



TARJETA NARANJA REPORTS FINANCIAL RESULTS FOR THE PERIOD ENDED ON MARCH 31, 2021

Summary of Activity

As of March 31, 2021, we had 3,296,891 open accounts under the Naranja brand. This figure reaches a total of 4,623,197 customers when considering Naranja additional cardholders.

During the reporting period, we completed 43,023,058 transactions, including purchases in stores and automatic debits, personal loans, cash advances and cash withdrawals from ATMs.

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

Originally reported comparative figures were adjusted accordingly.

As of March 31, 2021, profit was AR\$ 1,215,856, accounting for a decrease of 34% in constant currency as compared to the previous year. At period-end, equity amounted to AR\$ 28,157,654 in constant currency.

Sources of Financing (Figures Expressed in Nominal Amounts)

As of March 31, 2021, Naranja secured financing through the issuance of Notes (*"Obligaciones Negociables"*) for an aggregate amount of AR\$ 4,000,000 and new Borrowings and Credit Lines for AR\$ 5,259,000 (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\$ 1,694,637 (in nominal currency).

Review of Operations as of March 31

Reduced Merchants' Fees

As a result of an agreement with the Secretariat of Commerce, on January 1, 2021 Naranja reduced again the maximum fee applicable to merchants' sales, which fell to 1.8%.

Changes in the Executive Committee

After his 32 years of service, Julián Bravo stepped down as Naranja's CEO to become a member of the Board of Directors, where he will keep strategically supporting the Company from a different role. Effective since March 1, 2021, Pablo Caputto has become our new CEO. On the other hand, in order to fulfill future projects, two new directors are onboard of the Executive Committee—Gonzalo Ozán, as Chief Technology Officer (CTO) and Silvana Jachevasky, as Chief Marketing Officer (CMO). Both of them come from the technology sector and will play a key role in our ongoing business growth.

Change of Brand

Determined to keep developing new solutions for customers and as part of the synergies with the other companies of the Group, Tarjeta Naranja S.A. will introduce the Naranja X brand in future communications. In this way, the Company will continue boosting the tools that help it anticipate to its users' needs and thus offer a comprehensive, agile, more efficient and customized experience, both from a mobile device and at the over 180 branches distributed countrywide, seeking to be always close to people.

Increase in Loans and Limits

In view of the prevailing scenario and given the increased chances for origination, Naranja raised the maximum loan amount during the first quarter of 2021. Therefore, the maximum amount customers can now borrow, always considering their credit balance, is AR\$ 120,000, payable in up to 24 installments.

Arrears Ratios

Amidst the challenges posed by the constraints inherent to the lockdown, Naranja achieved better-than-expected results. During the reporting period, our 30 days' arrears ratios reached an average of 6.01%—the Company's lowest mark ever. During the same period, the Company achieved average recovery rates of 77% and 56% in the 61-90 days' and in the 91-120 days' arrears tranches, respectively.

From Branches to Centers of Experiences

Naranja started to deploy a structure design that will support the change of mindset in people and the business, leveraging its competitive advantage with a renewed purpose, as a center of experiences, advice and sales. During the reporting period, the Company began the deployment in the Northeast region, followed by the Patagonia region of Argentina.

Promotions and Benefits

During the reporting period, Naranja announced, on average, over 90 monthly promotions through 360° communication strategies, covering all media, particularly, on-line. As a result of the scenario associated with the COVID-19 pandemic, Naranja kicked off special actions and promotions during the summer. For instance, Naranja's customers benefitted from the Zeta Plan (up to 3 interest-free installments) and 6 interest-free installments at theaters in Carlos Paz; and up to 20% discounts on restaurants, regional products, supermarkets, drug stores and gas stations. The *SMartes* program also continued ongoing during the period, offering up to 25% discounts, depending on customers' number of years with Naranja.

Awards and Distinctions

Naranja made it to the 16th position in the ranking of "The 100 Companies with Best Corporate Image" compiled by Apertura magazine. The several categories considered in the ranking include: opinion from businessmen, management quality, opinion from journalists, care for human resources, innovation, advertising and communication actions, and financial services.

Outlook

Based on the evolution of the health emergency, we will be able to witness a normal operation of the economy, in line with the Argentine Government's fiscal strategy, in order to lay the macroeconomic foundations for an economic growth path that ensures social fairness.

Naranja redefined its purpose to become the most human technological and financial platform preferred by the Argentiniens, which will allow to scale up new products and services simply and to a massive extent, facilitating efficiency. At the same time, Naranja will continue deploying its new service model at additional branches and will engage further efforts on "*Futuro del Trabajo*" (Future of Employment)—an initiative focused on enhancing its employees' experience, giving priority to their care and welfare.

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	03.31.21	03.31.20	03.31.19	03.31.18
Open Accounts (in Thousands)	3,297	3,186	3,347	2,978
Monthly Average Consumption per Active Account (in Thousands of AR\$) (1)	12.92	10.53	11.20	14.87

Nevada	03.31.21	03.31.20	03.31.19	03.31.18
Open Accounts (in Thousands)	-	-	-	781
Monthly Average Consumption per Active Account (in Thousands of AR\$)	-	-	-	10.44

(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	03.31.21	03.31.20	03.31.19	03.31.18
Amounts in Thousands (until March) (1)	43,023	43,273	45,728	39,770
Monthly Average Amount (in Thousands of AR\$) (1)	37,614,334	31,297,165	35,562,372	42,023,637
Merchants' Average Fee	1.70%	1.95%	1.97%	2.15%

Transactions with Nevada	03.31.21	03.31.20	03.31.19	03.31.18
Amounts in Thousands	-	-	-	7,668
Monthly Average Amount (in Thousands of AR\$)	-	-	-	5,853,587

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

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

	03.31.21	03.31.20	03.31.19	03.31.18
Naranja Clásica and Oro	4,623	4,516	4,692	4,263
Naranja Visa	3,557	3,391	3,467	2,993
Naranja MasterCard	410	440	479	523
Naranja Amex	69	48	47	42
Nevada	-	-	-	957
Nevada Visa	-	-	-	549
Total	8,659	8,395	8,685	9,327

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

	03.31.21	03.31.20	03.31.19	03.31.18
Current Assets	107,613,861	87,005,006	99,945,098	119,153,339
Non-current Assets	9,696,482	10,929,624	11,458,378	10,937,208
Assets	117,310,343	97,934,630	111,403,476	130,090,547
Current Liabilities	86,806,988	65,831,356	67,074,422	68,099,828
Non-current Liabilities	2,345,701	6,116,125	22,132,468	31,900,666
Liabilities	89,152,689	71,947,481	89,206,890	100,000,494
Equity	28,157,654	25,987,149	22,196,586	30,090,053

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

	03.31.21	03.31.20	03.31.19	03.31.18
Operating Revenue	11,442,242	12,103,824	11,645,759	13,457,168
Operating Revenue, Net of Provision for Loan Losses	10,222,236	10,210,236	8,597,320	11,313,850
Total Operating Expenses	(5,858,236)	(6,137,396)	(6,324,841)	(7,350,493)
(Loss) Income from Investments Accounted for Using the Equity Method	(8,275)	(681)	(775)	28
Loss on Net Monetary Position	(2,457,830)	(1,344,586)	(1,873,819)	(1,587,878)
Profit before Income Tax	1,897,895	2,727,573	397,885	2,375,507
Income Tax	(682,039)	(892,453)	(356,420)	(1,279,807)
Profit for the Period	1,215,856	1,835,120	41,465	1,095,700

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

	03.31.21	03.31.20	03.31.19	03.31.18
Net Cash Inflow / (Outflow) from Operating Activities	(7,491,191)	5,635,732	7,126,352	(2,792,335)
Net Cash Inflow / (Outflow) from Investing Activities	(274,641)	1,679,384	(278,644)	(319,107)
Net Cash Inflow / (Outflow) from Financing Activities	7,815,024	1,658,785	(4,803,686)	2,824,566
Total Net Cash (Outflow) / Inflow during the Period	49,192	8,973,901	2,044,022	(286,876)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	3,044,729	11,179,583	11,959,460	7,499,023
Loss on Net Monetary Position on Cash and Cash Equivalents	(339,986)	(1,019,842)	(1,265,747)	(385,953)
Increase due to Effects of Exchange Rate Changes on Cash and Cash Equivalents	65,443	270,929	(6,836)	(1,545)
CASH AND CASH EQUIVALENTS AT PERIOD-END	2,819,378	19,404,571	12,730,899	6,824,649

RATIOS

	03.31.21	03.31.20	03.31.19	03.31.18
Liquidity	1.240	1.322	1.490	1.238
Indebtedness	3.166	2.769	4.019	3.197
Solvency	0.316	0.361	0.249	0.313
Tied-up Capital	0.083	0.112	0.103	0.096
ROE for the Period	(1) 4.41%	7.32%	0.19%	3.71%
ROA for the Period	(2) 1.06%	1.87%	0.04%	0.91%

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

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

Statement of Profit or Loss
For the periods ended March 31, 2021 and 2020
Expressed in thousands of constant Argentine Pesos at period-end

	Year-to-Date	
	01.01.2021 to 03.31.2021	01.01.2020 to 03.31.2020
	In Thousands of AR\$	
Revenues from Services	5,544,453	6,115,991
Cost of Services	(901,390)	(749,236)
Net Revenues from Services	4,643,063	5,366,755
Revenues from Financing	8,671,504	7,188,545
Cost of Financing	(1,942,157)	(1,926,695)
Net Revenues from Financing	6,729,347	5,261,850
Net Income from Short-term Investments	69,832	1,475,219
Operating Revenues	11,442,242	12,103,824
Provision for Loan Losses	(1,220,006)	(1,893,588)
Operating Revenue, Net of Provision for Loan Losses	10,222,236	10,210,236
Employee Benefits Expenses	(2,065,110)	(2,070,466)
Taxes and Charges	(1,764,046)	(1,614,477)
Marketing Expenses	(73,399)	(152,721)
Depreciation and Amortization	(581,665)	(509,202)
Other Operating Expenses	(1,374,016)	(1,790,530)
Total Operating Expenses	(5,858,236)	(6,137,396)
Net Profit before Income from Investments Accounted for Using the Equity Method	4,364,000	4,072,840
Loss from Investments Accounted for Using the Equity Method	(8,275)	(681)
Loss on Net Monetary Position	(2,457,830)	(1,344,586)
Profit before Income Tax	1,897,895	2,727,573
Income Tax	(682,039)	(892,453)
Profit for the Year	1,215,856	1,835,120
Earnings per Share		
Basic and Diluted Earnings per Share	430.54	649.83

Statement of Other Comprehensive Income

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

	Year-to-Date	
	01.01.2021 03.31.2021	01.01.2020 03.31.2020
	In Thousands of AR\$	
Profit for the Period	1,215,856	1,835,120
Other Comprehensive Income	-	-
Total Comprehensive Income for the Period	1,215,856	1,835,120
Earnings per Share	430.54	649.83
Basic and Diluted Earnings per Share		

Balance Sheet

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

	03.31.2021	12.31.2020		03.31.2021	12.31.2020
	In Thousands of AR\$			In Thousands of AR\$	
ASSETS			LIABILITIES		
CURRENT ASSETS			CURRENT LIABILITIES		
Cash and Cash Equivalents	2,819,378	3,044,729	Trade and Other Payables	58,011,166	61,801,219
Receivables from Trade	104,290,627	98,725,097	Borrowings	24,089,772	15,365,324
Other Receivables	503,856	432,162	Employee Benefit Obligations	1,361,725	1,721,033
			Current Tax Liabilities	2,380,841	2,127,096
			Other Liabilities	104,844	163,959
			Income Tax Provision	858,640	1,343,885
Total Current Assets	107,613,861	102,201,988	Total Current Liabilities	86,806,988	82,522,516
NON-CURRENT ASSETS			NON-CURRENT LIABILITIES		
Receivables from Trade	381,393	564,545	Borrowings	1,821,030	3,438,614
Other Receivables	7,844	8,704	Employee Benefit Obligations	98,917	-
Deferred Tax Assets	2,760,942	3,426,283	Other Liabilities	37,119	13,570
Investments Accounted for Using the Equity Method	15,649	8,185	Income Tax Provision	242,383	-
Property, Plant and Equipment	5,210,036	5,430,902	Provisions	146,252	163,847
Intangible Assets	1,320,618	1,439,738			
Total Non-current Assets	9,696,482	10,878,357	Total Non-current Liabilities	2,345,701	3,616,031
			Total Liabilities	89,152,689	86,138,547
			EQUITY	28,157,654	26,941,798
Total Assets	117,310,343	113,080,345	Total Liabilities and Equity	117,310,343	113,080,345