,188,358
Interest on Personal Loans	380,086	476,404
Compensatory Interest	652,566	917,289
Penalty Interest	320,985	448,837
Revenues from Lawsuits	2,296	9,452
Foreign Exchange Gain	188,098	-
Total	5,039,329	6,627,302

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NOTE 10 – COSTS OF FINANCING

	03.31.2020	03.31.2019
	In Thousands of AR\$	
Interest on Notes (" <i>Obligaciones Negociables</i> ")	(1,011,733)	(2,707,903)
Bank Interest and Expenses	(322,153)	(287,503)
Tax on Bank Debits and Credits	(9,920)	(27,904)
Foreign Exchange Loss	-	(15,170)
Other Costs of Financing	(408)	(11,274)
Finance Leases	(6,442)	-
Total	(1,350,656)	(3,049,754)

NOTE 11 – NET INCOME FROM SHORT-TERM INVESTMENTS

	03.31.2020	03.31.2019
	In Thousands of AR\$	
Interest on Time Deposits	2,981	85,212
Interest on Government Securities	667,948	25,603
Income from Mutual Funds	363,232	499,028
Total	1,034,161	609,843

NOTE 12 – PROVISION FOR LOAN LOSSES

	03.31.2020	03.31.2019
	In Thousands of AR\$	
Provision for Loan Losses	(1,220,134)	(2,100,117)
Recovery of Loan Losses	10,366	59,984
Total	(1,209,768)	(2,040,133)

NOTE 13 – EMPLOYEE BENEFITS EXPENSES

	03.31.2020	03.31.2019
	In Thousands of AR\$	
Compensation and Social Security Charges	(1,150,507)	(1,198,126)
Bonuses for the Personnel	(195,173)	(157,768)
Travel Expenses and Per Diem	(18,577)	(15,982)
Other Employee Expenses	(87,186)	(93,668)
Total	(1,451,443)	(1,465,544)

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NOTE 14 – TAXES AND CHARGES

	03.31.2020	03.31.2019
	In Thousands of AR\$	
Turnover Tax	(622,160)	(804,357)
Tax on Bank Debits and Credits	(178,175)	(193,358)
Trade and Industry Tax	(277,899)	(235,026)
Other Taxes, Rates and Contributions	(53,550)	(24,349)
Total	(1,131,784)	(1,257,090)

NOTE 15 – MARKETING EXPENSES

	03.31.2020	03.31.2019
	In Thousands of AR\$	
National Advertising	(88,295)	(96,753)
Advertising at Stores	(4,628)	(2,138)
Regional Advertising	(14,138)	(15,631)
Total	(107,061)	(114,522)

NOTE 16 – DEPRECIATION AND AMORTIZATION

	03.31.2020	03.31.2019
	In Thousands of AR\$	
Depreciation of Property, Plant and Equipment (Note 25)	(197,797)	(193,393)
Amortization of Intangible Assets (Note 26)	(159,165)	(96,365)
Total	(356,962)	(289,758)

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NOTE 17 – OTHER OPERATING EXPENSES

	03.31.2020	03.31.2019
	In Thousands of AR\$	
Rentals	(40,927)	(21,237)
Regular Mail Services	(14,108)	(9,203)
Donations	(570)	(954)
Electricity, Natural Gas and Communications	(94,898)	(99,820)
Bank and Financial Expenses	(45,968)	(53,781)
Collection Expenses	(346,392)	(325,964)
Expenses for Commercial Reports and Procedures for the Collection of Amounts in Arrears	(123,958)	(212,647)
Directors and Supervisory Committee Members' Fees	(13,403)	(937)
Third Parties' Fees	(305,402)	(233,968)
Insurance and Security Services	(110,397)	(140,589)
Stationery and Office Supplies	(22,125)	(24,430)
Maintenance of Equipment and Buildings	(65,074)	(42,995)
Cleaning Expenses	(26,878)	(29,575)
Other Expenses	(162,780)	(110,836)
Total	(1,372,880)	(1,306,936)

NOTE 18 – INCOME FROM INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	03.31.2020	03.31.2019
	In Thousands of AR\$	
Income from Investment in Cobranzas Regionales S.A.	(477)	(544)
Total	(477)	(544)

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NOTE 19 – INCOME TAX

The following table shows the changes in current and deferred tax assets and liabilities:

	Deferred Tax Assets	Income Tax Payable	Income Tax Accrued during the Year / Period
	In Thousands of AR\$		
Balance at the Beginning of 2019	839,762	(1) (1,754,483)	(2,572,643)
Adjustment to Income Tax 2018 (3)	104,835	117,108	221,943
Payment of Income Tax 2018 (4)	-	1,049,798	-
Income Tax Accrued during the Year (2)	1,107,353	(1,807,544)	(700,190)
Release as per Law No. 27541 (8)	(148,017)	-	(148,016)
Effects of First-time Adoption of IFRS 9 (Note 3)	520,481	-	-
Effect of Restatement on Income Tax Expense	-	587,576	238,601
Balance at December 31, 2019	2,424,414	(1,807,545)	(2,960,305)
Income Tax Accrued during the Period (5)	115,894	(853,405)	(737,511)
Release as per Law No. 27541	(40,084)	-	(40,084)
Effect of Restatement on Income Tax Expense	-	130,781	151,966
Balance at March 31, 2020	2,500,224	(2,530,169)	(625,629)

- (1) It corresponds to the income tax amount that, pursuant to the estimations made by the Company's Management as of March 11, 2019, should have been paid in May 2019 according to the taxable income accrued during the year ended December 31, 2018.
- (2) It corresponds to the income tax amount that, pursuant to the estimations made by the Company's Management as of February 19, 2020, should be paid in May 2020 according to the taxable income accrued during the year ended December 31, 2019.
- (3) It corresponds to a correction of the income tax provision estimated at the end of 2018.
- (4) It corresponds to income tax for 2018 paid by the Company.
- (5) It corresponds to the income tax amount that, pursuant to the estimations made by the Company's Management at the date of these condensed interim financial statements, should be paid in May 2021 according to the taxable income accrued during the period ended December 31, 2020.

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NOTE 19 – INCOME TAX (CONTINUED)

As of March 31, 2020 and December 31, 2019, net assets derived from the information included in the previous table amount to AR\$ 2,500,224 and AR\$ 2,424,414, respectively. Their composition as of those dates is detailed below:

	Balance at December 31, 2019	Net Tax Asset Generated During the Period	Balance at March 31, 2020
	In Thousands of AR\$		
Receivables from Trade	2,937,872	109,874	3,047,746
Property, Plant and Equipment and Intangible Assets	(2,035,851)	(236,288)	(2,272,139)
Lease Payment	(57,083)	(1,726)	(58,809)
Trade and Other Payables	93	-	93
Employee Benefit Obligations	25,492	-	25,492
Foreign-exchange Quotation Difference	(626)	5,828	5,202
Provision for Contingencies	32,651	7,804	40,455
Inflation Adjustment for Tax Purposes	1,496,625	189,883	1,686,508
Others	25,241	435	25,676
Totals	2,424,414	75,810	2,500,224

The income tax amount payable estimated by Management, net of prepayments, as of March 31, 2020 and December 31, 2019 is as follows:

Current:

	03.31.2020	12.31.2019
Income Tax Provision – Current	(1,676,764)	(1,807,545)
Prepayments	910,877	803,443
Current Income Tax Payable	(765,887)	(1,004,102)

Non-Current:

	03.31.2020	12.31.2019
Income Tax Provision – Current	(853,405)	-
Prepayments	77,627	-
Non-current Income Tax Payable	(775,778)	-

The following table shows the reconciliation of income tax charged to loss as of March 31, 2020 and March 31, 2019 to that which would result from applying the tax rate in force to book income:

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NOTE 19 – INCOME TAX (CONTINUED)

	03.31.2020	03.31.2019
	In Thousands of AR\$	
Profit for the Period before Income Tax	1,912,088	375,813
Tax Rate in Force	30%	30%
Loss for the Period at the Tax Rate	(573,627)	(112,744)
Permanent Differences at the Tax Rate:		
- Income (Loss) from Interest in Other Companies	(144)	(153)
- Non-taxable Income (1)	12,304	11,351
- Donations and Other Non-deductible Expenses	(47)	(77)
- Inflation Adjustment for Tax Purposes	351,260	-
- Others	(2,676)	8,695
- Adjustments to Mutual Funds	-	108,275
Release as per Law No. 27541	(40,084)	-
Difference between the Tax Return and the Income Tax Provision	-	233,211
Effect of Restatement	(372,615)	(527,483)
Total Income Tax Charge for the Period	(625,629)	(278,925)

(1) It corresponds to the income from transactions carried out in Tierra del Fuego, net of indirect charges.

The following table shows the reconciliation of income tax charged to loss to tax assessed for the period for tax purposes:

	03.31.2020	03.31.2019
	In Thousands of AR\$	
Total Income Tax Charge Recorded for the Period	(625,629)	(278,925)
- Temporary Differences at the Tax Rate		
- Additions:		
Provision for Loan Losses	(109,874)	(251,624)
Provision for Contingencies	(7,804)	(7,265)
Depreciation of Property, Plant and Equipment and Amortization of Intangible Assets	236,288	196,481
Lease Payment	1,726	2,629
Foreign-exchange Quotation Difference	(5,828)	(282)
Portfolio Assignment	-	149,998
Others	(435)	21,217
Inflation Adjustment for Tax Purposes	(189,883)	-
Difference between the Tax Return and the Income Tax Provision	-	(233,211)
Effect of Restatement on Current Income Tax Payable	(151,966)	(71,189)
Total Tax for the Period Determined for Tax Purposes	(853,405)	(472,171)
Income Tax Prepayments	77,627	104,735
Income Tax Payable	(775,778)	(367,436)

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NOTE 20 – CASH AND CASH EQUIVALENTS

	03.31.2020	12.31.2019
	In Thousands of AR\$	
Cash in Banks – Checking Account	411,371	2,593,999
Cash and Petty Cash	1,365,247	780,734
Mutual Funds	11,258,086	3,869,293
Government Securities	279,410	-
Time Deposits	-	220,425
Deposits Abroad (Note 45)	594	120
Collections to be Deposited	288,325	372,564
Total	13,603,033	7,837,135

NOTE 21 – INVESTMENTS

	03.31.2020	12.31.2019
	In Thousands of AR\$	
Government Securities	-	1,426,741
	-	1,426,741

NOTE 22 – RECEIVABLES FROM TRADE

	03.31.2020	12.31.2019
	In Thousands of AR\$	
Current		
Credit Card Debtors	53,085,371	58,207,890
Provision for Loan Losses – Credit Card	(7,869,734)	(7,833,613)
Personal Loans Debtors	1,922,560	1,099,109
Provision for Loan Losses – Personal Loans	(122,349)	(145,757)
Total	47,015,848	51,327,629
Non-current		
Credit Card Debtors	131,476	303,515
Personal Loans Debtors	94,343	143,199
Total	225,819	446,714

Changes in the Account Provision for Loan Losses

Balances at the Beginning of the Period / Year	7,979,370	8,801,124
Increases for the Period (1)	1,131,300	5,100,023
Applications and Uses	(548,520)	(587,641)
Portfolio Sale (2)	-	(2,147,238)
Effect of Restatement	(570,067)	(3,186,898)
Balances at Period-End / Year-End	7,992,083	7,979,370

(1) The provision for loan losses amounting to AR\$ 1,220,134, disclosed in the Statement of Profit or Loss and in Note 12, includes AR\$ 88,834 for direct charges.

(2) Portfolio Sale: It does not include portfolio sales corresponding to Memorandum Accounts in the amount of AR\$ 37,321 (Note 42).

Receivables from Trade valued at amortized cost do not differ significantly from their fair value.

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NOTE 22 – RECEIVABLES FROM TRADE (CONTINUED)

Memorandum Accounts

Additionally, as of March 31, 2020 and December 31, 2019, the Company recorded AR\$ 1,311,370 and AR\$ 881,669, respectively, in respect of receivables from trade that are considered uncollectible, considering as such those meeting the requirements set by the Argentine Central Bank in the revised text "Minimum Provisions for Loan Losses". Under such regulations, receivables from customers fully included in provisions shall be eliminated from assets as from the seventh month subsequent to that in which these circumstances are verified and recorded in memorandum accounts while the entity continues pursuing procedures for collection of its receivables.

NOTE 23 – OTHER RECEIVABLES

	03.31.2020	12.31.2019
	In Thousands of AR\$	
Current		
Deposits for Checking Account Attachments (Note 43)	2,438	2,524
Prepaid Expenses	8,727	8,150
Commissions Receivable	39,642	23,340
Advance Payments to Suppliers	15,485	21,208
Other Receivables from Related Companies (Note 42)	28,556	31,982
Advanced Payments to Directors	34,736	-
Fees Payable to Directors and Supervisory Committee	(29,006)	-
Sundry Receivables	272,973	204,569
Total	373,551	291,773
Non-current		
Advanced Payments to Directors	18,068	-
Fees Payable to Directors and Supervisory Committee	(13,023)	-
Security Deposits (Note 43)	6,974	7,291
Prepaid Expenses	893	1,057
Total	12,912	8,348

Other Receivables valued at amortized cost do not differ significantly from their fair value.

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NOTE 24 – INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Issuing Company	Interest Percentage	Book Value as of 03.31.2020	Book Value as of 12.31.2019	Issuer Information						
				Principal Line of Business	Class of Shares	Number of Shares (1)	Face Value of Shares	Capital	Balance at 03.31.2020	
		Equity	Profit / Loss							
		In Thousands of AR\$								
Cobranzas Regionales S.A.	5%	12,434	13,922	Integral Advisory Services for Credit Risk Analysis	Ordinary registered shares	3,910,000	0.1	391,000	269,597	(35,717)
Totals		12,434	13,922							

(1) Values are stated in units.

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NOTE 25 – PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment at 03.31.2020

Items	ORIGINAL VALUE					DEPRECIATION				NET BOOK AMOUNT
	Opening Book Amount	Disposals	Additions	Transfers	Closing Book Amount	Opening Book Amount	Disposals	Depreciation Charge	Closing Book Amount	03.31.2020
In Thousands of AR\$										
Land	201,060	-	-	(27,473)	173,587	-	-	-	-	173,587
Buildings	1,533,924	-	14,928	-	1,548,852	(221,513)	-	(4,180)	(225,693)	1,323,159
Right-of-use Assets	1,215,887	-	-	-	1,215,887	(377,283)	-	(97,823)	(475,106)	740,781
Cost of Adapting Stores	725,179	-	30,809	28,132	784,120	(382,576)	-	(31,026)	(413,602)	370,518
Furniture and Fixtures	335,649	(366)	958	-	336,241	(142,609)	158	(7,354)	(149,805)	186,436
Hardware	877,876	(102)	95,583	16,458	989,815	(382,701)	7	(47,150)	(429,844)	559,971
Facilities and Improvements	407,418	(3,689)	1,055	-	404,784	(175,605)	1,514	(10,264)	(184,355)	220,429
Assets at Warehouse	43,149	(24,015)	41,152	(17,117)	43,169	-	-	-	-	43,169
Totals as of 03.31.2020	5,340,142	(28,172)	184,485	-	5,496,455	(1,682,287)	1,679	(197,797)	(1,878,405)	3,618,050

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Note 25 – Property, Plant and Equipment (Continued)

Property, Plant and Equipment at 12.31.2019

Items	ORIGINAL VALUE					DEPRECIATION				NET BOOK AMOUNT
	Opening Book Amount	Disposals	Additions	Transfers	Closing Book Amount	Opening Book Amount	Disposals	Depreciation Charge	Closing Book Amount	12.31.2019
Land	201,060	-	-	-	201,060	-	-	-	-	201,060
Buildings	1,512,736	-	21,188	-	1,533,924	(187,666)	-	(33,847)	(221,513)	1,312,411
Right-of-use Assets	-	-	1,215,887	-	1,215,887	-	-	(377,283)	(377,283)	838,604
Cost of Adapting Stores	1,075,722	(446,943)	96,400	-	725,179	(688,429)	418,571	(112,718)	(382,576)	342,603
Furniture and Fixtures	448,499	(144,278)	20,432	10,996	335,649	(228,179)	134,762	(49,192)	(142,609)	193,040
Hardware	1,014,934	(357,399)	182,673	37,668	877,876	(575,852)	348,476	(155,325)	(382,701)	495,175
Facilities and Improvements	637,098	(245,940)	10,861	5,399	407,418	(336,679)	229,567	(68,493)	(175,605)	231,813
Assets at Warehouse	120,270	(23,058)	-	(54,063)	43,149	-	-	-	-	43,149
Totals as of 12.31.2019	5,010,319	(1,217,618)	1,547,441	-	5,340,142	(2,016,805)	1,131,376	(796,858)	(1,682,287)	3,657,855

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NOTE 26 – INTANGIBLE ASSETS

Intangible Assets at 03.31.2020

Items	ORIGINAL VALUE			AMORTIZATION			NET BOOK AMOUNT
	Opening Book Amount	Additions	Closing Book Amount	Opening Book Amount	Amortization Charge	Closing Book Amount	03.31.2020
Patents and Software	3,372,553	64,971	3,437,524	(2,032,190)	(159,165)	(2,191,355)	1,246,169
Other Intangible Assets	46,300	-	46,300	-	-	-	46,300
Totals as of 03.31.2020	3,418,853	64,971	3,483,824	(2,032,190)	(159,165)	(2,191,355)	1,292,469

Intangible Assets at 12.31.2019

Items	ORIGINAL VALUE			AMORTIZATION NET BOOK AMOUNT			NET BOOK AMOUNT
	Opening Book Amount	Additions	Closing Book Amount	Opening Book Amount	Amortization Charge	Closing Book Amount	12.31.2019
Patents and Software	2,576,082	796,471	3,372,553	(1,607,527)	(424,663)	(2,032,190)	1,340,363
Other Intangible Assets	46,300	-	46,300	-	-	-	46,300
Totals as of 12.31.2019	2,622,382	796,471	3,418,853	(1,607,527)	(424,663)	(2,032,190)	1,386,663

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NOTE 27 – TRADE AND OTHER PAYABLES

	03.31.2020	12.31.2019
	In Thousands of AR\$	
Merchants (" <i>Comercios Amigos</i> ")	29,614,403	33,335,048
Suppliers	356,813	371,365
Collections on Account of Third Parties Payable	394,664	302,255
Total	30,365,880	34,008,668

NOTE 28 – BORROWINGS

	03.31.2020	12.31.2019
	In Thousands of AR\$	
Current		
Notes (" <i>Obligaciones Negociables</i> ")	6,813,838	8,167,730
Bank and Financial Loans	2,653,902	-
Leases (Note 35)	280,631	296,520
Credit Lines	3,006,769	2,441,257
Total	12,755,140	10,905,507
Non-current		
Notes (" <i>Obligaciones Negociables</i> ")	2,931,102	3,159,627
Leases (Note 35)	386,539	495,817
Total	3,317,641	3,655,444

NOTE 29 – EMPLOYEE BENEFIT OBLIGATIONS

	03.31.2020	12.31.2019
	In Thousands of AR\$	
Current		
Salaries Payable	251,752	207,865
Social Security Charges	174,606	192,747
Provisions	367,688	266,014
Bonuses for the Personnel	11,553	188,947
Rewards for the Personnel	103,953	39,594
Total	909,552	895,167
Non-current		
Bonuses for the Personnel	54,128	-
Total	54,128	-

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NOTE 30 – CURRENT TAX LIABILITIES

	03.31.2020	12.31.2019
	In Thousands of AR\$	
Trade and Industry Tax Payable	90,273	56,489
Tax Withholdings and Additional Tax Withholdings Made from Third Parties	477,023	478,498
Value-added Tax Payable	611,370	633,352
Turnover Tax Payable	163,413	115,034
Total	1,342,079	1,283,373

NOTE 31 – OTHER LIABILITIES

	03.31.2020	12.31.2019
	In Thousands of AR\$	
Current		
Fees Payable to Directors and Supervisory Committee	-	31,268
Advanced Payments to Directors	-	(30,449)
Other Miscellaneous Liabilities	10,699	12,276
Total	10,699	13,095
Non-current		
Other Miscellaneous Liabilities	11,539	7,921
Total	11,539	7,921

NOTE 32 – PROVISIONS

This account includes the estimated amounts to face risks of probable occurrence, which, if they occur, will give rise to a loss for the Company.

(1) Legal Claims:

The Company is subject to several claims, lawsuits and other legal proceedings, including customers' claims, where a third party is claiming payments for alleged damages, refunds for losses or compensation. The potential debt for the Company with respect to such claims, lawsuits and other legal proceedings cannot be certainly estimated. Management periodically reviews the progress of each of the significant issues and calculates the potential financial exposure.

A provision is booked when a potential loss derived from a claim or legal proceeding is deemed likely and the amount can be fairly estimated.

Provisions for contingent losses reflect a fair estimation of the losses to be incurred based on the information made available by Management as of the date of the preparation of the condensed interim financial statements and considering the lawsuits to which Tarjeta Naranja is a party. These estimations are mainly prepared with the assistance provided by the legal advisors.

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NOTE 32 – PROVISIONS (CONTINUED)

(2) Tax Claims:

As of the date of these financial statements, the Company is in the following situations with respect to certain Provincial Tax Boards:

The Company has a dispute with the Tax Revenue Agency of the Province of Río Negro. In due time, the tax agency made an adjustment of AR\$ 895 for turnover tax for the tax periods from January 2010 to June 2012 from the Company. The Company timely challenged the adjustment made. The amount claimed plus accrued interest totaled AR\$ 2,801 and AR\$ 2,961 (AR\$ 2,747 in nominal terms) as of March 31, 2020 and December 31, 2019, respectively.

On the other hand, the Company was served notice of an official assessment from the General Tax Board of the Province of Tucumán, in its capacity as Turnover Tax Withholding Agent, in connection with years commencing on January 2013 through December 2015. The Company timely challenged the adjustment made, with the challenged amounts having been acknowledged, in part, on February 6, 2019. The Company filed a claim for the remaining portion with the provincial Tax Court. The amount claimed plus accrued interest totaled AR\$ 3,276 and AR\$ 3,532 (AR\$ 3,276 in nominal terms) as of March 31, 2020 and December 31, 2019, respectively.

Furthermore, Tarjeta Naranja has a dispute with the General Tax Board of the Province of Córdoba regarding a difference in the turnover tax liability payable for tax periods running from January 2016 to August 2018. On February 14, 2020, the tax agency gave notice to the Company of an official tax assessment in the amount of AR\$ 35,723, plus interest. The Company timely challenged the adjustment made. The amount claimed plus accrued interest totaled AR\$ 71,321 and AR\$ 73,041 (AR\$ 67,756 in nominal terms) as of March 31, 2020 and December 31, 2019, respectively.

The Company also has outstanding claims from certain Municipal Tax Bureaus throughout the country; most of them in connection with Publicity and Advertising, and in respect to which it has filed the respective defenses. As of March 31, 2020 and December 31, 2019, total municipal claims against the Company amounted to AR\$ 25,187 and AR\$ 26,721 (AR\$ 24,788 in nominal terms), respectively.

The provisions booked in liabilities related to the cases described above had been adjusted based on the opinion of the legal advisors, the judicial precedents referred to above and the favorable evolution thereof.

However, Tarjeta Naranja S.A.'s Board of Directors, based on tax advisors' opinions, considers the taxes involved have been appropriately calculated according to legal regulations currently in force, and those tax authorities' claims have no legal or technical grounds. Therefore, the Company is currently exercising — and will exercise in the future — its constitutional rights in order to clarify and settle said issues.

Please refer to our report dated May 28, 2020
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C. N° 21.00004.3

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NOTE 32 – PROVISIONS (CONTINUED)

On December 1, 2017, Tarjeta Naranja S.A. filed an action against the Argentine tax authorities (AFIP as per its initials in Spanish) for the recovery of the Income Tax for the years 2014 and 2016 in the amount of AR\$ 580,164, in nominal terms. The action was grounded on the failure to apply the inflation adjustment mechanisms set forth in Title VI of the Income Tax Law, leading to absorb a substantial portion of taxable income and surpass any reasonable taxation threshold. On May 17, 2018, an identical action was filed in respect of the predecessor company Tarjetas Cuyanas S.A. for the years 2014 and 2016, in the amount of AR\$ 145,478, in nominal terms. On September 27, 2019 and September 17, 2019, the Company filed the respective actions for years 2017 and 2018 in the amount of AR\$ 326,498 and AR\$ 973,843, respectively, in nominal terms. In the absence of an answer from AFIP, on December 6, 2019 the Company filed an action for protection of fundamental rights on grounds of undue delay with the Federal Tax Court regarding Tarjeta Naranja S.A.'s years 2014 and 2016. On February 26, 2020, the Company was served notice of the favorable outcome of this action, whereby AFIP was ordered to render judgment within the following 60 days. On the other hand, and given the fact that the statute of limitations for AFIP to render judgment had run off, on December 27, 2019, the Company filed an action for recovery with the Federal Courts concerning Tarjetas Cuyanas S.A.'s years 2014 and 2016 and Tarjeta Naranja S.A.'s year 2018. On December 30, 2019, the Company brought an identical action in connection with Tarjeta Naranja S.A.'s year 2017.

The breakdown and changes of contingent liabilities as of March 31, 2020 are as follows:

	Balance at the Beginning of the Year	Additions (1)	Disposals (1)	Payments	Effect of Restatement	Balance at Period-end
Tax Matters	32,963	15,552	(226)	-	(6,055)	42,234
Consumer Protection	25,878	-	-	-	-	25,878
Labor Matters	46,680	10,695	(3,222)	(2,293)	(2,952)	48,908
Damages	10,568	526	(403)	-	(48)	10,643
Others	723	145	(34)	-	(44)	790
Total	116,812	26,918	(3,885)	(2,293)	(9,099)	128,453

(1) Additions and Disposals for the period are recorded and reported in Note 17 "Other Operating Expenses", in "Other Expenses".

In addition, the breakdown and changes of contingent liabilities as of December 31, 2019 are as follows:

	Balance at the Beginning of the Year	Additions	Disposals	Payments	Effect of Restatement	Balance at Year-end
Tax Matters	23,211	21,885	(3,457)	(7,172)	(1,504)	32,963
Consumer Protection	7,390	56,056	(12,380)	(16,987)	(8,201)	25,878
Labor Matters	64,549	56,114	(24,330)	(12,362)	(37,291)	46,680
Damages	12,072	11,447	(9,111)	(908)	(2,932)	10,568
Others	564	1,207	(799)	(157)	(92)	723
Total	107,786	146,709	(50,077)	(37,586)	(50,020)	116,812

Please refer to our report dated May 28, 2020
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(Partner)

C.P.C.E.C. N° 21.00004.3

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NOTE 33 - FINANCIAL LIABILITIES BY CONTRACTUAL DUE DATE

The table below breaks down financial liabilities by contractual due date as of March 31, 2020:

	March 31, 2020 In Thousands of AR\$					Total
	Less than 3 Months	From 3 to 12 Months	From 1 to 2 Years	From 2 to 5 Years	Over 5 Years	
Financial Liabilities						
Trade and Other Payables	29,842,940	522,940	-	-	-	30,365,880
Borrowings	4,256,573	11,016,773	2,459,320	1,577,438	36,477	19,346,581
Other Liabilities	3,777	6,914	11,539	-	-	22,230
Total Financial Liabilities	34,103,290	11,546,627	2,470,859	1,577,438	36,477	49,734,691

The table below breaks down financial liabilities by contractual due date as of December 31, 2019:

	December 31, 2019 In Thousands of AR\$					Total
	Less than 3 Months	From 3 to 12 Months	From 1 to 2 Years	From 2 to 5 Years	Over 5 Years	
Financial Liabilities						
Trade and Other Payables	24,130,862	9,877,806	-	-	-	34,008,668
Borrowings	2,310,591	12,364,377	3,132,077	1,972,282	-	19,779,327
Other Liabilities	10,043	3,044	-	7,921	-	21,008
Total Financial Liabilities	26,451,496	22,245,227	3,132,077	1,980,203	-	53,809,003

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NOTE 34 – BORROWINGS

Proceeds from Bank and Financial Loans

With the purpose of financing its business transactions, the Company took out the following borrowings, the main characteristics of which with regard to the obligations outstanding as of March 31, 2020 are summarized as follows:

Institution	Currency of the Loan	Date of Disbursement	Maturity Date	Term	Loan Amount	Outstanding Principal Amount at 03.31.2020	Principal Payments	Interest Payments	Interest Rate
Banco Patagonia S.A.	Pesos (AR\$)	03/19/2020	09/11/2020	176 days	500,000	500,000	One payment at maturity	Upon maturity	44.50%
Banco Santander Rio S.A.	Pesos (AR\$)	03/20/2020	09/21/2020	185 days	1,900,000	1,900,000	One payment at maturity	Quarterly	48.00%
Banco Comafi S.A.	Pesos (AR\$)	03/26/2020	09/21/2020	179 days	150,000	150,000	One payment at maturity	Upon maturity	48.00%
Banco Comafi S.A.	Pesos (AR\$)	03/27/2020	09/21/2020	178 days	90,000	90,000	One payment at maturity	Upon maturity	48.00%

Credit Lines

The Company has entered into and used the following credit line arrangements, the main characteristics of which with regard to the obligations outstanding are summarized as follows:

Institution	Credit Line Currency	Date of Arrangement	Maturity Date	Credit Line Amount as of 03.31.2020 (*)	Principal Payments	Interest Payments	Interest Rate
Banco Macro S.A.	Pesos (AR\$)	10/16/2019	10/15/2020	2,000,000	Upon maturity	Quarterly	Badlar + 12%
Banco Itaú Argentina S.A.	Pesos (AR\$)	03/20/2020	04/01/2020	400,000	Upon maturity	Upon maturity	42.50%
Banco Itaú Argentina S.A.	Pesos (AR\$)	03/26/2020	05/26/2020	400,000	Upon maturity	Upon maturity	43.00%

(*) It corresponds to the principal amount outstanding as of the indicated dates in Argentine Pesos.

Memorandum Accounts

As of March 31, 2020 and March 31, 2019, the Company had no commitment agreements.

Please refer to our report dated May 28, 2020
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NOTE 35 – LEASES

The Company has entered into several buildings lease agreements in respect of which it has recognized the following assets:

Items	Original Value		Depreciation	Net Book Amount
	Opening Book Amount	Accumulated Depreciation at the Beginning of the Period	Charge for the Period	At 03.31.2020
Buildings under Financial Leases	1,084,717	(93,550)	(5,425)	985,742
Right-of-use Assets	1,215,887	(377,283)	(97,823)	740,781

On the other hand, the Company has recorded the following lease liabilities:

Items	Opening Book Amount	Accrued Interest	Payments	Effect of Restatement	Value at 03.31.2020
Lease Liabilities	792,337	25,982	(95,825)	(55,324)	667,170

The following are the future lease payments and the related present value as of March 31, 2020:

	Future Lease Payments	Present Value of Lease Payments
	03.31.2020	
Less than One Year	355,948	280,631
From 1 to 5 Years	528,096	377,566
Over 5 Years	9,051	8,973
Minus Future Financing Charges	(225,925)	-
Present Value of Lease Payments	667,170	667,170
	03.31.2020	
Included in the Financial Statements as:		
Current Leases	280,631	
Non-current Leases	386,539	
Total	667,170	

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NOTE 36 – NOTES (“OBLIGACIONES NEGOCIABLES”)

As of March 31, 2020, the Company has the Global Program approved by Resolutions No. 15220, No. 15361, No. 15785, No. 16319, No. 16571, No. 16822, No. 17676, No. 19508 and Ruling No. DI-2020-20-APN-GE#CNV of the C.N.V. outstanding.

The Company's Shareholders' Meeting held on July 14, 2005 authorized the creation of a Global Program for the Issuance of Notes for a maximum outstanding amount of US\$ 50,000 to be placed by means of a public offering. On October 26, 2005, the C.N.V. authorized the creation of the global program and the public offering of each series of notes issued under such Program through Resolution No. 15220 of that date.

The Shareholders' Meeting held on March 3, 2006, in turn, authorized to increase the amount of said Global Program for the Issuance of Notes by US\$ 100,000, thus resulting in a total maximum amount of US\$ 150,000. Such increase was authorized by the C.N.V. through Resolution No. 15361 dated March 23, 2006.

On October 31, 2007, the Company's Shareholders' Meeting approved to increase said Program's amount up to a maximum outstanding amount of US\$ 350,000 or its equivalent amount in any other currency. Such increase was authorized by the C.N.V. through Resolution No. 15785 dated November 16, 2007. On March 26, 2010, the Shareholders' Meeting approved the extension of the term during which such program would be effective. On April 27, 2010, the C.N.V. authorized such extension through Resolution No. 16319.

Later, the Company's Shareholders' Meeting held on April 1, 2011 approved to increase said Program's amount up to a maximum outstanding amount of US\$ 450,000 or its equivalent amount in any other currency. Such increase was authorized by the C.N.V. through Resolution No. 16571 dated May 24, 2011.

On March 8, 2012, the Company's Shareholders' Meeting approved to increase said Program's amount up to a maximum outstanding amount of US\$ 650,000 or its equivalent amount in any other currency. Such increase was authorized by the C.N.V. through Resolution No. 16822 dated May 23, 2012.

Furthermore, on March 19, 2015, the Shareholders' Meeting approved the extension of the term during which such Program would be outstanding for five years. Then, on May 21, 2015, the C.N.V. authorized such extension through Resolution No. 17676.

On April 4, 2018, the Company's Shareholders' Meeting decided to approve an increase in said Program's amount up to a maximum of US\$ 1,000,000 outstanding at any time, or its equivalent amount in other currencies. Such increase was approved by the C.N.V. through Resolution No. 19508 dated May 10, 2018.

Finally, on February 19, 2020, the Company's Board of Directors approved the extension of the term during which such Program would be outstanding for five years. Then, on March 18, 2020, the C.N.V. authorized such Program extension through Ruling No. DI-2020-20-APN-GE#CNV.

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NOTE 36 – NOTES (“OBLIGACIONES NEGOCIABLES”) (CONTINUED)

Below is a breakdown of the main characteristics of notes and their balances as of March 31, 2020 and December 31, 2019:

Date of Placement	Currency	Class Number	Amount in Thousands	Type	Term	Maturity Date	Interest Rate / Price	Face Value (*)	
								03.31.2020	12.31.2019
06/29/2016	AR\$ (1)	XXXIV Series II	475,397	Simple notes, not convertible into shares	1,461 days	06/29/2020	Minimum 32.00 % / Badlar + 4.67 %	393,286	393,286
07/26/2016	AR\$ (2)	XXV	400,000	Simple notes, not convertible into shares	1,461 days	07/26/2020	Minimum 30.00 % / Badlar + 3.94%	395,000	395,000
09/27/2016	AR\$ (3)	XXXV Series II	774,389	Simple notes, not convertible into shares	1,461 days	09/27/2020	Minimum 26.00 % / Badlar + 3.99 %	686,914	686,914
10/24/2016	AR\$ (4)	XXVI Series II	350,237	Simple notes, not convertible into shares	1,461 days	10/24/2020	Minimum 26.00 % / Badlar + 4.00%	350,237	350,237
02/10/2017	AR\$ (5)	XXVII Series II	500,000	Simple notes, not convertible into shares	1,095 days	02/10/2020	Minimum 23.50% / Badlar + 3.50%	-	461,122
04/11/2017	AR\$ (6)	XXXVII	3,845,700	Simple notes, not convertible into shares	1,826 days	04/11/2022	Minimum 15.00% / Badlar + 3.50 %	3,845,700	3,845,700
06/09/2017	AR\$ (7)	XXVIII Series II	371,825	Simple notes, not convertible into shares	1,461 days	06/09/2021	Minimum 25.00% / Badlar + 3.70%	371,825	371,825
04/10/2018	AR\$ (8)	XL Series II	1,402,500	Simple notes, not convertible into shares	914 days	10/10/2020	Minimum 27.00% / Badlar + 3.69%	1,338,175	1,338,175
11/15/2018	AR\$ (9)	XLI Series II	343,555	Simple notes, not convertible into shares	547 days	05/15/2020	Badlar + 10.00%	343,555	343,555
02/19/2019	AR\$ (10)	XLIII	1,583,895	Simple notes, not convertible into shares	547 days	08/18/2020	Badlar + 7.00%	1,414,706	1,414,706

(*) It corresponds to the principal amount outstanding as of the indicated dates in Argentine Pesos.

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NOTE 36 – NOTES (“OBLIGACIONES NEGOCIABLES”) (CONTINUED)

- (1) On June 29, 2016, the Company issued and placed its Class XXXIV Notes for a total amount of AR\$ 600,000. This issuance was carried out in two series: Series I for a total amount of AR\$ 124,603 and Series II for a total amount of AR\$ 475,397. Principal of Series I was already settled and principal of Series II will be settled upon maturity. Interest shall be payable quarterly. Minimum interest rate shall be 32% nominal annual for the first two interest periods. In the case the interest rate to be applied after the auction market period is held is lower than Series II's minimum interest rate, interest for the first two interest periods shall be accrued according to the latter interest rate, pursuant to the Price Supplement and Disclosure of Results.
- (2) On July 26, 2016, the Company issued and placed TC Class XXV Notes for a total amount of AR\$ 400,000. This issuance was carried out in only one Series. Principal will be settled upon maturity.
- (3) On September 27, 2016, the Company issued and placed its Class XXXV Notes for a total amount of AR\$ 1,000,000. This issuance was carried out in two series: Series I for a total amount of AR\$ 225,611 and Series II for a total amount of AR\$ 774,389. Principal of Series I was already settled and principal of Series II will be settled upon maturity. Interest shall be payable quarterly in both Series. For Series I, minimum interest rate shall be 26% nominal annual for the first interest period. In case the interest rate to be applied after the auction market period is lower than minimum interest rate, interest for the first interest period shall be accrued according to the latter interest rate, pursuant to the Price Supplement and Disclosure of Results. For Series II, minimum interest rate shall be 26% nominal annual for the first two interest periods. In case the interest rate to be applied after the auction market period is lower than minimum interest rate, interest for the first two interest periods shall be accrued according to the latter interest rate, pursuant to the Price Supplement and Disclosure of Results.
- (4) On October 24, 2016, the Company issued and placed TC Class XXVI Notes for a total amount of AR\$ 500,000. This issuance was carried out in two series: Series I for a total amount of AR\$ 149,763 and Series II for a total amount of AR\$ 350,237. Principal of Series I was already settled and principal of Series II will be settled upon maturity.
- (5) On February 10, 2017, the Company issued and placed TC Class XXVII Notes for a total amount of AR\$ 500,000. This issuance was carried out under Series II, with Series I having been declared void. At the date of these financial statements, principal has been settled.
- (6) On April 11, 2017, the Company issued and placed Peso-linked Class XXXVII Notes for a total amount of US\$250,000, equivalent to AR\$ 3,845,700, as converted at an Initial Exchange Rate. Principal will be settled in three annual installments, with due dates on April 11, 2020, April 11, 2021 and April 11, 2022. Interest shall be payable quarterly. Minimum interest rate shall be 15.00% nominal annual. In case the interest rate to be applied after the auction market period is lower than minimum interest rate, interest shall be accrued according to the latter, pursuant to the Price Supplement and Disclosure of Results.
- (7) On June 9, 2017, the Company issued and placed TC Class XXVIII Notes for a total amount of AR\$ 500,000. This issuance was carried out in two series: Series I for a total amount of AR\$ 128,175 and Series II for a total amount of AR\$ 371,825. Principal of Series I was already settled. Principal of Series II will be settled upon maturity.
- (8) On April 10, 2018, the Company issued and placed Class XL Notes for a total amount of AR\$ 2,000,000. This issuance was carried out in two series: Series I for a total amount of AR\$ 597,500 and Series II for a total amount of AR\$ 1,402,500. Principal of both Series will be settled upon maturity. Series I shall accrue interest upon maturity and Series II shall accrue interest quarterly. For Series II, minimum interest rate shall be 27% nominal annual for the first two interest periods. In the case the interest rate to be applied after the auction market period is held is lower than minimum interest rate, interest for the first two interest periods shall be accrued according to the latter interest rate. In September 2019, the Company repurchased Class XL Series I Notes for an aggregate principal amount of AR\$ 119,650.
- (9) On November 15, 2018, the Company issued and placed Class XLI Notes for a total amount of AR\$ 1,197,657. This issuance was carried out in two series: Series I for a total amount of AR\$ 854,102 and Series II for a total amount of AR\$ 343,555. Principal of both Series will be settled upon maturity. Interest on Series I and Series II will be settled on a quarterly basis. In September 2019, the Company repurchased Class XLI Series I Notes for an aggregate principal amount of AR\$ 95,400.
- (10) On February 19, 2019, the Company issued and placed Class XLIII Notes for a total amount of AR\$ 1,583,895. This issuance was carried out in only one Series. Principal will be settled upon maturity. Interest will be paid on a quarterly basis.

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NOTE 36 – NOTES (“OBLIGACIONES NEGOCIABLES”) (CONTINUED)

Covenants Undertaken:

Furthermore, it is worth noting that in the Price Supplement of Class XXXVII Notes, the Company has undertaken the following covenants, among others, with regard to the holders of such Notes.

- (i) The Company will not incur debt, unless at the date of incurring debt (a) the Total Liabilities (Liabilities minus Cash and Cash Equivalents) to Equity Ratio does not exceed 7 to 1; and (b) the Indebtedness (Borrowings minus Cash and Cash Equivalents) to Equity Ratio does not exceed 4 to 1;
- (ii) The Company will not levy any lien or else allow any lien to be levied, except for the permitted liens (liens existing at the time of the issuance of Notes, their renewals and those liens set forth by the law) with regard to all the other assets, when the total amount of the liens does not exceed 5% of the Company's total assets.
- (iii) The Company will not be able to dispose of its assets, unless: (a) it receives a consideration at market value, (b) 75% of the consideration is in cash, (c) the proceeds of the sale are used within 365 days to (i) pay off debt, (ii) make investments in capital assets in a related company, a permitted business or a related business, or else (iii) reinvest or purchase additional assets.

In turn, in the Price Supplement of Class XXV (TC), XXVI (TC), XXVIII (TC), XXXIV, XXXV, XL, XLI and XLIII Notes, the Company has undertaken the following covenant with regard to the holders of such Notes:

- (i) The Company will not levy any lien or else allow any lien to be levied, except for the permitted liens — such liens existing at the date of the Price Supplement or those to be levied in the future with regard to all the other assets—, when the total amount of the liens does not exceed 25% of the Company's total assets.

At the date of these condensed interim financial statements, the Company has complied with the abovementioned covenants undertaken.

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NOTE 37 – CASH AND CASH EQUIVALENTS – STATEMENT OF CASH FLOWS

	03.31.2020	03.31.2019
	In Thousands of AR\$	
Cash	2,065,537	1,842,521
Placements of Cash-equivalent Funds	11,537,496	7,082,121
Total	13,603,033	8,924,642

NOTE 38 – ADJUSTMENTS TO CALCULATE THE NET CASH FLOWS FROM OPERATING ACTIVITIES

	03.31.2020	03.31.2019
	In Thousands of AR\$	
Provision for Loan Losses	1,220,134	2,100,117
Provision for Contingencies, Net of Recoveries	23,033	27,296
Provision for Employee Benefit Obligations	657,216	575,617
Provision / (Recovery) for Fees Payable to Directors and Members of the Supervisory Committee	13,403	(26,789)
Foreign Exchange Loss / (Gain)	(188,098)	15,171
Income from Investments Accounted for Using the Equity Method	477	544
Decrease in Property, Plant and Equipment	26,493	-
Depreciation of Property, Plant and Equipment	197,797	193,393
Amortization of Intangible Assets	159,165	96,365
Total	2,109,620	2,981,714

NOTE 39 – CHANGES IN OPERATING ASSETS

	03.31.2020	03.31.2019
	In Thousands of AR\$	
Increase in Receivables from Trade	(454,685)	(1,274,564)
Increase in Other Receivables	(124,372)	(123,986)
Total	(579,057)	(1,398,550)

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NOTE 40 – CHANGES IN OPERATING LIABILITIES

	03.31.2020	03.31.2019
	In Thousands of AR\$	
Decrease in Employee Benefit Obligations	(524,814)	(850,405)
Increase / (Decrease) in Trade and Other Payables	117,993	(970,752)
Increase / (Decrease) in Tax Liabilities	156,397	(33,583)
Income Tax Payments	(237,611)	-
Increase in Other Liabilities	2,787	36,543
(Decrease) / Increase in Trade and Other Payables	(1,297,578)	510,953
Contingency Payments	(2,293)	(4,177)
Total	(1,785,119)	(1,311,421)

NOTE 41 – ADDITIONAL INFORMATION ON THE STATEMENT OF CASH FLOWS

The following is the reconciliation of borrowings disclosed in the condensed Statements of Cash Flows at period-end:

	At the Beginning of the Year	Borrowing	Principal, Interest and Expenses Payments	Interest and Expenses Payable	Effect of Inflation Adjustment	At Period-end
Notes ("Obligaciones Negociables")	11,327,357	-	(1,814,417)	1,011,733	(779,733)	9,744,940
Borrowings	3,233,594	3,440,000	(462,738)	338,923	(221,938)	6,327,841
Total	14,560,951	3,440,000	(2,277,155)	1,350,656	(1,001,671)	16,072,781

The following are the financing operations performed during the period that have not generated any cash movements.

	03.31.2020	12.31.2019
	In Thousands of AR\$	
Payment in Kind for the Issuance of Class XLIII Notes ("Obligaciones Negociables")	-	303,795

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PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C. N° 21.00004.3

Tarjeta Naranja S.A.

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NOTE 42 - BALANCES AND TRANSACTIONS WITH COMPANIES AND RELATED PARTIES

Tarjeta Naranja S.A. is controlled by Tarjetas Regionales S.A., with legal domicile at Tte. Gral. Juan D. Perón 430 - 19th Floor - Autonomous City of Buenos Aires, which holds 2,823 shares, representing a 99.96% interest in the capital stock. In turn, Grupo Financiero Galicia S.A., with legal domicile at Tte. Gral. Juan D. Perón 456, 2nd Floor, Autonomous City of Buenos Aires, owns an 83% equity interest in Tarjetas Regionales S.A.

Ondara S.A. is a corporation incorporated in Argentina, with domicile established at Av. Paseo Colón 746, 4th Floor, Autonomous City of Buenos Aires, Argentina, and holds 1 share accounting for 0.4% of the Company's capital stock.

In an effort to associate our trademark to new products with embedded technology which already have a share in the digital market, in December 2018 Tarjeta Naranja S.A. entered into a trademark license agreement with Cobranzas Regionales S.A., pursuant to which such trademarks can be associated to the operation of a payment platform and external devices that read card magnetic stripes and chips, under the brand Naranja POS.

Since the development and execution of the project required an increase of AR\$ 90,000 in Cobranzas Regionales S.A.'s capital stock, according to the percentage of shares held by each shareholder, on February 18, 2019, the shareholders held their General Extraordinary Shareholders' Meeting at which time they approved said increase by issuing 900,000 non-endorsable, registered ordinary shares, 855,000 of Tarjetas Regionales S.A.'s capital stock and 45,000 of Tarjeta Naranja S.A.'s capital stock. Similarly, on December 20, 2019, the General Extraordinary Shareholders' Meeting approved a new increase of AR\$ 300,000 in capital stock, according to the percentage of shares held by each shareholder, by issuing 3,000,000 non-endorsable, registered ordinary shares, 2,850,000 of Tarjetas Regionales S.A.'s capital stock and 150,000 of Tarjeta Naranja S.A.'s capital stock.

The following are Tarjeta Naranja S.A.'s balances with related companies as of March 31, 2020:

Companies under Section 33 of Law No.19550	
	Banco de Galicia y de Buenos Aires S.A.U.
	In Thousands of AR\$
ASSETS	
Cash and Cash Equivalents	310,681
Other Receivables	9,646
Total Current Assets as of 03.31.2020	320,327
Total Assets as of 03.31.2020	320,327
LIABILITIES	
Trade and Other Payables	396,230
Borrowings	26,620
Other Liabilities	2,750
Total Current Liabilities as of 03.31.2020	425,600
Borrowings	115,607
Other Liabilities	6,659
Total Non-current Liabilities as of 03.31.2020	122,266
Total Liabilities as of 03.31.2020	547,866

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NOTE 42 – BALANCES AND TRANSACTIONS WITH COMPANIES AND RELATED PARTIES (CONTINUED)

The following are Tarjeta Naranja S.A.'s balances with other related parties as of March 31, 2020:

Other Related Parties						
	Cobranzas Regionales S.A.	Galicia Seguros S.A.	Galicia Vida S.A.	Key Management Personnel	Parque Azul S.R.L.	Total
	In Thousands of AR\$					
ASSETS						
Cash and Cash Equivalents	-	-	290,150	-	-	290,150
Other Receivables	28,556	17,258	-	5,060	-	50,874
Total Current Assets as of 03.31.2020	28,556	17,258	290,150	5,060	-	341,024
Other Receivables	-	-	-	5,435	-	5,435
Total Non-current Assets as of 03.31.2020	-	-	-	5,435	-	5,435
Total Assets as of 03.31.2020	28,556	17,258	290,150	10,495	-	346,459
LIABILITIES						
Trade and Other Payables	32,872	-	-	-	15,715	48,587
Salaries Payable	-	-	-	1,897	-	1,897
Total Current Liabilities as of 03.31.2020	32,872	-	-	1,897	15,715	50,484
Total Liabilities as of 03.31.2020	32,872	-	-	1,897	15,715	50,484

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NOTE 42 – BALANCES AND TRANSACTIONS WITH COMPANIES AND RELATED PARTIES (CONTINUED)

The following are the transactions carried out by Tarjeta Naranja S.A. with related companies during the period ended March 31, 2020:

	Companies under Section 33 of Law No.19550
	Banco de Galicia y Buenos Aires S.A.U.
	In Thousands of AR\$
REVENUES	
Revenues from Services	21,419
Interest on Time Deposits	2,981
Totals as of 03.31.2020	24,400
EXPENSES	
Rentals	(1,714)
Bank and Financial Interest	(20,621)
Bank Expenses	(23,307)
Professional Fees	(5,690)
Totals as of 03.31.2020	(51,332)

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NOTE 42 – BALANCES AND TRANSACTIONS WITH COMPANIES AND RELATED PARTIES (CONTINUED)

The following are the transactions carried out by Tarjeta Naranja S.A. with other related parties during the period ended March 31, 2020:

	Other Related Parties						Total
	Cobranzas Regionales S.A.	Galicia Seguros S.A.	Parque Azul S.R.L.	Key Management Personnel	Golden S.A.	Colores S.A.	
	In Thousands of AR\$						
REVENUES							
Revenues from Services	36,908	192,637	824	-	-	-	230,369
Revenues from Financing	-	-	141	-	-	-	141
Totals as of 03.31.2020	36,908	192,637	965	-	-	-	230,510
EXPENSES							
Rentals	-	-	-	-	(1,634)	(545)	(2,179)
Directors' Fees	-	-	-	(12,829)	-	-	(12,829)
Salaries	-	-	-	(9,415)	-	-	(9,415)
Totals as of 03.31.2020	-	-	-	(22,244)	(1,634)	(545)	(24,423)

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NOTE 42 – BALANCES AND TRANSACTIONS WITH COMPANIES AND RELATED PARTIES (CONTINUED)

The following are Tarjeta Naranja S.A.'s balances with related companies as of December 31, 2019:

Companies under Section 33 of Law No.19550	
	Banco de Galicia y de Buenos Aires S.A.U.
	In Thousands of AR\$
ASSETS	
Cash and Cash Equivalents	2,529,013
Other Receivables	-
Total Current Assets as of 12.31.2019	2,529,013
Total Assets as of 12.31.2019	2,529,013
LIABILITIES	
Trade and Other Payables	303,942
Borrowings	31,053
Other Liabilities	7,768
Total Current Liabilities as of 12.31.2019	342,763
Borrowings	130,884
Other Liabilities	7,921
Total Non-current Liabilities as of 12.31.2019	138,805
Total Liabilities as of 12.31.2019	481,568

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NOTE 42 – BALANCES AND TRANSACTIONS WITH COMPANIES AND RELATED PARTIES (CONTINUED)

The following are Tarjeta Naranja S.A.'s balances with other related parties as of December 31, 2019:

Other Related Parties				
	Cobranzas Regionales S.A.	Key Management Personnel	Parque Azul S.R.L.	Total
	In Thousands of AR\$			
ASSETS				
Other Receivables	31,982	-	-	31,982
Total Current Assets as of 12.31.2019	31,982	-	-	31,982
Total Assets as of 12.31.2019	31,982	-	-	31,982
LIABILITIES				
Trade and Other Payables	45,763	-	15,073	60,836
Salaries Payable	-	1,769	-	1,769
Other Liabilities	-	291	-	291
Total Current Liabilities as of 12.31.2019	45,763	2,060	15,073	62,896
Total Liabilities as of 12.31.2019	45,763	2,060	15,073	62,896

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NOTE 42 – BALANCES AND TRANSACTIONS WITH COMPANIES AND RELATED PARTIES (CONTINUED)

The following are the transactions carried out by Tarjeta Naranja S.A. with related companies during the period ended March 31, 2019:

	Companies under Section 33 of Law No.19550
	Banco de Galicia y Buenos Aires S.A.U.
	In Thousands of AR\$
REVENUES	
Revenues from Services	24,314
Interest on Time Deposits	27,520
Totals as of 03.31.2019	51,834
EXPENSES	
Rentals	(1,600)
Bank and Financial Interest	(44,764)
Bank Expenses	(30,977)
Professional Fees	(7,170)
Totals as of 03.31.2019	(84,511)

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NOTE 42 – BALANCES AND TRANSACTIONS WITH COMPANIES AND RELATED PARTIES (CONTINUED)

The following are the transactions carried out by Tarjeta Naranja S.A. with other related parties during the period ended March 31, 2019:

	Other Related Parties					
	Cobranzas Regionales S.A.	Galicia Seguros S.A.	Parque Azul S.R.L.	Key Management Personnel	Golden S.A.	Colores S.A.
	In Thousands of AR\$					
REVENUES						
Revenues from Services	6,099	91,569	1,030	-	-	-
Revenues from Financing	-	-	192	-	-	-
Totals as of 03.31.2019	6,099	91,569	1,222	-	-	-
EXPENSES						
Rentals	-	-	-	-	(1,801)	(533)
Professional Fees	(212,647)	-	-	-	-	-
Directors' Fees	-	-	-	-	-	-
Salaries	-	-	-	(8,183)	-	-
Totals as of 03.31.2019	(212,647)	-	-	(8,183)	(1,801)	(533)

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NOTE 43 - RESTRICTED ASSETS

Liens in Force

As of March 31, 2020 and December 31, 2019, liens for a total amount of AR\$ 2,014 and AR\$ 2,677, respectively, have been levied on funds deposited in checking accounts opened by the Company at several financial institutions. Since the appropriate defenses have been filed during such legal proceedings to safeguard the Company's interests, the seized funds have been included in these condensed interim financial statements under "Other Receivables".

Covenants Undertaken

The commitments undertaken by virtue of Class XXV (TC), XXVI (TC), XXVIII (TC), XXXIV, XXXV, XXXVII, XL, XLI and XLIII Notes ("*Obligaciones Negociables*") issued by the Company are mentioned in Note 36.

Security Deposits

As March 31, 2020 and December 31, 2019, the Company paid AR\$ 6,974 and AR\$ 7,409, respectively, for security related to certain buildings lease agreements. These funds have been included in these condensed interim financial statements under "Other Receivables".

Restriction on the Distribution of Dividends

The Company's Ordinary and Extraordinary Shareholders' Meeting held on March 16, 2006 resolved to define the following policy for the distribution of dividends: i) to keep under Retained Earnings those retained earnings corresponding to years prior to 2005 and, therefore, not to distribute them as dividends, and ii) to set as maximum limit for the distribution of dividends 25% of the liquid and realized income for each year as from 2005. These restrictions shall remain in full force as long as the Company's equity remains below AR\$ 300,000. Thus, the policy for the distribution of dividends approved by the Company's Board of Directors at its meeting held on January 4, 2006 has been ratified.

Furthermore, in the Price Supplement of Class XXXVII Notes, the Company agreed not to distribute dividends: i) in excess of 50% of the Company's net profit accrued since January 1, 2017 until the most recent previous quarter plus 50% of the net profit accrued during the year 2016, net of restricted payments made in 2016, and ii) when (a) the Total Liabilities (Liabilities minus Cash and Cash Equivalents) to Equity Ratio does not exceed 7 to 1, and (b) the Indebtedness to Equity Ratio does not exceed 4 to 1.

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NOTE 44 – INFORMATION ABOUT EXPENSES AND THEIR ALLOCATION UNDER SECTION 64 SUBSECTION B) OF LAW 19550

Items	Totals as of 03.31.2020	Administrative Expenses	Marketing Expenses	Totals as of 03.31.2019
In Thousands of AR\$				
Directors and Supervisory Committee Members' Fees	13,403	13,403	-	937
Bonuses for the Personnel	195,173	60,504	134,669	157,768
Compensation and Social Security Charges	1,150,507	481,658	668,849	1,198,126
Taxes, Rates and Contributions	1,131,784	232,278	899,506	1,257,090
Travel Expenses and Per Diem	18,577	8,711	9,866	15,982
Maintenance of Equipment and Buildings	65,074	65,074	-	42,995
Depreciation of Property, Plant and Equipment	197,797	138,457	59,340	193,393
Amortization of Intangible Assets	159,165	159,165	-	96,365
Rentals	40,927	26,138	14,789	21,237
Stationery and Office Supplies	22,125	10,739	11,386	24,430
Opening of Accounts	22,345	-	22,345	30,257
Publicity and Advertising	107,061	-	107,061	114,522
Donations	570	570	-	954
Electricity, Natural Gas and Communications	94,898	18,362	76,536	99,820
Third Parties' Fees	305,402	305,402	-	233,968
Insurance and Security Services	110,397	4,216	106,181	140,589
Bank and Financial Expenses	45,968	45,968	-	53,781
Regular Mail Services	14,108	1,214	12,894	9,203
Expenses for Commercial Reports and Procedures for the Collection of Amounts in Arrears	123,958	123,958	-	212,647
Collection Expenses	346,392	346,392	-	325,964
General Expenses	430,488	242,527	187,961	374,535
Expenses for Telephone Sale Channel	21,904	-	21,904	81,903
Printing and Distribution Expenses	96,284	-	96,284	113,840
Cleaning Expenses	26,878	6,243	20,635	29,575
Special Promotions	28,065	-	28,065	17,864
Expenses from Call Center Services	176,111	100,927	75,184	89,623
Totals as of 03.31.2020	(*) 4,945,361	2,391,906	2,553,455	-
Totals as of 03.31.2019		2,139,980	2,797,388	(*) 4,937,368

- (1) Total marketing and administrative expenses correspond with the amount of the lines "Costs of Services" and "Total Operating Expenses" in the Condensed Statement of Profit or Loss.

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NOTE 45 – FOREIGN CURRENCY ASSETS AND LIABILITIES

Items	Amount and Type of Foreign Currency (in Thousands of U.S. Dollars)	Current Exchange Rate	Amount in Argentine Currency as of 03.31.2020	Amount in Argentine Currency as of 12.31.2019
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents				
Deposits in Argentina	1,568	64.4697	101,102	2,180,039
Deposits Abroad	10	60.75	594	120
Receivables from Trade	104	60.75	6,326	402,995
Other Receivables	442	60.75	26,831	-
Total Current Assets			134,853	2,583,154
NON-CURRENT ASSETS				
Other Receivables				
Security Deposits	25	60.75	1,519	1,563
Total Non-current Assets			1,519	1,563
Total Assets			136,372	2,584,717
LIABILITIES				
CURRENT LIABILITIES				
Trade and Other Payables				
Merchants ("Comercios Amigos")	-	65.75	-	66,340
Suppliers	7	65.75	453	-
Collections on Account of Third Parties	260	65.75	17,105	21,070
Total Current Liabilities			17,558	87,410
Total Liabilities			17,558	87,410

US\$: United States Dollars.

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NOTE 46 – DOCUMENTATION FILING

On August 14, 2014, the National Securities Commission issued General Resolution No. 629, whereby it introduces changes to its regulations regarding the filing and keeping of commercial books, corporate books and the accounting records.

In compliance with Section 26 of Part VII of Chapter IV of Title II of the Regulations (N.T. 2013, as amended), it is reported that the Company has entrusted the following third-party suppliers with the deposit of certain old information:

Person in Charge of the Deposit	Location
File Management Com S.R.L. (FMC)	Ruta 5 km 4 1/2 - Camino a Alta Gracia – Province of Córdoba
Administradora de Archivos S.A. (ADEA)	Ruta 36, 31.5km (Plant 3) - Florencio Varela – Province of Buenos Aires
DataBox de File S.A.	25 de mayo 821 – Dorrego – Guaymallen - Mendoza

In addition, it is evidenced that the detail of the documentation for safekeeping is made available at the registered office.

NOTE 47 – PORTFOLIO ASSIGNMENT

As of March 31, 2020, the Company entered into Credit Portfolio Assignment agreements, as detailed below:

Date	Assignee	Sale Price at Nominal Values (1)	Portfolio Assignment at Nominal Values (1)
02/14/2020	LUGONES MARIANA	30	560
02/19/2020	DI YORIO MARA	527	7,292
02/20/2020	ANDREOLI SOLEDAD	40	1,812
02/20/2020	MARIA CELESTE PIEGAS - FABIAN MENDOZA	214	3,870
03/05/2020	MARIA FERNANDA GARZON MOLINA	205	2,995
03/06/2020	MARTIN PATRI	44	1,409
03/10/2020	BAZAN PRIMO ALBERTO	79	1,665
03/13/2020	SERVICIOS INTEGRALES SRL	484	7,970
03/13/2020	SIVILA CLAUDIA	95	1,673
01/22/2020	OSCAR MARTIN MEYER	1,411	8,075

(1) As per the amounts stated in the respective deeds.

The above-mentioned agreements have been executed as portfolio assignment without recourse. Accordingly, the Company has substantially transferred the risks and rewards inherent to the ownership of the financial asset.

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NOTE 48 – SUBSEQUENT EVENTS

The Ordinary and Extraordinary Shareholders' Meeting of Tarjeta Naranja S.A. was held on April 16, 2020, at which time the shareholders approved Tarjeta Naranja S.A.'s Inventory, Balance Sheet, Statement of Profit or Loss, Statement of Changes in Equity and Statement of Cash Flows, their accompanying Schedules, Exhibits and supplementary Notes and further documents set out in Section 234, paragraph 1 of the Argentine General Companies Law, Annual Report, Summary of Activity, and Supervisory Committee's Report for the year ended December 31, 2019. At said Shareholders' Meeting, the shareholders further resolved:

- not to make any dividend distribution among shareholders for the year ended December 31, 2019;
- to set up a new Discretionary Reserve that would be appropriated to "offset the impacts of the first-time adoption of IFRS 9" in the amount of AR\$ 1,126,588 (in constant Argentine Pesos at December 31, 2019); and
- to increase the balance of the Discretionary Reserve for "Distribution of Future Dividends and/or to Generate New Businesses and Undertakings, as required by the Company's Financial Needs" by AR\$ 5,122 (in constant Argentine Pesos at December 31, 2019).

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NOTE 49 – ECONOMIC ENVIRONMENT

The Company operates amidst a complex economic environment, resulting from the combination of Argentina's current economic crisis and the effects of the spread of the COVID-19 pandemic.

When the new administration took office in December 2019, the Argentine economy was undergoing a downturn. In 2019, GDP declined by 2.2%, amidst considerable foreign exchange volatility, soaring inflation, a sharp decline in the price for Argentine sovereign bonds, and increased country risk. To cope with this situation, in late 2019 and early 2020, the new government reinforced the exchange controls implemented by the former administration and started to cut interest rates in an attempt to boost credit.

On the fiscal front, the National Government passed a law creating new and increasing existing taxes, and eliminated the cuts in tax rates scheduled for 2020. In addition, the government suspended the use of the formula to automatically adjust retirement income and social benefits, and replaced it with discretionary rises. The goal was achieving a primary fiscal deficit similar to that achieved in 2019 (-1.0% of GDP, after eliminating extraordinary revenues) which was counter-cyclical but too modest to enable an agreement with bondholders and avoid a default.

However, the global spread of COVID-19 in recent months and the need for implementing preventive measures, such as social distancing, have fully disrupted the economic landscape. On the one hand, global recession will have a negative impact on local activity, in the form of a decline in exports from Argentina, combined with a shift in the demand curve and a fall in prices. On the other hand, the measures adopted by the government are already having a direct negative impact on local production and spending. In an attempt to counter these effects, the National Government has relinquished its fiscal deficit target for 2019, and is currently implementing a stimulus package, which combines an increase in public spending, tax cuts, and subsidized credit.

The above-described scenario is still prevailing as of the date of these financial statements. The Company's management monitors the changes in the variables affecting its business on an ongoing basis to define the course of action to be followed, and identify possible impacts on its financial position. These financial statements should be read considering the above-described circumstances.

NOTE 50 – COVID-19

The outbreak and spread of a virus named "Coronavirus" (or COVID-19) in late 2019 brought about several implications for enterprises and business activities at a global level. Given the significant pace at which the virus was spreading, in March 2020, several governments around the world adopted drastic measures to contain its proliferation, including border closures and travel restrictions from and to certain parts of the world for a certain period of time, up to mandatory social distancing measures, combined with the interruption of non-essential business activities. On March 11, the World Health Organization designated the COVID-19 as a global pandemic.

At the local level, the National Government adopted certain measures targeted at curbing the traffic of people, and mandated social distancing commencing on March 20 up to and including June 8, 2020 (when social distancing could be extended, at the National Government's discretion), with traffic being restricted only to individuals engaged in delivering and/or manufacturing essential services and/or products. Social distancing may be extended for as long as deemed necessary to cope with the pandemic.

Please refer to our report dated May 28, 2020

PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C. N° 21.00004.3

Tarjeta Naranja S.A.

Registration Number with the Public Registry of Commerce: No. 1363 Fo. 5857 Vol. 24/95

Notes to the Condensed Interim Financial Statements (Continued)

For the three-month periods ended March 31, 2020 and 2019

Expressed in thousands of Argentine Pesos

(Free Translation from the Original in Spanish for Publication in Argentina)

The final extent of the Coronavirus outbreak and its impact on the global and local economy are still unknown, and governments may take more stringent measures, which are unpredictable at this time. As of the date of these financial statements, the pandemic has not had a substantial impact on the Company's results of operations.

As part of the plan to cope with the current situation, effective since April 13, the Company's branches have started to operate on special business hours with previous appointment being required, and certain transactions shifted from face-to-face to digital channels, which resulted in an increase in electronic payments. In addition, the Company has devised special financing plans to afford customers debt payment facilities, and launched special promotions for on-line purchases at Tienda Naranja's site, as well as for purchases at supermarkets and drug stores. These actions are meant to mitigate the impact of increasing arrears and lower spending levels.

However, the Company cannot reasonably quantify the extent to which the Coronavirus will affect its business and the results of its operations in the future, if the current situation persists over time.

The Board of Directors is closely monitoring the situation and taking all possible actions to preserve human life and operations.

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Tarjeta Naranja S.A.

Additional Information to the Notes to the Financial Statements

As of March 31, 2020

Expressed in thousands of constant Argentine Pesos

(Free Translation from the Original in Spanish for Publication in Argentina)

1. LEGAL SYSTEMS

There are no significant or specific legal systems entailing contingent expiration or resurgence of benefits envisaged by those regulations.

2. COMPANY ACTIVITIES

Indicators of the Company's activities are described in the Summary of Activity.

3. CLASSIFICATION OF RECEIVABLES FROM TRADE, OTHER RECEIVABLES AND DEFERRED TAX ASSETS BY MATURITY DATE

a) Past-due Receivables from Trade as of March 31, 2020:

	Receivables from Trade
	In Thousands of AR\$
Before 03.31.19	2,400,393
Between 03.31.19 and 09.30.19	2,037,156
Between 09.30.19 and 12.31.19	1,250,158
Between 12.31.19 and 03.31.20	2,228,734
Subtotal	7,916,441
Provision for Loan Losses (1)	(5,903,575)
Total Past-due Receivables	2,012,866

(1) The difference of AR\$ 2,088,508 with respect to the total provision for loan losses for AR\$ 7,992,083 corresponds to a global provision for the (undue) performing commercial portfolio.

b) Other Receivables and Deferred Tax Assets with No Fixed Term as of March 31, 2020:

	Other Receivables	Deferred Tax Assets
	In Thousands of AR\$	
No Fixed Term	(1) 9,845	2,500,224

(1) Other Receivables with No Fixed Term: AR\$ 2,871 are recorded as other current receivables and AR\$ 6,974 are recorded as other non-current receivables in the Balance Sheet.

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Jorge F. Gregorat
For the Supervisory Committee

Alejandro Asrin
President

Tarjeta Naranja S.A.

Additional Information to the Notes to the Condensed Interim Financial Statements (Continued)

As of March 31, 2020

Expressed in thousands of Argentine Pesos

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c) Receivables from Trade and Other Receivables to Become Due as of March 31, 2020.

		Receivables from Trade	Other Receivables
		In Thousands of AR\$	
Current			
	06/30/2020	33,749,260	367,981
	09/30/2020	8,377,905	1,306
	12/31/2020	3,407,583	1,306
	03/31/2021	1,556,742	87
	Provision for Loan Losses (1)	(2,088,508)	-
Non-current		225,819	5,938

(1) The difference of AR\$ 5,903,575 with respect to the total provision for loan losses for AR\$ 7,992,083 corresponds to a provision for past-due receivables included in paragraph a).

4. CLASSIFICATION OF DEBT BALANCES BY MATURITY DATE

a) Past-due Debts as of March 31, 2020:

There are no past-due debts as of March 31, 2020.

b) Debts with No Fixed Term as of March 31, 2020:

As of March 31, 2020, we have AR\$ 8 of qualification bonds received from Directors, as required by Law No. 19550.

c) Debts to Become Due as of March 31, 2020:

	Trade and Other Payables	Borrowings	Employee Benefit Obligations	Current Tax Liabilities	Income Tax Provision	Other Liabilities
	In Thousands of AR\$					
Current						
	06/30/2020	29,842,941	3,736,390	564,620	1,342,079	765,887
	09/30/2020	522,544	5,194,415	155,188	-	2,305
	12/31/2020	257	3,753,712	101,391	-	2,305
	03/31/2021	138	70,623	88,353	-	2,305
Non-current		-	3,317,641	54,128	-	775,778
						11,539

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Additional Information to the Notes to the Condensed Interim Financial Statements (Continued)

As of March 31, 2020

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5. CLASSIFICATION OF RECEIVABLES FROM TRADE, OTHER RECEIVABLES AND DEFERRED TAX ASSETS BY THEIR FINANCIAL EFFECTS

- a) Receivables from Trade, Other Receivables and Deferred Tax Assets in Argentine Pesos and U.S. Dollars.

	Receivables from Trade	Other Receivables	Deferred Tax Assets
In Thousands of AR\$			
In Argentine Pesos	55,227,424	384,944	2,500,224
Provision for Loan Losses AR\$	(7,992,083)	-	-
In Foreign Currency	6,841	1,519	-
Provision for Loan Losses US\$	(515)	-	-

- b) The balances of Receivables from Trade, Other Receivables and Deferred Tax Assets are not subject to any adjustment clause.

- c) Interest-bearing and Non-interest bearing Receivables from Trade, Other Receivables and Deferred Tax Assets.

	Receivables from Trade	Other Receivables	Deferred Tax Assets
In Thousands of AR\$			
Interest-bearing Balances	11,233,419	-	-
Non-interest Bearing Balances	44,000,331	386,463	2,500,224

6. CLASSIFICATION OF DEBTS BY THEIR FINANCIAL EFFECTS

- a) Debts to Become Due in Argentine Pesos and U.S. Dollars

	Trade and Other Payables	Borrowings	Employee Benefit Obligations	Current Tax Liabilities	Income Tax Provision	Other Liabilities
In Thousands of AR\$						
In Argentine Pesos	30,348,322	16,072,781	963,680	1,342,079	1,541,665	22,238
In Foreign Currency	17,558	-	-	-	-	-

- b) Debt balances are not subject to any adjustment clause.

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Jorge F. Gregorat
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Alejandro Asrin
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Additional Information to the Notes to the Condensed Interim Financial Statements (Continued)

As of March 31, 2020

Expressed in thousands of Argentine Pesos

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c) Interest-bearing and Non-interest Bearing Debts:

	Trade and Other Payables	Borrowings	Employee Benefit Obligations	Current Tax Liabilities	Income Tax Provision	Other Liabilities
	In Thousands of AR\$					
Interest-bearing Balances	-	15,271,660	-	-	-	-
Non-interest Bearing Balances	30,365,880	801,121	963,680	1,342,079	1,541,665	22,238

7. INVESTMENT IN COMPANIES

As of March 31, 2020, the Company holds a 5% interest in Cobranzas Regionales S.A.

8. RECEIVABLES FROM OR LOANS GRANTED TO DIRECTORS AND SUPERVISORY COMMITTEE MEMBERS

As of March 31, 2020, there are advances to directors and supervisory committee members for AR\$ 52,803, but there are no receivables from or loans granted to supervisory committee members and supervisory committee members' or directors' relatives up to the second grade of consanguinity, except for the regular use of their credit cards.

9. INVENTORY

The Company does not have any inventories.

10. VALUATION OF INVENTORIES

The Company does not have any inventories.

11. TECHNICAL REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

The Company does not have any property, plant and equipment that have been technically revaluated.

12. OBSOLETE PROPERTY, PLANT AND EQUIPMENT

The Company does not have any obsolete property, plant and equipment bearing book value.

13. INVESTMENT IN OTHER COMPANIES

There are no investments in companies in excess of the maximum value set forth by Section 31 of the Argentine General Companies Law.

14. RECOVERABLE VALUES

The recoverable value of property, plant and equipment is their value in use determined by the possibility of absorbing depreciation charges with the income reported by the Company.

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Additional Information to the Notes to the Condensed Interim Financial Statements (Continued)

As of March 31, 2020

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15. INSURANCE

The following are the insurance policies hired by the Company:

INSURANCE POLICY No.	INSURANCE COMPANY	INSURANCE TYPE	EXPIRATION DATE	INSURED AMOUNT (In Thousands)	BOOK VALUE
158954	CHUBB	Civil Liability Multi-Peril Operational Insurance	04/15/2020	US\$ 129,957	-
846039	CHUBB	Civil Liability Work	04/15/2020	US\$ 3,000	-
985235	CHUBB	Commercial Buildings Security	06/30/2020	AR\$ 210	-
2240410	CHUBB	EPEC Award Process in Public Services and/or Supplies	05/16/2020	AR\$ 3,000	-
984212	CHUBB	House Surety	06/22/2020	AR\$ 350	-
160018590	ZURICH	Excess Liability	04/15/2020	US\$ 1,000	-
2242053	CHUBB	Lease Surety - Commercial Buildings	05/31/2020	AR\$ 245	-
2249342	CHUBB	Surety - Preliminary Injunctions	08/10/2020	AR\$ 1,065	-
5412991	RSA - SURA	Motorbike Insurance	04/15/2020	AR\$ 6,000	-
7977	GALICIA SEGUROS S.A.	Surety for the Government of the Province of Santiago del Estero	Annual Renewal	AR\$ 32	-
10408	GALICIA SEGUROS S.A.	Surety for the Municipality of Salta	Annual Renewal	AR\$ 342	-
2341019	CHUBB	Surety - Municipality of Villa Gobernador Galvez	Annual Renewal	AR\$ 2,322	-
100686	GALICIA SEGUROS S.A.	Life Insurance for Non-Bargaining Employees	07/01/2020	AR\$ 298,144	-
500605	GALICIA SEGUROS S.A.	Group Life Insurance Required by Law	10/01/2020	AR\$ 290,317	-
2288908	CHUBB	Award Process in Services and/or Supplies	04/17/2020	AR\$ 180	-
2296302	CHUBB	Commercial Lease	09/17/2020	AR\$ 271	-
2285485	CHUBB	Commercial Lease	06/12/2020	-	-
316858	SANCOR SEGUROS	Theft	04/15/2020	US\$ 762	-
81880076	ZURICH	Homeowners Insurance (Rosario)	10/15/2020	AR\$ 22,500	-
81879863	ZURICH	Homeowners Insurance (Cordoba)	04/09/2021	AR\$ 7,350	-
81837125	ZURICH	Homeowners Insurance (Mendoza)	10/29/2020	AR\$ 4,500	-
81833176	ZURICH	Homeowners Insurance (Mendoza) 25 DE MAYO 1246	09/10/2020	AR\$ 5,460	-
81825890	ZURICH	Homeowners Insurance (Complejo Cardinales I)	08/01/2020	AR\$ 7,350	-
81825891	ZURICH	Homeowners Insurance (Complejo Cardinales II)	08/01/2020	AR\$ 7,350	-
2301745	CHUBB	Award Process in Public Services and/or Supplies - Gambling - Neuquén	04/30/2020	AR\$ 500	-
2329112	CHUBB	Lease Surety - Open Mall	06/30/2020	AR\$ 336	-
2330034	CHUBB	Lease Surety - ITTIG HECTOR CARLOS ARIEL	06/30/2021	AR\$ 605	-
2330035	CHUBB	Lease Surety - PIEDRABUENA RAUL RONALD	06/30/2021	AR\$ 351	-

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Additional Information to the Notes to the Condensed Interim Financial Statements (Continued)

As of March 31, 2020

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INSURANCE POLICY No.	INSURANCE COMPANY	INSURANCE TYPE	EXPIRATION DATE	INSURED AMOUNT (In Thousands)	BOOK VALUE
2330044	CHUBB	Award Process in Public Services and/or Supplies - Gambling - Neuquén	04/29/2020	AR\$ 500	-
2335569	CHUBB	Lease Surety - ARIEL VLADIMIR ANDRES FABIANCIC	08/31/2021	AR\$ 456	-
2339173	CHUBB	Lease Surety - GUTIERREZ PABLO HECTOR	08/01/2021	AR\$ 419	-
2344062	CHUBB	Lease Surety - CEYM	09/01/2020	AR\$ 2,160	-
2345382	CHUBB	Lease Surety - TEOFILO SALEM	11/30/2020	AR\$ 720	-
2347643	CHUBB	Award Process in Services and/or Supplies - EPEC	07/09/2020	AR\$ 11,000	-
187428	PREVENCION	Workers' Compensation	-		-
33000653	ZURICH	Personal Accidents	08/31/2020	AR\$ 1,000	-
81840435	ZURICH	Homeowners Insurance (El Chañaral San Rafael Mendoza)	10/10/2020	AR\$ 4,200	-

16. PROVISIONS

Current provisions exceed 2% of equity. Under IFRS, for the calculation of the provision for loan losses, the Company applies the expected loss model, according to the guidelines set out in IFRS 9. Under this methodology, the Company recognizes an allowance for expected credit losses (ECL) as of each reporting date, which will reflect:

(a) an objective exposure amount when an operation is affected by an event of default (Exposure at Default or "EAD"), weighed for the probability of occurrence (Probability of Default or "PD") and for the percentage of debt that will be finally written off after enforcing all recovery mechanisms in place following the default (Loss Given Default or "LGD"); (b) the time value of money; (c) the information available on projected future economic conditions. IFRS 9 outlines an allowance model which segments the portfolio in three stages ("Stages"), based on the impairment in credit quality observed since initial recognition. Based on its portfolio performance and according to its collection policies, the Company defines an event of default as arrears in excess of 90 days, which remains until the customer in arrears settles all obligations outstanding with the Company. IFRS 9 also defines PD as the probability that a customer will default on an obligation, whether during the subsequent 12 months or at any time during the obligation remaining term. The allowances recognized in the reporting period under the ECL model are affected by several factors, including: Transfers from "Stage 1" to or from "Stage 2 or "Stage 3" because the financial instruments have experienced significant increases (or decreases) in their respective credit risk levels, or because they have impaired over the time, and due to the ensuing shift in the calculation of variables from the subsequent 12-month period to the instrument lifetime; impacts from changes in "PD", "EAD", or "LGD" variables due to revised assumptions and models, or otherwise due to the derecognition of financial assets.

17. CONTINGENCIES

There are no significant contingent situations as of March 31, 2020, which have not been given accounting recognition.

18. DIVIDENDS ON PREFERRED SHARES

Please refer to our report dated May 28, 2020
PRICE WATERHOUSE & CO. S.R.L.

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For the Supervisory Committee

Alejandro Asrin
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Additional Information to the Notes to the Condensed Interim Financial Statements (Continued)

As of March 31, 2020

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There are no preferred shares.

19. RESTRICTIONS ON THE DISTRIBUTION OF RETAINED EARNINGS

Restrictions on the distribution of retained earnings are detailed in Note 43 to the condensed interim financial statements as of March 31, 2020.

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Summary of Activity

As of March 31, 2020

Expressed in thousands of constant Argentine Pesos

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As of March 31, 2020, we had 3,186,121 open accounts under the Naranja brand. This figure reaches a total of 4,516,370 customers when considering Naranja additional cardholders.

During the reporting period, we completed 43,273,341 transactions, including purchases in stores and automatic debits, personal loans, cash advances and cash withdrawals from ATMs.

At the beginning of the year, all cards under the Nevada brand had already been unified under the Naranja brand, as a result of the merger with Tarjetas Cuyanas S. A.

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 March 31, 2020, we posted a profit of AR\$ 1,286,459, accounting for an increase of 1.228% in constant currency as compared to the previous year. At period-end, equity amounted to AR\$ 18,217,564 in constant currency.

Sources of Financing

During the first quarter of 2020, Naranja entered into new Borrowings for up to AR\$ 2,640,000 and secured new credit lines for AR\$ 800,000 (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\$ 2,126,192 (in nominal currency).

Review of Operations as of March 31

Reduced Merchants' Fees

In line with the policy adopted in April 2017, on January 1, 2020 Naranja completed a new phase of the voluntary reduction in the maximum fee applicable to merchants' sales, which fell to 2%.

Measures in Response to the Pandemic-related Lockdown (Covid-19)

As consequence of the outbreak of the Covid-19 pandemic, Naranja has created an interdisciplinary committee tasked with designing and implementing procedures related to customers, employees and suppliers, and with monitoring the public health measures and policies mandated by the competent authorities. The Company has also applied a new organizational model to ensure business continuity, involving a teleworking arrangement for 2,000 employees, while accommodating the operation and services at branches to make them compliant with provincial regulations. Effective since March 20 and in compliance with the measures mandated by the national authorities, Naranja's branches and offices remained closed until April 13.

"Entre Todos Podemos" (Together We Can Do It) Campaign

In order to support the fight against the coronavirus in Argentina, and as part of the "*Entre Todos Podemos*" (Together We Can Do It) campaign, Naranja will distribute AR\$ 20 million, in equal parts, among Cáritas Argentina, the Argentine Network of Food Banks, and the Argentine Red Cross. In addition, the Company will match people's contributions on a peso-for-peso basis.

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Summary of Activity (Continued)

As of March 31, 2020

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Digital Evolution and Customer's Experience

As a result of the mandatory lockdown, in March the use and number of visits to the Company's website, www.naranja.com, grew by 65%. The increased number of information searches were related to the "account statements" and "current promotions at stores" categories. Ten thousand new users were generated every day, who completed their transactions using digital self-service channels (Naranja App and Naranja Online). Payments, cell phone top-ups, and financing plans were the transactions that grew the most. Access to the self-service platform by Merchants ("*Comercios Amigos*") rose by 100%.

Expansion of the "Branches of the Future" Project

Leveraging the strategy of bringing the best of the digital world into the off-line world, during the first quarter of 2020, the Company launched a new service model at the branches in Mendoza and Ruta 20, reaching 11 stores in total. The initiative also included the deployment of self-service terminals to offer a desk-free person-to-person service, seeking to deliver a solution on the first contact and customized assistance for customers' migration to digital tools.

Viajes Naranja and Tienda Naranja (Naranja Store)

In an attempt to strengthen its vertical service offering in the tourism category and offer customers a restyled and innovative value proposition, the Company announced a deal with Despegar, giving rise to the first omnichannel partnership in tourism services through ViajesNaranja.com. At TiendaNaranja.com marketplace, customers were able to buy home appliances in up to 10 interest-free installments. In March, the number of visits to the site increased 40% relative to the months previous to the social distancing, and sales increased twofold. The products most frequently chosen by customers are smart TVs, mobile phones, notebooks and home appliances.

Cultural Agenda at Casa Naranja

"Manifiesto," the individual exhibition by Elian Chali, was displayed until February 15. The exhibition received over 10,000 visitors, including school kids, who were able to enjoy guided visits. In March, and in response to the measures adopted by the National Government, Casa Naranja had to suspend the activities offered to the community as a cultural venue.

Promotions and Benefits

As part of its summer benefits, Naranja continued offering promotions with Aerolíneas Argentinas, Air Europa and GOL to buy air-tickets in 6 up to 10 interest-free installments. Naranja also signed an agreement with Grupo Flecha for the purchase of bus tickets in up to 6 interest-free installments. With this promotion, customers could benefit from the Z Plan (3 interest-free installments) plus a 10% discount, or 6 interest-free installments on the purchase of tickets to shows and theater plays in Villa Carlos Paz. In addition, as sponsors of the "ATP 250 Córdoba Open" tennis tournament, customers could benefit from the Z Plan (3 interest-free installments) and a 5% discount on season tickets; or the Z Plan (3 interest-free installments) and a 10% discount on individual tickets.

Through the "*Vuelta al Cole*" (Back to School) campaign, customers enjoyed several benefits, including a 25% discount, plus an additional 5% discount for long-standing customers, at Mimo, Grimaldi, Hush Puppies, Timberland, Topper and Dafiti. Customers also had access to a 20% discount and 6 interest-free installments at several sports store chains, such as Dexter, Stock Center and Moov.

A 25% discount was also offered on purchases at Swatch, plus an additional 5% discount for long-standing customers, with the Z Plan (3 interest-free installments) and on lump-sum payments.

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Summary of Activity (Continued)

As of March 31, 2020

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At drug stores and supermarkets (Disco, Jumbo and Vea), customers could benefit from the Z Plan (3 interest-free installments).

On the other hand, effective since March 30, customers placing orders through the delivery company "Pedidos Ya" will access a 30% discount on all categories, subject to a refund of up to \$300.

Awards and Distinctions

Naranja climbed to the 14th position in the ranking of the 100 Argentine Companies with Best Corporate Image published by Apertura magazine, up by six positions vis-a-vis the previous year.

Outlook

There is no question that the pandemic will take its toll on the global economy, in general, and the local economy, in particular. As a consequence of this scenario, spending is expected to shrink, while arrears levels are expected to rise.

In the light of the current year's macroeconomic conditions, caution is required at the time of forecasting the financial results for the year.

Please refer to our report dated May 28, 2020

PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C. N° 21.00004.3

Andrés Suarez

Certified Public Accountant (U.B.A.)

Professional License No. 10 11421.4 – C.P.C.E.Cba.

Jorge F. Gregorat
For the Supervisory Committee

Alejandro Asrin
President

Tarjeta Naranja S.A.

Summary of Activity (Continued)

As of March 31, 2020

Expressed in thousands of constant Argentine Pesos

(Free Translation from the Original in Spanish for Publication in Argentina)

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	03.31.20	03.31.19	03.31.18
Open Accounts (in Thousands)	3,186	3,347	2,978
Monthly Average Consumption per Active Account (in Thousands of AR\$) (1)	7.38	7.85	10.42

Nevada	03.31.20	03.31.19	03.31.18
Open Accounts (in Thousands)	0	0	781
Monthly Average Consumption per Active Account (in Thousands of AR\$)	0.00	0.00	7.32

(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	03.31.20	03.31.19	03.31.18
Amounts in Thousands (until March) (1)	43,273	45,728	39,770
Monthly Average Amount (in Thousands of AR\$) (1)	21,940,005	24,930,010	29,459,500
Merchants' Average Fee	1.95%	1.97%	2.15%

Transactions with Nevada	03.31.20	03.31.19	03.31.18
Amounts in Thousands	0	0	7,668
Monthly Average Amount (in Thousands of AR\$)	0	0	4,103,494

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

Please refer to our report dated May 28, 2020
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Jorge F. Gregorat
For the Supervisory Committee

Alejandro Asrin
President

Tarjeta Naranja S.A.

Summary of Activity (Continued)

As of March 31, 2020

Expressed in thousands of constant Argentine Pesos

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

	03.31.20	03.31.19	03.31.18
Tarjeta Naranja Clásica and Oro	4,516	4,692	4,263
Tarjeta Naranja Visa	3,391	3,467	2,993
Tarjeta Naranja MasterCard	440	479	523
Tarjeta Naranja Amex	48	47	42
Tarjeta Nevada	-	-	957
Tarjetas Nevada Visa	-	-	549
Total	8,395	8,685	9,327

COMPARATIVE CHART OF BALANCE SHEET

	03.31.20	03.31.19	03.31.18
Current Assets	60,992,432	70,063,725	83,545,453
Non-current Assets	7,661,908	8,032,576	7,668,723
Assets	68,654,340	78,096,302	91,214,176
Current Liabilities	46,149,237	47,020,654	47,748,817
Non-current Liabilities	4,287,539	15,515,350	22,367,444
Liabilities	50,436,776	62,536,004	70,116,261
Equity	18,217,564	15,560,298	21,097,915

COMPARATIVE CHART OF STATEMENTS OF PROFIT OR LOSS

	03.31.20	03.31.19	03.31.18
Operating Revenue	7,542,463	6,850,340	8,320,635
Operating Revenue, Net of Provision for Loan Losses	6,332,695	4,810,207	6,818,121
Total Operating Expenses	(4,420,130)	(4,433,850)	(5,152,857)
(Loss) / Income from Investments Accounted for Using the Equity Method	(477)	(544)	19
Profit before Income Tax	1,912,088	375,813	1,665,284
Income Tax	(625,629)	(278,925)	(897,173)
Profit for the Period	1,286,459	96,888	768,110
Comprehensive Income for the Period	1,286,459	96,888	768,110

Please refer to our report dated May 28, 2020
PRICE WATERHOUSE & CO. S.R.L.

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Jorge F. Gregorat
For the Supervisory Committee

Alejandro Asrin
President

Tarjeta Naranja S.A.

Summary of Activity (Continued)

As of March 31, 2020

Expressed in thousands of constant Argentine Pesos

(Free Translation from the Original in Spanish for Publication in Argentina)

COMPARATIVE STRUCTURE OF THE STATEMENT OF CASH FLOWS

	03.31.20	03.31.19	03.31.18
Net Cash Inflow / (Outflow) from Operating Activities	3,950,773	4,995,730	(1,957,489)
Net Cash Inflow / (Outflow) from Investing Activities	1,177,285	(195,336)	(223,701)
Net Cash Inflow / (Outflow) from Financing Activities	1,162,845	(3,367,490)	1,980,083
Total Net Cash Inflow / (Outflow) during the Period	6,290,903	1,432,904	(201,107)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	7,837,135	8,383,845	5,256,981
Inflation Loss Attributable to Cash	(714,932)	(887,316)	(270,561)
Increase due to Effects of Exchange Rate Changes on Cash and Cash Equivalents	189,927	(4,791)	(1,083)
CASH AND CASH EQUIVALENTS AT PERIOD-END	13,603,033	8,924,642	4,784,230

RATIOS

	03.31.20	03.31.19	03.31.18
Liquidity	1.322	1.490	1.750
Indebtedness	2.769	4.019	3.323
Solvency	0.361	0.249	0.301
Tied-up Capital	0.112	0.103	0.084
ROE for the Period	(1) 7.32%	0.62%	3.63%
ROA for the Period	(2) 1.87%	0.12%	0.99%

(1) Profit / (Loss) for the Period / (Equity 03/20 + Equity 12/19) / 2
 Profit / (Loss) for the Period / (Assets 03/20 + Assets 12/19) / 2

Please refer to our report dated May 28, 2020
 PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C. N° 21.00004.3
 Andrés Suarez
 Certified Public Accountant (U.B.A.)
 Professional License No. 10 11421.4 – C.P.C.E.Cba.

Jorge F. Gregorat
 For the Supervisory Committee

Alejandro Asrin
 President



REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

To the Shareholds, President and Directors of

TARJETA NARANJA S.A.

La Tablada 451

CÓRDOBA – ARGENTINA

C.U.I.T. 30-68537634-9

Introduction

We have reviewed the accompanying Condensed Interim Financial Statement of Tarjeta Naranja S.A. (the “Company”), which include the Condensed Interim Balance Sheet as of March 31, 2020, the Condensed Interim Statements of Profit or Loss and the Condensed Interim Statement of Other Comprehensive Income for the three month period ended March 31, 2020 and the Condensed Interim Statements of Changes in Equity and Condensed Interim Statement of Cash Flows for the three month period then ended, as well a summary of significant accounting policies and other explanatory information included in the notes and schedules supplementing them.

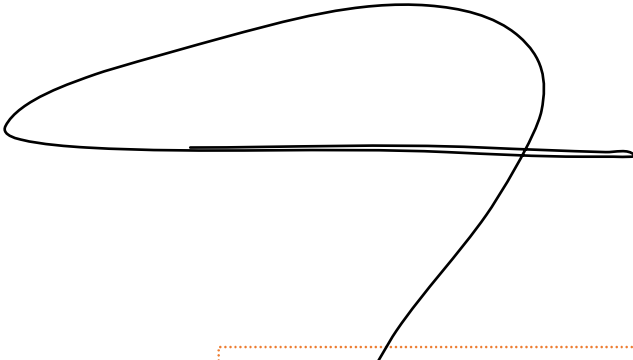
The amounts and other information corresponding to fiscal year 2019 and the related interim periods are an integral part of the financial statements mentioned above; therefore, shall be considered in connection with those financial statements.

Company’s Board of Directors responsibility

The Company’s Board of Directors is responsible for the preparation and presentation of these Condensed Interim Financial Statements in accordance with International Financial Reporting Standards (IFRS), adopted by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE) as professional accounting standards and added by the National Securities Commission (“CNV”) to its regulations, as approved by the International Accounting Standard Board (“IASB”). And, therefore, is responsible for the preparation and presentation of these Condensed Interim Financial Statements referred to in the first paragraph in accordance with the International Accounting Standard 34 “Intermediate Financial Information” (IAS 34).

Scope of our Review

Our review was limited to applying of the review procedures established in the International Standard on Review Engagements (ISRE) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, adopted as review standard in Argentina, through Technical Pronouncement No. 33, as approved by the International Auditing and Assurance Standards Board (IAASB). A review of interim financial information consists of making inquiries of the Company’s staff responsible for the preparation of the information included in the condensed interim financial statements, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted according to International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all the significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion causes.



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Tarjeta Naranja S.A.
May 28, 2020

Conclusion

Based on our review, nothing has called our attention that causes us to believe that the accompanying Condensed Interim Financial Statements referred to in the first paragraph of this report are not prepared, in all material respects, in accordance with the International Accounting Standard 34 "Intermediate Financial Information" (IAS 34).

Córdoba, May 28, 2020

PRICE WATERHOUSE & CO. S.R.L.

(Partner)

Andrés Suárez
Public Accountant

SUPERVISORY COMMITTEE'S REPORT

To the Directors and Shareholders of
Tarjeta Naranja S.A.
Legal Domicile: La Tablada 451
CORDOBA-ARGENTINA
CUIT: 30-68537634-9

DOCUMENTS EXAMINED

1. As members of Tarjeta Naranja S.A. and in accordance to the provisions of Section 294, subsection 5 of the Argentine General Companies Law, we have reviewed the accompanying financial statements of Tarjeta Naranja S.A. (hereinafter, the "Entity"), which include:

- - the Condensed Interim Balance Sheet as of March 31, 2020;
- - the Condensed Interim Statements of Profit or Loss and Other Comprehensive Income for the three-month period ended March 31, 2020;
- - the Condensed Interim Statements of Changes in Equity and Cash Flows for the three-month period ended March 31, 2020;
- - the summary of critical accounting policies and other explanatory information included in supplementary notes and exhibits.
- Summary of Activity

The figures and other information for fiscal year 2019 and its interim periods are an integral part of the aforementioned condensed interim financial statements, and are exclusively disclosed for comparative purposes to the figures and information for the current interim period.

BOARD OF DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. The Entity's Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting guidance set forth by the Argentine National Security Commission (C.N.V.) and such internal controls as it might be deemed required to ensure that the financial statements are free from material misstatements. As mentioned in Note 2 to the accompanying condensed interim financial statements, such accounting guidance is based on the application of the International Financial Reporting Standards (IFRS) and, in particular, for interim financial statements, on International Accounting Standard (IAS) 34 "Interim Financial Reporting," as approved by the International Accounting Standards Board (IASB). Such standards were adopted by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE) and by the C.N.V., and were used in preparing the financial statements.

RESPONSIBILITY OF THE SUPERVISORY COMMITTEE'S MEMBER

3. Our responsibility is to express a conclusion on the documents examined in paragraph 1., on the basis of our reviews performed within the scope detailed in paragraph 4.

4. Our examination was carried out in accordance with standards applicable in Argentina to members of the Supervisory Committee for the review of condensed interim financial statements, which include verifying the consistency of the documents reviewed with the information concerning corporate decisions, as disclosed in minutes, and the conformity of those decisions with the law and the bylaws insofar as concerns formal and documental aspects.

For purposes of our professional work on the above-described documents, we have relied on the work performed by the external auditors, Price Waterhouse & Co. S.R.L., who issued an unqualified limited review report on May 28, 2020, in accordance with the International Standard on Review Engagements 2410 ("ISRE 2410"), "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", which was adopted as review standard in Argentina by Technical Pronouncement No. 33 of FACPCE, as approved by the International Auditing and Assurance Standards Board (IAASB).

Said review included verifying the work plans and the nature, scope and timing of the procedures applied, and the results of the review performed by the above-referred professionals. A review of interim financial statements consists of making inquiries to the Entity's staff primarily responsible for the Entity's financial and accounting issues, and applying analytical and other review procedures. Such a review is substantially less in scope than an audit and, consequently, does not enable us to obtain assurance that we would become aware of all the significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Since it is not our responsibility to perform any management control, our examination did not extend to the judgments and business decisions regarding the different areas of the Entity, which are the exclusive responsibility of the Board of Directors.

We also report that, in compliance with the legality control that is part of our field of competence, during this period we have applied the other procedures described in Section 294 of Law No. 19550, which we deemed necessary according to the circumstances, including —among others— controlling the constitution and survival of the directors' bond.

CONCLUSION

- Based on our reviews, within the scope described in paragraph 4. above, and taking into consideration the External Auditor's limited review report, in our opinion, the condensed interim financial statements mentioned in paragraph 1. are fairly presented, in all material aspects, in accordance with the accounting guidance set out by the Argentine National Securities Commission (C.N.V.).
- In compliance with the legality control that is part of our field of competence, we have no observations to make.

REPORT ON OTHER STATUTORY AND REGULATORY REQUIREMENTS

We hereby report that:

- I. Tarjeta Naranja S.A.'s condensed interim financial statements as of March 31, 2019 arise from accounting records kept, in all formal aspects, in compliance with applicable legal regulations, except for their transcription to the "Inventory and Balance Sheet" book and Daily Journal (the months of January, February and March 2020 were transcribed (CD ROM) to the Inventory and Balance Sheet book).
- II. Tarjeta Naranja S.A.'s condensed interim financial statements as of March 31, 2020, are in compliance with the provisions of the Argentine General Companies Law and with the pertinent resolutions of the Argentine National Securities Commission (C.N.V.); except for their transcription to the "Inventory and Balance Sheet" book, which as of today, they have not been transcribed yet.

Córdoba, May 28, 2020.

Mr. Jorge F. GREGORAT
For the Supervisory Committee