

# **Tarjeta Naranja S.A.**

## **Financial Statements**

For the year commenced January 1, 2021 and ended December 31, 2021,  
presented on a comparative basis.

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

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## **2021 ANNUAL REPORT**



**Nuestro  
propósito:**  
**ser protagonistas  
de la inclusión  
y educación  
financiera  
en la región**

A woman with long blonde hair, wearing a light-colored button-down shirt over a white t-shirt and dark pants, stands and presents. She holds a small object in her right hand and points with her left hand towards a whiteboard in the background. Two people are seated at a wooden table in the foreground. On the left, a man with short dark hair and a beard, wearing a light-colored jacket, looks towards the presenter. On the right, a woman with long dark curly hair, wearing a light-colored top, is seen from the back. Two laptops are open on the table. The entire scene is overlaid with a semi-transparent orange filter. The text "En Naranja X, crecemos haciendo crecer" is written in white, bold, sans-serif font across the middle of the image.

**En Naranja X,  
crecemos  
haciendo  
crecer**

# 2021 ANNUAL REPORT

In compliance with legal provisions and the by-laws, Tarjeta Naranja S.A. submits this Annual Report, together with the Balance Sheet, Statement of Profit or Loss and Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and the corresponding notes, for the Company's 27th year ended December 31, 2021.

## FINANCIAL CONDITION

*(Figures expressed in thousands of constant Argentine pesos as of year-end)*

In 2021, Tarjeta Naranja S.A. kept its position as one of the main issuers of credit cards in Argentina. As of December 31, 2021, the Company has 3,340,578 open accounts. The total number of authorized cards is 8,675,404, including Naranja, Naranja Visa, Naranja MasterCard, Naranja American Express and additional cardholders. During the reporting period, the Company completed 180,508,605 transactions, including purchases in stores and automatic debits, personal loans, cash advances and cash withdrawals from ATMs.

Annual transactions increased by 13%, while average monthly consumption during the year experienced a 19% increase in real terms.

By way of General Resolution 777/2018, the CNV 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.

Therefore, originally reported comparative figures were restated into Argentine pesos of December 2021.

At year-end, net operating revenues amounted to AR\$ 65,242,265, accounting for a 22% increase vis-a-vis 2020, strengthening the positive revenue generation trend. Such performance is attributable to a 9% increase in net revenues from services and a 49% increase in net revenues from financing as a result of the 60% increase in our customers' financed portfolio. Besides, in line with the policy adopted in April 2017, on January 1, 2021 Naranja completed a new phase of the voluntary reduction in the maximum fee applicable to merchants' sales, which fell from 2.1% to 1.8%.

The provision for loan losses accounted for 12% of operating revenues—down by 15% compared to the previous year.

Operating expenses increased by 3% compared to the previous year, mainly due to the rise in tax payments associated with the increase in revenues, offset by the decrease in other operating expenses, in particular, third party's services.

As a result, net profit for the year increased 82% compared to year 2020 to AR\$ 9,120,566.

At the end of the reporting period, equity amounted to AR\$ 39,232,986. The Company's Ordinary Shareholders' Meeting approved a distribution of dividends in the amount of AR\$ 5,890,533. Out of that total, AR\$ 2,700,000 were partially released from the discretionary reserve for distribution of future dividends and/or to generate new businesses and undertakings, as required by the Company's financial needs.

## **SOURCES OF FINANCING**

*(Figures expressed in thousands of nominal Argentine Pesos as of year-end)*

Below is a detail of the Company's sources of financing during the year, along with the respective repayments of principal and interest, in nominal values:

**Notes (“Obligaciones Negociables”):** As part of the Global Program for the Issuance of Notes (“Obligaciones Negociables”), the Company issued Class XLVI Notes (“Obligaciones Negociables”) for a total of AR\$ 4,000,000 in February; Class XLVII and XLVIII Notes (“Obligaciones Negociables”) for USD 8,500 (in thousands) and AR\$ 5,001,000, respectively, in April; Class XLIX Notes (“Obligaciones Negociables”) for AR\$ 4,384,844 in August; and Class L Notes (“Obligaciones Negociables”) for AR\$ 4,050,000 in November.

Principal and interest on the Notes (“Obligaciones Negociables”) were paid in the amount of AR\$ 10,344,245.

**Banks and Financial Loans:** The Company secured new borrowings and credit lines in the amount of AR\$ 22,225,000. In turn, the Company repaid principal and interest on such borrowings for AR\$ 7,610,418.

**Leases:** Lease payments due were made in the amount of AR\$ 443,156.

## **Appointment of New CEO**

Effective since March 1, 2021, Pablo Caputto became our new CEO. Together with the Executive Committee, he has utmost responsibility for accomplishing our ambitious purpose—spearhead financial inclusion and education in the region. Pablo landed in our company after a long track-record as Collection and Payment Tribe Leader at Banco Galicia, bringing new perspectives, his personal hallmark, and strategic decisions to enhance such roadmap. Besides, he will be able to streamline many process since Pablo will have a seat at the Executive Committee of Grupo Financiero Galicia.

This appointment took place at a time when we already had a roadmap designed and agreed upon with management, as well as clearly defined strategic goals and indicators. It is part of our ongoing efforts to strengthen the transformation process. Such transformation is based on our values and our purpose, always recognizing the importance of having the best talent in place.

## **“Naranja is now Naranja X”**

With an established track record in Argentina, Naranja has become “Naranja X” to help people streamline the manner in which they use their money on a daily basis and, in partnership with other group companies, to offer savings, payment, credit and collection solutions, supporting their growth by making a more efficient use of their finances.

Several technology solutions were created. Products were designed based on people's incentives at the time of using their money, and a platform was developed to help them meet their daily needs.



To face future challenges and expected growth, Naranja X will continue incorporating technology talents to its teams to fill positions in Engineering, Architecture, and Data & Analytics.

## FINANCIAL EDUCATION

### **“Let's Talk about Money” Blog**

Naranja X created a blog named “Let's Talk about Money” in an attempt to offer financial education in a cool way. How much does it cost to have a dog? What is the cost of moving? How to start saving money? These are some of the issues that will be addressed in the blog, including simple ideas and tools for people to learn how to use money.

This initiative is open to the community; that is, the blog contents are accessible to everyone to find answers to questions and get relevant information for our day-to-day life. The blog was conceived to generate social media interactions through interesting posts that engage users' attention, while challenging their knowledge and biases. Aligned with the brand's wit and informal and relaxed style, the blog includes true or false challenges, quizzes, questions and surveys.

### **Launch of “Un Podcast X”**

Under the premise of sharing and learning from experience, Naranja X launched “Un Podcast X,” an initiative led by the Fintech's IT community to plunge into the digital ecosystem and explore several topics through true stories of people that work every day in the technology field.

In its first season, “Un Podcast X” had 7 episodes with lively interviews lasting 25-35 minutes each. In total, 26 speakers participated in the initiative, including IT talents who shared their experiences firsthand, as benchmarks in their respective fields, and who inspired other young people and professionals. “Un Podcast X” is available for listening at Anchor, Spotify, Apple Podcast, Google Podcast, Bracker, Castbox, Overcast, and Soundcloud.

## **New Campaign: “Gente en Ascenso”**

Following its evolution into Naranja X, the Company launched “Gente en Ascenso” (People on the Rise), a comprehensive campaign with real male and female players of soccer teams that are on the rise to the next level, who talk firsthand about the benefits of Naranja X app, how to optimize the daily use of money, and how simple it is to open a free account.

Created and developed in partnership with The Juju, and with the participation of soccer players from several teams, including Atlanta, Morón, Sportivo Belgrano, Universitario, Lamadrid, Deportivo Lugano and Flandria, the campaign includes advertisements that will be showcased country-wide on digital and printed media and public spaces, and will also be broadcast on radio and TV. The evolution into Naranja X has also reached our branches. During the second semester of 2021, our more than 170 branches and our headquarters in Córdoba —known as Casa Naranja— progressively renewed their image in alignment with the new #WeAreNaranjaX identity.

In this way, Naranja X was able to offer a unique experience for users to engage with the new brand and value proposition. The re-adjustment plan is already underway in the Autonomous City of Buenos Aires, certain districts of Greater Buenos Aires, Rosario, Santa Fe and Entre Ríos; and will soon commence in the cities of the Cuyo, Northwest, Northeast and Patagonia regions of Argentina where Naranja X has a presence.

## **BUSINESS GROWTH AND EFFICIENCY**

### **Increase in Digital Payments**

During 2021, we continued with the migration of card payments, leveraging customers’ enhanced experience to facilitate transactions. At the beginning of 2021, digital transactions accounted for 48% of the total, while at year-end digital payments rose to 52%—66% of which are made through our own channels, which means increased efficiency.

Finally, the Company managed to improve its Customer Effort Score (CES)—a metric that measures the ease of the digital payment experience— from 90 points in 2020 to 91% at the reporting period end.

We also worked on the attrition of customers who made their payments through the NX app’s digital channel, reducing the app attrition rate from 25% in 2020 to 15% in 2021.

## **Increased Portfolio Financing**

In order to improve the financing offering available to customers in 2021, we included new plans and products. With varying options and plans based on customer segments, we offered up to 18 installments with the Z Plan (up to 3-interest free installments), as well as with Naranja Plus for customers who were current with their card payments. This action allowed to increase the financed portfolio by 60%.

Effective since September, we implemented “Pago Flex,” a facility to finance the card payment through all digital channels and for purchases in excess of AR\$ 800. The plan comprises a cash payment and installments based on each customer's particular case, plus interest on the balance being financed. With this product, we achieved considerable efficiency gains and enhanced profitability with each customer.

## **Arrears Ratios**

Similarly to the previous year, in 2021, collection efforts of amounts in arrears were a significant determining factor of this year's performance. The 30 days' arrears ratio averaged 6.04%, the lowest mark in the company's history.

Besides, 90 days' arrears—a ratio which indicates arrears after completion of early arrears collection efforts—displayed very good performance, with an annual average of 0.81%.

These results were primarily driven by early management of customers likely to fall into arrears, by using new analytical models, maximizing management capacity, and offering tailored-made refinancing plans, consistent with the complexity of the prevailing context and the constant search for better arrears management solutions.

## **Cost Savings in Arrears Recovery Procedures**

*(Figures expressed in thousands of Argentine Pesos)*

As part of its policy to streamline arrears recovery procedures, the Company assigned the out-of-court portfolio by way of a private auction, using identification and predictive models to ensure the best selection of the portfolio subject to assignment. The Company also assigned its portfolio under judicial proceedings. During the reporting period, portfolio assignment totaled AR\$ 3,315,721, with AR\$ 343,416 in revenues, which means an average price of 10%, vis-a-vis 7% in 2020.

## **Consumption Level**

During the reporting period, we strived to boost the use of the card, reducing the number of inactive accounts, and minimizing attrition. Annual consumption grew 21%, in tandem with average consumption per customer, with a 13% increase in transactions relative to 2020. In 2021, the number of inactive accounts declined 16%, while attrition fell 27%, maintaining an account activation ratio of 77% at 90 days versus 2020.

These results were accomplished, in part, due to the use of analytical models that allowed to offer customers tailored offers and powerful promotions, whilst also proactively offering increases in credit limits that benefitted consumption and reduced decline rates due to lack of credit limit.

During the year, we conducted four massive limit increases having a positive impact on the experience of 2.6 million customers.

## **PROMOTIONS AND BENEFITS**

At the beginning of 2021, and with the gradual opening of stores in Argentina, we launched “Smartes Recargado” (an umbrella action under the Zeta Plan and up to 25% discounts through an intensive communication campaign, leveraging the “Smartes” brand) on categories and stores that were not traditionally included in this campaign, such as mattress and paint shops, Falabella, and Farmacity. Benefits include payment plans in up to 12 installments and up to 25% discounts. We took advantage of each milestone and major event during the year to enhance cardholders’ benefits and also to support stores that had to do without actual or potential sales for 8-9 months. Naranja X participated in the Hot Sale event, boosting sales and pushing sustainable growth month over month, despite the COVID-19 second wave.

Grido and Starbucks were some of the brands that joined the portfolio of benefits available to cardholders. At supermarkets, we expanded our benefit offering not only with the Zeta Plan (up to 3 interest-free installments), but also with an online offering including up to 20% unlimited discounts.

Besides, a new sales event was created known as the “Electro Week,” during which electronics stores offered special prices. Naranja X supported the action with plans in more installments.

We also supported the categories most badly affected by the pandemic— such as bus and air tickets—with plans, terms and conditions, as well as with web-based communication efforts.

## **Digital Marketing Growth**

During the reporting year, we opened up 477,000 new accounts, primarily through the digital channel, which accounted for 80% of the total.

## **Optimized Card Delivery Time**

In order to optimize our product delivery time, we have decentralized the embossing of our private label card into 8 Embossing Centers: Headquarters in Córdoba, Tucumán, Mendoza, Buenos Aires, Resistencia, Rosario, Neuquén and Comodoro Rivadavia. The card delivery Service Level Agreement establishes the following: 30% within 48 hours; 57% within 5 days, and 79% within 10 days.

## **In-person Service Channel Evolution**

During 2021, we made progress against our general project strategy for the deployment of the Branches of the Future, seeking to enhance our customers’ and employees’ experience. This encompassed an innovative spatial layout to implement the new service model, whilst refreshing the branches’ design. Four stores were moved (Balvanera, Comodoro Rivadavia, Cutral Co and Flores), two stores were fully remodeled (Bahía Blanca and Resistencia III), and 20 stores were partially remodeled (Quilmes, Jesús María, Villa Allende, Rosario Sur, Berazategui, Neuquén, Lomas de Zamora, Trelew, Cipolletti, Río Gallegos, Merlo, Mar del Plata, San Martín, Subte, Formosa, Santa Fe, Tucumán Congreso, San Pedro, Perico and Tartagal). We are currently in the process of moving three stores (one of them in Rivera Indarte, Córdoba, which will be split in two new locations at 9 de Julio 32 and San Lorenzo 77, one in Mar del Plata, and one in Rosario), opening two stores (Downtown Buenos Aires and Tafi Viejo), fully remodeling a store (Morón), partially remodeling five stores (Rawson, Villa Gobernador Gálvez, Aristóbulo del Valle, Liniers and LaFerrere), and installing 20 low-cost enclosures for cashiers’ line at several country locations.

We were also able to increase and streamline the number of digital service points by installing 28 Collection Terminals (BRM), and relocating 10 Self-service Terminals (TASIs). We also enabled 6 service sectors working on a 24 hour-basis. Hence, not only have we managed to facilitate the interaction with our customers, but we have also offered them more agile and secure technological channels and tools.

On the other hand, we closed three branches (San Juan II, Resistencia II and Formosa II), two points of sales (Catriel and San Martín de los Andes) and a virtual store (Terrazas de Mayo).

At year-end, we had 175 branches and service centers throughout Argentina.

## PRODUCTS AND SERVICES

### **Insurance and Assistance Products**

At the reporting period end, the Company recorded 2.1 million insurance policies and assistance products, with an average of 70,000 new products per month. These indicators were maintained throughout the year.

Some remarkable initiatives during the year included the migration of insurance sales to the new NX app and the sale of products within the ecosystem workflows (loans and debits).

### **Loans**

Naranja X's customers may access a pre-approved personal loan with minimum requirements (being holders of a Naranja X credit card for at least 4 months and have the appropriate credit profile). The loan does not have origination costs, does not affect customers' available credit balances and is repayable in fixed installments in pesos. Customers may access the loan on the spot at branches and through digital channels, such as Naranja Online and the App. During the year, sixty-five per cent (65%) of loans were originated through digital channels, which maintain the contribution levels attained since the pandemic outbreak.

During 2021, we expanded the offering available to cardholders. We offer loans for a maximum amount of AR\$ 750,000 repayable in 36 installments. The promotional actions are aimed at offering customers their first borrowing experiences, with focus on financial inclusion. Through these efforts, Naranja X was able to achieve sustained growth and hit loan origination records in recent months.

## **Publishing Products**

At year-end, “Convivimos”—Naranja X's monthly publication (both in its digital and printed versions)—had 305,000 subscribers, remaining the magazine with the largest circulation in the country.

At the reporting period end, we had 70,000 subscribers of children's books due to our alliances with Disney (Disney Junior, Avengers and Princess) and Nickelodeon (Paw Patrol).

It should be noted that our “Convivimos” magazine received for the first time the ADEPA 2021 award. ADEPA (the Spanish acronym for Association of Argentine Journalistic Entities) gathers Argentina's major communication media. The magazine received the award due to the publication of a paper entitled “Microbiota: Un mundo fascinante” (Microbiota: A Fascinating World), within the “Scientific Journalism” category. The paper was published in April 2021's edition.

## **Automatic Debits**

In 2021, we managed to strengthen our automatic debit portfolio, comprising more than one million customers with 2.16 million debits per month. We enhanced the users’ experience at the digital channel, the assisted channels, and the NX app.

## **AUTOMATION OF COMPLIANCE PROCESSES**

During 2021, we worked on the development of processes already in place, with special focus on their automation, to provide a comprehensive response at the time of handling claims reported through the Ethics Line, analysis of potential organizational fraud cases, advice on product design, update of the organizational risk matrix, and management of alerts related to Prevention of Asset Laundering and Funding of Terrorist Activities.

## **Compliance, Ethics and Integrity**

Following 2020's trend, the year 2021 was also characterized by a substantial number of regulatory changes. In this vein, during the reporting period, the Compliance team reviewed 23% more regulatory news than in 2020. By the end of 2021, we acquired "World Class" tool that will allow us to manage regulatory compliance and the integrity plan in a comprehensive and automated manner.

### **Integrity Plan**

During the year, the Company updated its corruption risk matrix in line with applicable best practices and with the provisions of the Corporate Criminal Liability Law.

As it concerns suppliers' due diligence process, during the year the Company retained the services of a specialized consulting firm that executed an audit review plan on a sample of critical suppliers.

### **Prevention of Asset Laundering and Funding of Terrorist Activities**

Seeking to ensure an effective prevention policy, aligned with market trends, and embracing a digital and technological perspective as management basis, the Company is equipped with a dedicated team, monitoring tools and agile procedures for the timely detection of unusual transactions.

In 2021, the Company implemented policies, measures, procedures and other activities related to the prevention of Asset Laundering and Funding of Terrorist Activities, in order to:

- Comply with the provisions of several regulations inherent to credit card operators for the prevention of these crimes.
- Establish internal policies and procedures that allow having objective and technical criteria as regards the Prevention of Asset Laundering and Funding of Terrorist Activities.
- Cause employees to learn about and commit to the Prevention of Asset Laundering and Funding of Terrorist Activities, through training and awareness initiatives.



## **Organizational Fraud Management**

The Organizational Fraud Management (OFM) team handles employees' misconduct in breach of Naranja's Code of Ethics and corporate values.

In 2021, the service was enhanced to provide support to the several sectors in handling in due time and form the several alerts arising among teams.

## **Regulatory Affairs**

The Regulatory Affairs team handles the requirements from several regulatory authorities (Argentine Central Bank (BCRA) and the National Securities Commission (CNV)), achieving synergies with the Company's subject-matter experts, seeking to provide a prompt, effective and coordinated response to these requirements in the least possible time.

During 2021, the Company managed to establish agile working processes and methodologies and initiated automations, always embracing a technological and digital approach, which streamlines efforts and contributes the required efficiency to achieve the goals and improve the experience with regulatory agencies.

## **INFORMATION SECURITY AND CYBERSECURITY**

For a couple of years now, Naranja X's Information Security area has been aligned with ISO/IEC 27001, "Information Security Management System (ISMS)"; and ISO/IEC 27005, "Information Security Risk Management." Naranja X also complies with good industry practices (including the Central Bank's Communication "A" 4609, "Minimum Requirements for Information Technology Risk Management, Implementation and Monitoring," and its subsequent supplements through Communication "A" 6354).

In recent years, we have reinforced our Cybersecurity practices, through the adoption of a Cybersecurity framework (SEC Guidance on Cybersecurity Procedures), ISO/IEC 27032 "Guidelines for Cybersecurity," NIST Cybersecurity Framework (Identify, Protect, Detect, Respond and Recover), and Mitre's ATT&CK framework for attack scenario modeling.

Furthermore, we have an Information Security policy in place as documentary framework, which is published and shared company-wide and with critical suppliers. The Cybersecurity and Data Privacy policy is also an integral part of such framework.

In 2021, as part of our proactive approach to make Information Security compliant with all applicable laws and regulations and good practices, we created a Security Governance dedicated area, which will handle all the above-mentioned issues.

## **Cybersecurity Defense Center (CDC)**

During 2021, we strengthened our Cybersecurity Defense Center (CDC) to protect ourselves against the highly complex emerging threats, as we are able to detect and anticipate to potential material security incidents affecting the Company. The CDC helps us get ready to provide prompt and effective response to incidents, enhancing our processes, primarily those related to security incident management.

We have our proprietary machine-learning security tools which deliver high value, particularly, at the time of solving multiple security problems, such as malware and persistent advanced attacks.

Some of the Defense Center's activities that were strengthened during the year include business-applied preventive analytics intelligence, unusual behavior analysis, and Cyber Investigation & Forensics, among others. We managed to cover a significant percentage of complex technique detection under Mitre's ATT&CK framework.

Apart from all the foregoing, we are also making progress in hiring a world-class Security Operations Center as a Service (SoCaaS), which will be primarily tasked with monitoring events occurring in the company's infrastructure and assets on a 365-day basis.

## **Digital Brand Protection in 2021**

Amidst the global and local scenario associated with the COVID-19 pandemic, the Company reinforced Digital Brand protection activities. In addition to the market leader solution that was already in place to view and early detect phishing sites and to identify company's or cardholders' sensitive information on public websites or forums, including on the Deep Web, we deployed an additional tool to identify and view Company's sensitive information disclosed on Internet. Hence, we were able to increase the brand impersonation detection rate on social media and managed to monitor and handle cases which, in a couple of weeks, were levelled with the maximum cases recorded the previous year.

Another significant milestone during the year was the deployment of anti-phishing technology on several of the Company's web sites which are usually subject to hackers' malicious activities. With this action, we managed to soon detect the creation of a fraudulent phishing domain and cause it to be removed.

We also set out to employ users' behavioral information to early detect the access to phishing sites by customers and be able to adequately deal with the fake sites as soon as possible

## **Alignment with the “SASE” (Secure Access Secure Edge - Zero Trust) Strategy**

The emerging trends and technologies pushed the boundaries of networks and accesses. Currently, Information Security areas are faced with the need for protecting assets and data that are beyond a given boundary. Therefore, during 2021 we continued introducing state-of-the-art technology that allows us to perform position checks on our proprietary and third party's equipment interfacing with our services, regardless of the manner in which they are connected. With this technology, we can take preventive actions even before a device manages to connect to our network and perform several security controls on the device, authorizing its connection only if it complies with applicable security requirements.

In particular, during 2021 we took a step forward in the remote access feature used by all users to log into the company's assets. We replaced the VPN solution with state-of-the-art technology, allowing for enhanced security and position controls to check all required aspects inherent to information security.

## **CUSTOMER EXPERIENCE**

The Customer Experience team is part of the Products - UX division, embracing integration with processes related to the design of solutions that address our customers' needs.

The area is named UX Insights and comprises the following fields: Surveys, Service Design and Research. Through several tools specific to each field, we collect information on individual customers and merchants and generate insights that provide business clarity and focus for the experience design and delivery.

Concerning Surveys, particularly, NPS (a customer loyalty indicator), in 2021 we achieved the following results:

1. Individuals: NPS of 37 points (down by 2 points relative to 2020)
2. Merchants:
  - a. Small: NPS of 10 points (up by 34 points relative to 2020)
  - b. Medium: NPS of 23 points (down by 17 points relative to 2020)

As from the second semester of the year, we started to look at the individuals' NPS as a key organizational indicator, enabling synergies among areas to boost pain points cross-cutting the entire organization.

The Service Design areas gathered information on the pain points related to the main customer journeys and channels: Origination, First Purchase, Card Payment, and Branch Network, among others. On the other hand, Research is divided into 2 sectors: Strategic Research which, based on users' clusters and qualitative information, developed insights to understand customers' financial needs and to provide information to feed the brainstorming process for the development of the value proposition. User Research—which conducted generative research to provide information to decision-making areas, for instance, on service channels; and evaluation research to test digital flows before going into production: Digital contract signature, migration to the finance company, loans, merchants' self-service platform, Naranja X's web-site, etc.

## Use of Social Networks

The 2021 plan encompassed the lessons learned from last year's COVID-19 pandemic. Therefore, we maintained a simple and accessible tone, while generating help content to guide customers through their customary transactions, such as making their card payment from Naranja X app.

<b><i>Followers on Social Networks in 2021</i></b>	
<b>Facebook</b>	2,366,938
<b>YouTube</b>	114,000
<b>LinkedIn</b>	262,409
<b>Instagram</b>	251,000
<b>Twitter</b>	164,014

Our social networks strategy in 2021 was based on 6 content pillar:

- **Product:** Solutions for individuals and merchants. App Features/News.
- **Financial Inclusion/Education:** Recommendations and tools to handle day-to-day finances.
- **Promotions:** Special discounts and plans. Business milestones.
- **Cybersecurity:** Useful information and tips for a secure digital experience. Security as an app attribute.
- **Community:** Games, real-time opportunities, creative milestones, surveys, quizzes, raffles
- **Environment:** Content on how and what each of us can do to take care of the environment.

The latter pillar is aligned with our sustainability strategy and is primarily based on the carbon-neutral attribute.

## **COMMITMENT TO EMPLOYEES**

At year-end, Naranja X has a headcount of 2,866 employees, 57% of whom are women and 43% are men. Furthering the Company's development, during 2021, the entire organization continued using tools related to agile methods, and built interdisciplinary and collaborative teams that work autonomously and using a horizontal approach.

### **Occupational Health and Safety**

The Company has an Occupational Health and Safety (OHS) area comprising 3 pillars:

1. Occupational Safety
2. Electronic Security
3. Physical Security

The mission of the OHS area is providing comprehensive services and solutions to protect lives and assets, customized to the company's needs, through a team of experts focused on delivering solutions that help reach success through dynamic and efficient management.

The vision is oriented to offer high-quality specialized services that address our customers' needs, with the ongoing commitment to generating more secure environments, providing and ensuring people safety and asset protection with simple and multi-purpose solutions, based on new technological tools.

Within our Occupational Safety pillar, we have an Occupational Health and Safety service in place which conducts audits and drills on branches and operating buildings. We also have an Occupational Medicine service in place, which provides support and advice on COVID-19, occupational diseases, accident rate, ergonomic workspaces, and applicable laws and regulations.

The Electronic Security pillar is in charge of the Monitoring Station, which receives real-time information on incidents occurring in the fire detection and alarm systems across more than 180 Naranja X's branches country-wide and operating building, on a 24/7/365 basis. Electronic Security also supports other internal areas: Collections, Information Security, Legal, Systems, and organizes drills and evacuation procedures, among other activities.

The Physical Security pillar is responsible for ensuring the presence of private security guards or law enforcement officials across all branches country-wide and operating buildings. Some of its functions include supporting check collection processes, works, maintenance, systems, etc. and taking immediate action upon theft or robbery at branches.

### **From Wellbeing to X IMPACT**

X IMPACT is a process that urges us to engage in a deeper and more agile conversation on the impact we generate on people's financial life—a way to connect with the Company's purpose, and to align the entire organization with the goal of helping everyone grow—each customer, each merchant—whilst also growing as individuals, as a team and in our professional career.

Naranja X has shifted to a management and measurement model primarily focused on:

- Fostering an integrated approach that combines people management and business results, through Naranja X's purpose.
- Ongoing management of the company's affairs. Diagnosis-based management. Measurements are inputs to monitor management and identify issues that are valuable to the organizational context.
- Empowering the several levels within the position held in this process:
  - Management: Fostering key issues at the company level.
  - Leaders: Ensuring team management and development. Instilling the habit to engage in leadership conversations.
  - Employees: Taking ownership of the need for and the action of making the team grow; building trust bonds, engaging in actionable conversations.

Four measurements were performed during the year, one at each quarter-end, aligning the timing of performance assessment and definition of new goals with people management, to foster an integrated approach.

The measurements were performed by means of an internal online survey among all employees (internally referred to as Nxers). The survey included questions on categories such as team management (communication, coordination, development, commitment, etc.) and organizational strategy (connection with purpose, clarity, etc.). At the end of the survey, the outcomes were posted for public access on our online platform. All our employees were able to check the results achieved by each team and other areas of the organization. Results for each period on the general perception about the Company: In March, we achieved 85% of favorable votes, with the participation of 2,797 Nxers (88% of total employees).

On the other hand, in June, we achieved 85% of favorable votes, with the participation of 2,694 Nxers (90% of the total employees). In September, we achieved 87% of favorable votes, with the participation of 2,570 employees (85% of the total). Finally, in December we achieved 90% of favorable votes, with the participation of 2,722 employees (88% of the total).

### **Ongoing Communication with Teams**

During the year, the Company created spaces for dialogue allowing to connect Naranja X's employees to the main leaders of the organization.

Open, close and transparent communication was key to this end. For instance, on the main Workplace group named "Communications", we shared news from the "Communications" avatar and, sometimes, from leaders' personal profiles. In this way, we made communication more humane, with a closer tone. We communicated transparently and equally to all our employees, with no significant audience segmentation, understanding the importance of everyone having secure and transparent information.

In 2021, the communication focus was placed on sharing with our employees the progress made against the integration plan into a single brand (Naranja + Naranja X), a single app, and a single account. Therefore, we created live streaming events via Workplace where the leaders of each topic shared the progress, results and roadmap. Then, we posted a summary with the streaming highlights.

### **Diversity and Inclusion Strategy**

The more diverse Naranja X teams are, the stronger their ability to add value to millions of people's finances will be. We know that innovation only arises if there are diverse perspectives and that people are able to add the greatest value to the business, in all respects, when they know they can be themselves at the workplace.

Based on data gathered from a diagnosis carried out in 2020 on 10 diversities, together with the specialized consulting firm Bridge the Gap, in 2021 our work was focused on 3 main pillars: **Gender, People with Disability and LGBTIQ+ Community**. Some of our main milestones in 2021 include:

- **Recruitment:** Job postings are open to everyone. However, we know that we have to make things easier for some specific communities to get onboard. In 2021, Naranja X worked with expert organizations in Trans people, people with disabilities, and women in IT areas.
  - **Trans Community:** Together with Trans Argentinxs and Contrató Trans, and thanks to the efforts of Naranja X's Talent Attraction team, in 2021 we hired 3 Trans persons for the first time. This action entailed a review of the company's internal processes and several training programs to work on biases, but it fundamentally meant a great boost and professional and personal growth for all the team involved.
  - **People with Disability:** During the year, in partnership with the NGO Inclúyeme and national and provincial governmental programs, Naranja X hired 5 people with disability, currently adding up to 15 in total.
  - The Company fostered the development of **more women in the IT community** through a recruitment process where women are at the core. We conducted outreach and IT training initiatives, such as TechTalk, Podcast X and Academia IT. Women had a strong representation in these initiatives to provide visibility and break down stereotypes, including job offers.
- **Team Development and Training:** During the year, we focused on team training and on communication, for it is known that working at a cultural level, with the strong belief that we can do things better, is key for our people to feel comfortable, in a safe workspace where they can put forward ideas and deploy their talents.
  - **Training sessions company-wide on gender-related topics** together with BTG for Women's Day.
  - **More than 250 employees attended the LGBTIQ+ workshop** that delves into some concepts on gender identity and sexual orientation, among others.
  - We launched the **first Diversity network** to ensure that customer-facing teams working at the branches nationwide are equipped with tools and have support to offer a great experience to everyone.



- **Diversity Perspective:** We also built **communication and marketing** teams because we know that messages are one of the main culture generation drivers and have the power to provide visibility to groups that historically did not have it. We also revised our Brandbook from a Diversity perspective and included a specific section on this topic.
- We delivered **Inclusion and Disability** workshops to more than 70 members of teams that had new members onboard from the Inclusion Program.
- **Benefits:** We revised and redesigned family leaves and Flex benefits, ensuring that they foster shared responsibility among several genders and work-life balance, considering different lifestyles and family structures.

## **Employer Brand and People Development**

This year we launched #InternalOpportunities, an initiative aimed at our employees that sought to make our internal mobility processes more flexible, agile and democratic. How do we do it? Opening our recruitment process to our employees, who may apply for job postings based on their skills, interests and career growth expectations.

The development and training strategy in 2021 was based on 3 main focal points which are related to PEOPLE focal points: Culture, Managers and Talent. As it concerns these focal points, we deployed actions that leverage the business KRs (Key Results), such as: BeLeader in Culture; Leadership Onboarding in Manager, or Academias IT, Academia D&A (Data Analytics), network transformation, in Talent. Each initiative pursued follow-up and monitoring KPIs but contributing to each focal point's KRs.

## **New Performance Appraisal Tools**

In 2021, we have driven several initiatives, as part of our performance management process.

The first one was the **Integration of the Performance Model** that pushed the integration process with Naranja X (at that time, the team based in Buenos Aires). At the beginning of the year, we performed a deep analysis on both companies' performance processes, in addition to the market practices study. Our goal was designing a transition model to go through this first year of the integration, knowing that it would be revised again, in tandem with the development of the company's purpose. The second one was the **Feedback Initiative** which fostered the building of an interdisciplinary team in order to analyze the conceptual framework and the actions the organization has been taking since 2018. Concerning the commercial network, we fostered the **New Sales Management Model Pilot Initiative**, a pilot project for branches, including a new sales indicator that would replace Weighed Points and that would drive the productivity and sales of strategic products, in line with market trends.

Finally, and looking forward to 2022, Naranja X is designing a new performance model, inspired on the company's transformation process, which is strongly rooted in the organizational purpose of fostering and facilitating the financial inclusion of millions of persons. In fact, the company is reshaping the performance management model, focused on: Driving business results, developing internal talent, and consolidating the Naranja X Culture.

The new model, which is still in its design stage, is based on the following principles:

- Performance as a management practice, not as assessment.
- Based on simple and accessible actions that add value to management and experience.
- Anchored in leadership, empowerment and self-service.
- Driven by frequent, timely, meaningful, honest and forward-looking conversations

### **Meetings with Leaders**

This year, we carried out meetings with leaders named “Moment Go” and “Open Spaces.” Moments Go are intended to update the business roadmap, while Open Spaces are conceived to discuss all news requiring more detailed information. We held the following 6 Moments Go:

(Renaming / A Brand: Strategy and New Brand Identity / NX Ecosystem with Pablo Caputto / 3Q End / Methodology, Financial Inclusion and Education / An Account: Beating High) and 3 Open Spaces.

## **SOCIAL INNOVATION AND SUSTAINABILITY STRATEGY**

In line with the business transformation, in 2021 Naranja X presented its **new Social Innovation and Sustainability strategy**. The strategy design was based on the “Future-Fit” methodology, an international tool that allows companies and organizations in general to assess whether their services, sources of income and operations are conducive—or not—to a more fair and equal society and to a regenerating environment.

The process encompassed already existing initiatives, initiatives that were redesigned based on new action lines, and new opportunities that were identified to boost the business through a triple impact approach: **Economic, social and environmental**.

Such strategy is driven by the Social Innovation team, which works jointly with the Company's several divisions and areas in identifying, adopting and monitoring impact criteria transversal to the entire organization, while ensuring that all people have room for innovation and for generating economic, social and environmental impact.

## Main Milestones in 2021 by Pillar:

### Environmental Impact

In 2021, Naranja X became the **first Argentine Fintech in being declared carbon neutral**. In addition to measuring and mitigating our carbon emissions, we offset 100% of the emissions resulting from the annual measurement.

- We installed a **solar farm at Casa Naranja X** that generates power to cover from 5% to 100% of the building's daily consumption (based on the conditions of use).
- **Branch rebranding was designed based on eco-design criteria:** We reused existing materials, reducing the environmental impact by 60% in signage production, that is, more than 50 tons of carbon during the review stage, by hiring local suppliers.
- We **achieved an 87% reduction in our carbon footprint from material consumption** by changing all bleached sheets with non-bleached Ledesma Nat sheets of paper.
- Forty-six (46) branches throughout the country have **waste sorting** processes in place.
- La Clap, our annual party that convened more than 2,600 NXers, generated a **carbon footprint 61% lower than the last in-person party**. Besides, all generated emissions are offset. In other words, the event was **carbon neutral**.
- In partnership with Fundación Banco de Bosques, **we offset 100% of our 2020 carbon footprint** by preserving an area of 130,000 m<sup>2</sup> in Las Araucarias woods in Misiones. In this way, we managed to capture carbon by an amount equal to that generated by our operations in 2020.
- **Strengthening of local environmental impact CSOs:** We supported three CSOs from Córdoba for them to boost their impact on preservation, reforestation and environmental education issues.
- We shared **more than 50 internal and external communication pieces** to raise awareness and share the progress Naranja X and its partners are making in taking care of our environment.

## Social Impact

*(For more details, see “Diversity and Inclusion Strategy”)*

During the year, we made significant progress against our Diversity strategy.

- We hired **3 Trans persons for the first time** and **increased by 50% the number of people with disability working at Naranja X** (15 in total).
- More than 1,000 employees participated in **gender, LGBTQI+ and disability workshops** that were delivered together with subject-matter experts.
- We enhanced the benefits offered to our employees considering the **diversity of family structures and gender perspective**.
- We launched the **Diversity Ambassador Network**: +83 employees from our branches joined in this network to receive training with tools and concepts to ensure the best experience for everyone (customers and non-customers) approaching our branches.
- We shared **more than 20 internal and external communication pieces**, focused on channels that empower our Employer Brand, in order to raise awareness and share the progress Naranja X and its partners are making in terms of diversity and inclusion.

## Impact Finance

*(Figures expressed in thousands of Argentine Pesos)*

In 2021, we also incorporated **social and environmental impact criteria to some of our financing and investment decisions**.

- We launched the **new credit facility to foster financial inclusion**: This new credit facility was targeted at 90,000 independent customers who had never borrowed a loan from Naranja X. The proceeds from these loans can be exclusively used in **working capital projects and investments for the purchase of tools, materials and inputs**. Naranja X supported the growth of each business that so required seeking to boost their finances. The loan was funded by the IDB (Inter-American Development Bank), through the Ministry of Productive Development, at a preferential rate of 45%.
- The Company participated as investor in the **second placement of local Notes (“Obligaciones Negociables”)** targeted at a non-for-profit organization named **Sumatoria**. The issuer allocated the funds raised (AR\$ 30 million) to finance projects related to: Inclusive Finance, Social Economy, Gender Equality, Circular Economy and Impact Projects, Agro-ecology and Organic Products, and Healthy and Sustainable Nutrition.

- In partnership with Sumatoria, we conducted an action dubbed “**Amistad con Impacto**” (Impact Friendship). This action was intended to reshape an internal celebration ritual at Naranja X, generating a **financial impact experience in the community**: The Company gave each employee an amount equal to a corporate gift to be invested in a project of their choice within Sumatoria’s collective impact investment platform. The money was used to carry out **98 projects driven by microentrepreneurs, cooperatives and associations from different parts of the country**. Besides, a few months later, the money returned to each employee’s account at Naranja X for them to decide whether to reinvest or keep the money.
- In order to conduct this action, we reoriented **AR\$ 4,500 traditionally budgeted for the “Friendship Day” to a triple impact action** that could make a difference in the lives of hundreds of families, in order to make their projects grow and discover different manners to make a change through finance. The action also envisaged a budget to strengthen Sumatoria’s platform, in order to **scale up its impact in terms of projects, allied Microfinance Institutions, financial inclusion disclosures, and technological development country-wide**.
- Together with the consulting firms Keidos and Acrux Partners, we delivered training to direct reports of the CFO, CRO, CPO and leaders of several business units with a dual purpose:
  - **Training our teams** on Impact Finance and ESG criteria at the national and international levels, and
  - **Jointly designing Naranja X’s new Impact Finance strategy**, based on the following pillars: Financial Development, Investment Vehicles, CSO Strengthening, and Local Economies.

## COMMUNITY PROGRAMS

### **Débito Solidario (Solidarity Debit)**

*(Figures expressed in thousands of Argentine Pesos)*

For 25 years now, we have been offering our customers the possibility of cooperating with several organizations by means of a direct debit from their Naranja cards. Each cardholder chooses the amount to give and the beneficiary organization of their choice; then, Naranja transfers the funds raised to such organization.

In 2021, 375 non-profit organizations countrywide benefited from a contribution of AR\$ 375,713.

## **Apadrinando Comedores (Support for Community Kitchens)**

*(Figures expressed in thousands of Argentine Pesos)*

Through a team of 65 volunteers, we helped with food, education and recreation for children at community and soup kitchens from different districts of the country. In 2021, we sponsored 40 soup kitchens with an annual contribution of AR\$ 2,404.

## **Apadrinando Escuelas (Support for Schools)**

*(Figures expressed in thousands of Argentine Pesos)*

For 22 years now, we have been providing monthly financial support to public primary schools throughout the country. In 2021, we sponsored 80 schools with an annual contribution of AR\$ 1,706.

## **Scholarships for Secondary School Students**

*(Figures expressed in thousands of Argentine Pesos)*

For 8 consecutive years now, we have sponsored and provided financial support to financially, socially and emotionally vulnerable children and young people with outstanding academic performance, to prevent them from dropping school.

This program is run by two SCOs—Fonbec and Liga Educativa. Each student is sponsored by an employee who contributes 20% of the scholarship amount, with Naranja contributing the remaining 80%.

In 2021, 79 sponsoring NXers supported 89 students in Bahía Blanca, Buenos Aires, Catamarca, Córdoba, Mar del Plata, Rosario, Salta, and Tucumán. Each sponsor and each sponsored child are in touch by means of letters, phone calls or videoconference where they get to know each other better and share the school progress and report cards. The total annual investment was AR\$2,055.

## **Volunteering**

In 2021, 144 volunteers cooperated with several initiatives, such as Apadrinando Escuelas and Apadrinando Comedores, and also as sponsors of the high-school scholarship program.

In 2021, we designed and delivered a **Social Impact Management** training program targeted at the volunteers of the Apadrinando Comedores program. The training was focused on improving the quality of the investment of such annual budget, identifying priorities with each soup kitchen's leader.

## **SUPPLIERS' SUSTAINABLE MANAGEMENT**

Our suppliers' sustainable management is based on several pillars, including our Suppliers Policy, the Code of Conduct for Suppliers, the anti-corruption covenant undertaken by each of them under

the agreements subscribed with Tarjeta Naranja S.A., and the audits on our most critical suppliers to see to their compliance with the above-described standards.

In particular, the Code of Conduct for Suppliers sets forth Tarjeta Naranja S.A.'s core principles and expectations from its suppliers, requiring a visible commitment to business ethics in all of its possible forms, including the prevention of corruption in dealings with government officials and compliance with all applicable laws and regulations.

## SUSTAINABILITY REPORT

For eighth consecutive year, Naranja X reported on a comprehensive basis on its economic, social and environmental management under the International Guidelines of the Global Reporting Initiative (GRI), again achieving the highest measurement level (the Comprehensive Option for the "In Accordance" criteria). The report was published on Naranja X's new sustainability site ([Naranja X Sustainability](#)). Now, our annual report is entirely digital and we created a space for ongoing sharing with internal and external audiences concerning actions completed in 2020, focused on priority issues for all our stakeholders: Customers, merchants ("*Comercios Amigos*"), employees, community, suppliers and shareholders. The reported actions are part of the sustainability agenda and are consistent with the United Nations Sustainable Development Goals (SDGs), to measure our contribution to make the world a better place.

## 2021 AWARDS AND DISTINCTIONS

Naranja X 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.

Naranja X also ranked 19th among Argentina's most responsible companies with best corporate governance—a report prepared by the Spanish firm Análisis e Investigación and audited by KPMG.

Finally, the Company made it to the 4th position in the ranking of "Best Employers," which is compiled by Apertura.

## 2022 OUTLOOK

After Argentina's economic rebound in 2021, driven, in part, by the low base of comparison versus 2020, activity growth would moderate in 2022. The macroeconomic imbalances accumulated in recent years, particularly during 2020, would start to be fixed in light of the agreement with the IMF. In principle, the agreement would require a more moderate primary deficit, a decrease in the FX gap, the phasing out of the existing exchange controls and foreign trade restrictions, and less pressure on monetary issuance. In the short term, these corrections would have a negative impact on purchasing power—a more moderate primary deficit and exchange rate lag would entail adjustments to utility rates and the official exchange rate, coupled with a reduction in discretionary expenditures. The foregoing would negatively affect purchasing power; therefore, economic growth would not be driven by spending. Exports and investment could eventually support activity growth, once the macroeconomic correction months are left behind, paving the way for a modest recovery in 2022.

Against this backdrop, we should highlight the risks and opportunities faced by Naranja X. On the risks side, one of the most significant ones is the economic turmoil that has prevailed in Argentina over the last years. Years of shrinking activity, exchange volatility, high inflation, changes in the sector's regulations and the adoption of reforms with uncertain results are just a few examples of the challenges the financial sector, in general, and Naranja X, in particular, have to face.

Finally, as a consequence of all the foregoing, Naranja X seeks to become the most human technological and financial platform preferred by Argentínians. This will surely allow it to scale up new products and services simply and to a massive extent, facilitating financial inclusion and education.



## Schedule: Report on the Code on Corporate Governance

### A) THE ROLE OF THE BOARD OF DIRECTORS (THE “BOARD”):

#### Principles

- I. The Company should be headed by a professional and qualified Board tasked with laying the necessary foundations to ensure the Company’s sustainable success. The Board is the Company’s guardian and watches for its shareholders’ rights.
- II. The Board shall frame and foster the corporate culture and values. In discharging its duties, the Board shall ensure compliance with the highest standards of ethics and integrity, based on the Company’s best interest.
- III. The Board shall ensure a strategy inspired on the Company’s vision and mission, aligned with its corporate values and culture. The Board shall be constructively involved with management to ensure the Company’s strategy is appropriately developed, executed, monitored, and amended.
- IV. The Board shall monitor and oversee the Company’s management on an ongoing basis, ensuring that managers take actions addressed at executing the business strategy and plan approved by the Board.
- V. The Board shall have all such necessary mechanisms and policies for it and each of its members to be able to discharge their duties efficiently and effectively.

#### **1. The Board inspires an ethical workplace culture and establishes the Company’s mission, vision and values.**

*The Board fosters an ethical workplace culture by defining its vision, mission, purpose and values, which are conveyed to and released among employees by means of onboarding programs when joining the Company, internal communication campaigns, and recreational activities. Such elements are incorporated to a Code of Ethics which sets out the conducts and behaviors expected from all of the Company’s employees, who shall read and sign accordingly. This Code of Ethics is available at the Company’s Intranet.*

#### **2. The Board sets the Company’s overall strategy and approves the strategic plan developed by Management. In doing so, the Board takes into consideration environmental, social and corporate governance factors. The Board oversees the strategy execution by using key performance indicators, taking into account the Company’s best interests and its shareholders’ rights.**

*The Board annually reviews, submits for discussion and approves the strategic plan from which the management goals arise. Such strategic plan takes into consideration business forecasts, and includes a high-level discussion of the macroeconomic environment, external factors and estimates, based on the prevailing conditions. All of this is transcribed into Minutes of Board of Directors’ meetings. The Committee for Information Integrity follows up on a monthly basis the approved plans and, if appropriate, the Board determines the necessary adjustments.*

- 3. The Board oversees Management and ensures managers develop, deploy and maintain an adequate internal control system, with clear reporting lines.**

*Every year, the General Division reports on the actions taken on the internal control system, by means of reports generated by specific areas, which are submitted for discussion and review, as needed, by the Board. Performance is measured on the basis of the goals set with the Company's management tools.*

- 4. The Board designs the corporate governance structures and practices, appoints the individuals responsible for their execution, monitors the effectiveness of such structures and practices, and suggests changes, as needed.**

*These duties are discharged on an ongoing basis by several Board's committees (Audit Committee, Committee for Information Integrity, Ethics Committee, and Anti-money Laundering and Terrorist Financing Committee, Committee for the Protection of Financial Service Users and Risk Committee), which are made up of at least one member of the Board, reporting on an annual basis on their respective actions and activities to the Board, for approval.*

- 5. The Board's members have sufficient time to discharge their duties in a professional and efficient manner. The Board and its committees have clear and documented operating and organizational rules, which are disclosed through the Company's website.**

*The Board's members are, in turn, employees of the Company or belong to one of the Group's companies. The Board's members discharge their duties in an efficient manner, cooperating on a daily basis, and are assessed using the same performance appraisal tools as all other employees.*

*Besides, the several Board's Committees have rules and regulations drawn up in the respective Minutes of Board of Directors' Meetings. In turn, all relevant information for investors and the public in general is posted on the Company's website, in compliance with applicable laws and regulations.*

## **B) BOARD OF DIRECTOR'S CHAIRMAN AND CORPORATE SECRETARY**

### **Principles**

VI. The Board's Chairman shall watch for the effective discharge of the Board's duties, and shall lead its members. The Chairman shall encourage a positive workplace dynamics and foster the constructive engagement of its members, while ensuring that they are equipped with the necessary information and elements for decision-making. This also applies to the Chairperson of each of the Board's Committees, to the extent of their respective duties.

VII. The Board's Chairman shall lead processes and establish structures seeking members' commitment, objectivity and competence, as well as the best operation of the Board as a whole, and its evolution according to the Company's needs.

VIII. The Board's Chairman shall ensure that the entire Board is involved in and accountable for the Chief Executive Officer's succession.

- 6. The Board's Chairman is responsible for the good organization of the Board's meetings, and shall prepare the meeting agenda, ensuring the collaboration from the other members and that they receive the necessary materials with sufficient time ahead for an efficient and informed participation at meetings. The Chairpersons of the Board's Committees shall have the same responsibilities in respect of their meetings.**

*Both the Board's Chairman, as well as the chairperson of each Committee, shall be responsible for efficiently conducting meetings, pursuant to the terms of applicable laws and regulations, and the Company's needs at that time.*

*Before holding a meeting, reports and scorecards are prepared about the issues to be discussed, and submitted with sufficient time ahead, all of which is duly recorded in minutes.*

- 7. The Board's Chairman watches for the appropriate internal operation of the Board, by implementing formal appraisal processes on an annual basis.**

*Yes. Shareholders approve the actions taken by directors, and choose the Board's members, all of which is recorded in Minutes of Shareholders' Meetings.*

*Shareholders discuss and approve directors' performance on annual basis at the Shareholders' Meeting, based on previously set goals, all of which is recorded in Minutes of Shareholders' Meetings.*

- 8. The Chairman inspires a positive and constructive workplace for all of the Board's members, ensuring that they receive ongoing training to stay current and be able to discharge their duties effectively.**

*The Company's Directors and Managers receive the necessary training to discharge the duties inherent to their positions. Such training is delivered since the beginning of their new roles, under the New Leaders program.*

*In turn, the training programs managed by Human Resources address several topics, including strategy, management, trends, and information other than the customary financial and management ratios, such as the Agile Leadership program. Additionally, if the position requires so, the necessary technical training courses are added for the several positions.*

- 9. The Corporate Secretary supports the Board's Chairman in ensuring the Board's effective administration, and cooperates with the communication among shareholders, the Board, and Management.**

*The Secretary supports the Board's administration and the communication with the Chairman and the other Directors and Managers. The Board's Secretary is generally tasked with facilitating the Board's coordination efforts which naturally fall upon, and are often times delegated by, the Chairman. The Board's Secretary may also act as a means or as a facilitator of the communication among the Chairman and Directors, and among the Board and senior management.*

- 10. The Board of Directors' Chairman ensures the engagement of all of its members in the development and approval of a succession plan for the Company's CEO.**

*As it happens with the Board and first-line managers, the CEO's performance is also reviewed on an annual basis, including in all cases the required succession plans.*

*As mentioned above, the Company's CEO is assessed by relying on the same performance appraisal tools as for the other employees.*

## C) BOARD OF DIRECTORS' COMPOSITION, APPOINTMENT, AND SUCCESSION

### Principles

IX. The Board shall have sufficient levels of independence and diversity so as to be able to make decisions in the Company's best interest, avoiding groupthink and decision-making by dominant individuals or groups within the Board.

X. The Board shall ensure that the Company has formal procedures in place to propose and nominate candidates to fill seats at the Board, within the framework of a succession plan.

**11. The Board of Directors has, at least, two independent members, according to the then-current criteria set out by the Argentine National Securities Commission (C.N.V.).**

*The Company has directors who, in turn, are employees and/or members of the Group. During the year under review, the independence of the Board's members has not been called into question and there have been no abstentions due to conflicts of interest.*

**12. The Company has an Appointment Committee made up of, at least, three (3) members and chaired by an independent director. If the Board's Chairman presides over the Appointment Committee, then he/she shall not be engaged in the discussion to appoint his/her own successor.**

*The Company does not have an Appointment Committee, for it considers the Development Management and Performance Appraisal procedures currently in place to appoint first-line managers are adequate and effective. For the time being, the Company considers that the introduction of such committee may be unduly burdensome for its current structure. However, it does not disregard the possibility of implementing it in the future, if deemed advisable.*

**13. The Board of Directors, through its Appointment Committee, develops a succession plan for its members which guides the short-listing of candidates to fill vacant seats, and contemplates the non-binding recommendations of its members, the CEO, and the shareholders.**

*As mentioned above, the Company does not have an Appointment Committee, for it considers the Development Management and Performance Appraisal procedures currently in place to appoint Grupo Financiero Galicia S.A.'s non-independent directors are adequate and effective. At the same time, the Company believes that the introduction of such committee may be unduly burdensome for its current structure. However, it does not disregard the possibility of implementing it in the future, if deemed advisable.*

**14. The Board of Directors implements an onboarding program for its newly elected members.**

*Since the Board's members discharge duties at the same company and/or at the Group's companies and have in-depth knowledge of the business, the Company does not deem it necessary to implement an onboarding program for the position.*

**D) COMPENSATION**

**Principles**

XI. The Board shall create compensation-linked incentives to align management – headed by the CEO – and the Board itself with the Company's long-term interests in such a manner that all directors comply with their duties towards shareholders in an equal and fair manner.

**15. The Company has a Compensation Committee made up of, at least, three (3) members. Its members are all independent or non-executive directors.**

*Tarjeta Naranja does not have a Compensation Committee, because it considers the Development Management and Performance Appraisal procedures currently in place are adequate and effective. For the time being, the Company considers that the introduction of such committee may be unduly burdensome for its current structure. However, it does not disregard the possibility of implementing it in the future, if deemed advisable.*

**16. The Board of Directors, through its Compensation Committee, sets a compensation policy for the CEO and the Board's members.**

*Since the Company does not have such a committee in place, the compensation of the Board's members is decided over at the General Shareholders' Meeting, within the limits established by applicable laws and regulations, at levels adequate enough to attract and retain competent directors. The managerial personnel are compensated on the basis of pay bands that are fair and equal internally, while ensuring external competitiveness based on current market compensation values, all of which in alignment with the Company's strategy and the short-term and long-term target indicators established by the Board.*

## E) CONTROL ENVIRONMENT

### Principles

XII. The Board shall ensure that a control environment is in place, comprising internal controls developed by management, internal auditors, risk management, regulatory compliance, and external auditors, which establishes the necessary lines of defense to ensure integrity in Company's operations and financial reporting.

XIII. The Board shall ensure that a comprehensive risk management system is in place that will enable Management and the Board to efficiently lead the Company towards its strategic goals.

XIV. The Board shall ensure that an individual or department is in place (based on the size and complexity of the business, the nature of its operations, and the risks it is exposed to) responsible for the Company's internal audit. Internal auditors—tasked with assessing and auditing the Company's internal controls, corporate governance processes, and risk management—must be independent and unbiased, with clearly established reporting lines.

XV. The Board's Audit Committee is comprised by qualified and experienced members, and shall discharge its duties in a transparent and independent manner.

XVI. The Board must establish suitable procedures to ensure External Auditors' independence and effective performance of their work.

### **17. The Board of Directors determines the Company's risk appetite, while also overseeing and ensuring that a comprehensive risk management system is in place to identify, assess, cope with and monitor the risks faced by the Company, including, without limitation, environmental, social, and business-inherent risks, in the short- and long-term.**

*The Company carries out an ongoing risk identification, measurement and monitoring process. In addition to the analyses performed by the Board and Management, one of the companies of Tarjeta Naranja's business group carries on additional risk analyses, through several committees, all of which are comprised by a Board's member and draft the pertinent minutes.*

*One of Tarjeta Naranja S.A.'s responsibilities is to implement a prudent risk management approach. Therefore, risk management has been assigned to different divisions, responsible for the management of credit, financial, fraud and asset laundering risks, among others. The following are the goals of these areas:*

- *Actively and comprehensively manage and monitor the several risks taken, ensuring compliance with internal policies and regulations in force.*
- *Keep the Board abreast of the risks to which the Company is exposed, proposing how to cover them.*
- *Help strengthen the risk management culture.*
- *Design and suggest policies and procedures to mitigate and control risks.*
- *Escalate risk-related exceptions to the General Division.*

- 18. The Board of Directors monitors and reviews the effectiveness of the work done by the independent internal auditors and ensures the necessary resources are in place for the execution of an annual risk-based audit plan and a direct reporting line to the Audit Committee.**

*The Company's Internal Auditors report to the CEO, who reviews the budget and sets goals on the basis of the annual audit plan, the new businesses undertaken by the Company, and the needs stated by the Audit Committee.*

*Besides, the Chief Internal Auditor holds a monthly meeting with the Audit Committee to report on the compliance with the annual plan, the most relevant findings arising from audits, and any other relevant issue to be addressed by the Committee.*

- 19. The internal auditor or the members of the Internal Audit department are independent and highly trained.**

*The Issuer has an Internal Audit area fully independent from the other operating areas, whose mission is to assess and monitor the effectiveness of the internal control system with the purpose of ensuring compliance with applicable laws and regulations. Furthermore, the Audit Committee monitors such compliance. All Tarjeta Naranja's employees are responsible for complying with the internal control, the internal and external regulations and corporate governance rules. Internal Audit is responsible for assessing and monitoring the effectiveness of the internal control system in order to provide reasonable assurance about whether the following goals are attained:*

- Effectiveness and efficiency of operations*
- Reliability of the accounting information*
- Compliance with applicable laws and regulations.*

*The area complies with an annual work plan, the planning and scope of which are based on identifying and assessing the entity's risks.*

*Reports on the progress of follow-ups on findings are periodically issued, including plans or actions to redress the situation. These reports are submitted to the Audit Committee for discussion at its meetings. The Audit Committee is responsible for ensuring the principle of independence.*

- 20. The Board of Directors has an Audit Committee whose actions are guided by a set of rules. The Committee is mostly comprised and chaired by independent directors, excluding the CEO. Most members have professional experience in finance and accounting.**

*As mentioned above, the Company does not have independent directors. The Audit Committee is comprised by two Directors discharging duties at the Company, and additional two directors from companies belonging to the Business Group, all of whom have professional experience in finance and accounting. The actions taken by the Audit Committee are guided by a set of rules.*



- 21. The Board of Directors, in consultation with the Audit Committee, approves the external auditors' selection and monitoring policy, which establishes the criteria to be relied upon when recommending to the shareholders, at the time the Shareholders' Meeting is held, whether to keep or replace the external auditors.**

*The Audit Committee also conducts an in-depth analysis of the services rendered by the external auditors, determines whether they meet the independence criteria, as required by applicable laws, and monitors their performance in order to ensure that it is satisfactory.*

**F) ETHICS, INTEGRITY AND COMPLIANCE**

**Principles**

XVII. The Board shall design and establish appropriate structures and practices to foster a culture of ethics, integrity and regulatory compliance which helps prevent, detect and address serious corporate or personal conduct.

XVIII. The Board shall ensure that formal mechanisms are in place to prevent, or otherwise deal with, conflicts of interest that may arise in the Company's administration and management. The Board shall have formal procedures in place that seek to ensure that related party transactions are carried out in the Company's best interests and that fair treatment is afforded to all shareholders.

- 22. The Board of Directors approves a Code of Ethics and Conduct reflecting the Company's ethical and integrity values and principles and the corporate culture. The Code of Ethics and Conduct is made known and applicable to all of the Company's directors, managers and employees.**

*The Board approves the Company's Code of Ethics, which is applicable to all of its members.*

*The Code of Ethics is intended to lay down the main principles for all the Company's members to act in the same way and abide by the same values when addressing similar situations. Tarjeta Naranja encourages a workplace environment that fosters honesty, proactivity, responsibility, security, data confidentiality and respect for the law and business loyalty.*

*The Code of Ethics is disclosed by means of communication campaigns on the Company's Intranet and institutional videos. During 2021, the Compliance Division delivered training addressed to all Company's employees, keeping a record of those who completed it and generating reports with compliance news for submission to Directors.*

- 23. The Board of Directors establishes and periodically reviews an Ethics and Integrity Program, based on the Company's risks, size and financial capacity. The plan is clearly and visibly supported by Management, by designating one among them who shall be responsible for developing, coordinating, overseeing and assessing the program effectiveness on a periodical basis. The program encompasses: (i) ethics, integrity and compliance training to be regularly delivered to directors, managers and employees; (ii) internal channels to report irregular situations, open to third parties and adequately communicated; (iii) a policy to protect whistleblowers against retaliation, and an internal investigation system which respects the investigation subjects' rights and imposes effective punishments in case of infringements to the Code of Ethics and Conduct; (iv) a policy of integrity in tender processes; (v) mechanisms for the periodical analysis of risks, monitoring and assessment of the Program; and (vi) procedures to see to third parties' or business partners' integrity and track record (including due diligence to detect irregular situations, unlawful acts, or existing vulnerabilities in corporate reorganizations and acquisitions), including suppliers, distributors, service providers, agents and intermediaries.**

*Tarjeta Naranja has an Integrity Program in place. Such program also encompasses the Company's Code of Conduct, and lays down policies and guidelines on the following topics:*

- *Anti-corruption and anti-bribery*
- *A procedure to give and receive gifts and entertainment*
- *Donation policies*
- *Third parties' due diligence procedure*

*The Ethical Line was furthermore developed as the channel available to employees and suppliers to report irregular situations, based on a policy that protects whistleblowers against retaliation and an internal investigation system which respects the investigation subjects' rights. Training is delivered to teach about the contents of the aforementioned policies.*

*The program is carried on by the Compliance Division and monitored together with Internal Audit. The Company has also appointed a Compliance Officer who is responsible for the coordination and development of said program.*

- 24. The Board of Directors ensures that formal mechanisms are in place to prevent and deal with conflicts of interest. Concerning related-party transactions, the Board of Directors approves a policy which establishes the role of each corporate body, and how transactions detrimental to the Company or to certain investors only should be identified, handled and disclosed.**

*Tarjeta Naranja's Code of Ethics and Anti-corruption Policy lay down the courses of action to be taken to address potential conflicts of interests. The Code of Ethics sets forth the duty to refrain from acting on behalf of the Company in such situations that pose a personal interest or where the person involved or his/her close relatives may personally benefit from a business opportunity in which the Company may be involved. The Code also prohibits from engaging in business or professional activities concurrently with those carried out at the Company which may in any manner compete with any of the Company's businesses.*

*In the event any conflict of interest arises due to employment reasons or otherwise, the pertinent details shall be promptly reported.*

*Concerning transactions with related companies, the Company discloses them under a note to the financial statements entitled “Balances and Transactions with Companies and Related Parties.”*

#### **G) SHAREHOLDERS’ AND STAKEHOLDERS’ PARTICIPATION**

##### **Principles**

XIX. The Company shall afford an equal treatment to all of its shareholders. It shall ensure equal access to non-confidential and relevant information for decision-making at the Company's Shareholders' Meetings.

XX. The Company shall encourage the active and informed participation of all of its Shareholders, particularly, in defining the Board's composition.

XXI. The Company shall have a transparent Dividend Distribution Policy in place, duly aligned with its strategy.

XXII. The Company shall take into account the interests of its stakeholders.

#### **25. The Company's website discloses financial and non-financial information, affording timely and equal access to all Investors. The website has a specialized area to address Investors' questions and inquiries.**

*Tarjeta Naranja S. A. 's website can be freely accessed and contains financial and non-financial information about the Company. Our website allows users to get in touch with the Company and leave their inquiries, which are answered promptly.*

*Tarjeta Naranja S.A. periodically submits corporate and financial information through the website of the CNV, the Stock Exchange and MAE.*

#### **26. The Board of Directors shall ensure that a process is in place to identify and classify stakeholders and a communication channel available to them.**

*This duty is under the purview of the Institutional Relations Division, which, as part of its processes, identifies and classifies the Company's several stakeholders and communication channels (social media, institutional website, press releases, sustainability reports, etc.) based on the General Division and the Board's guidelines.*

#### **27. Prior to a Shareholders' Meeting, the Board of Directors submits to the Shareholders an “interim information package” which allows Shareholders, through a formal communication channel, to make non-binding comments and share diverging opinions from the Board of Directors' recommendations. In turn, the Board, when submitting the final information package, shall render its opinion on the comments so received, as deemed necessary.**

*All required information is submitted to the shareholders with sufficient time ahead. If shareholders disagree with the Board of Directors' recommendations, such dissenting views are put forward at the pertinent meeting.*

- 28. The Company's By-laws provide that Shareholders may receive information packages for Shareholders' Meetings by electronic means, and remotely attend Shareholders' Meetings by using electronic communication means enabling the simultaneous transmission of sound, video and voice, always ensuring the attendants' right to an equal treatment.**

*A Shareholders' Meeting shall be validly held with the attendance of an absolute majority of elected shareholders, who may attend the meeting in person or remotely - whether in the country or abroad - communicated among them by means of simultaneous sound, video or voice transmission means, such as videoconference, teleconference or the like. In this case, a quorum shall be deemed constituted with shareholders attending the meeting in person and remotely, and decisions shall be made by the majority of votes present and/or cast by any of the above-mentioned transmission means. If meetings are held with shareholders attending remotely, such circumstance shall be recorded in the respective Minutes, indicating their names, statements and votes cast in respect of each resolution passed.*

- 29. The Dividend Distribution Policy is aligned with the strategy and clearly establishes the criteria, frequency and conditions governing dividend distribution.**

*The Company's Dividend Distribution Policy is aligned with the strategy. Accordingly, the Company's By-laws provide that realized and liquid profits will be allocated as follows:*

- *5% until reaching 20% of share capital to Legal Reserve;*
- *Board of Directors' and Supervisory Committee's compensation; and*
- *the balance shall be distributed among the shareholders as cash dividends within one year as from their approval – in proportion to their respective payments – except as otherwise decided by the Ordinary Shareholders' Meeting.*

Legal Domicile: La Tablada 451 - Córdoba

Principal Line of Business: Credit Card Administrator

**27th Year  
Financial Statements**

For the year commenced January 1, 2021 and ended  
December 31, 2021, presented on a comparative basis  
Expressed in thousands of constant Argentine pesos as of year-end

Date of Registration with the Public Registry of Commerce:

Of Bylaws, as amended: December 12, 1995, May 3, 2001, March 24, 2004, and May 9, 2018 (Note 2.19)

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 2.19)				
Shares			Subscribed	Paid-in
Number	Type	Voting Rights per Share		
	Ordinary shares with a face value of AR\$ 10,000	1	In Thousands of AR\$	
2,824			28,240	28,240
2,824			28,240	28,240

Information on the Controlling Company:

Company's Name:	<b>Tarjetas Regionales S.A.</b>
Legal Domicile:	Tte. Gral. Juan D. Perón No. 430 – 19th Floor, Autonomous City of Buenos Aires.
Principal Line of Business:	Financial and Investment Activities
Interest in Equity:	99.96%
Percentage of Votes:	99.96%

Please refer to our report dated February 11, 2022  
**PRICE WATERHOUSE & CO. S.R.L.**

(Partner)

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

# **TARJETA NARANJA S.A.**

## **FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021 AND 2020**

(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

## Statement of Profit or Loss

For the years ended December 31, 2021 and 2020

Expressed in thousands of constant Argentine Pesos

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

		12.31.2021	12.31.2020
	Notes	In Thousands of AR\$	
Revenues from Services	6	33,360,452	31,257,970
Costs of Services	7	(7,477,450)	(7,603,961)
<b>Net Revenues from Services</b>		<b>25,883,002</b>	<b>23,654,009</b>
Revenues from Financing	8	52,682,186	33,932,644
Costs of Financing	9	(13,659,411)	(7,668,987)
<b>Net Revenues from Financing</b>		<b>39,022,775</b>	<b>26,263,657</b>
Net Income from Short-term Investments	10	336,488	3,674,004
<b>Operating Revenues</b>		<b>65,242,265</b>	<b>53,591,670</b>
Provision for Loan Losses	11	(7,932,904)	(7,651,042)
<b>Operating Revenues, Net of Provision for Loan Losses</b>		<b>57,309,361</b>	<b>45,940,628</b>
Employee Benefits Expenses	12	(11,526,109)	(11,601,632)
Taxes	13	(10,252,580)	(7,939,550)
Marketing Expenses	14	(850,435)	(917,494)
Depreciation and Amortization	15	(3,145,563)	(2,730,888)
Other Operating Expenses	16	(5,344,988)	(6,975,356)
<b>Total Operating Expenses</b>		<b>(31,119,675)</b>	<b>(30,164,920)</b>
<b>Net Profit before Income from Investments Accounted for Using the Equity Method</b>		<b>26,189,686</b>	<b>15,775,708</b>
Loss from Investments Accounted for Using the Equity Method	17	(52,628)	(39,838)
Loss on Net Monetary Position		(11,962,464)	(7,775,586)
<b>Profit before Income Tax</b>		<b>14,174,594</b>	<b>7,960,284</b>
Income Tax	18	(5,054,028)	(2,955,087)
<b>Profit for the Year</b>		<b>9,120,566</b>	<b>5,005,197</b>
<b>Earnings per Share</b>			
Basic and Diluted Earnings per Share		3,230	1,772

The notes are an integral part of these financial statements.

Please refer to our report dated February 11, 2022  
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C. N° 21.000.04.3  
Cr. Andrés Suárez  
Certified Public Accountant (U.B.A.)  
Professional License No. 10.1/421.4 – C.P.C.E.Cba.

José Luis Gentile  
For the Supervisory Committee

Alejandro Asrin  
Chairman

# Tarjeta Naranja S.A.

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

## Statement of Other Comprehensive Income

For the years ended December 31, 2021 and 2020

Expressed in thousands of constant Argentine Pesos

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

	Notes	12.31.2021	12.31.2020
		In Thousands of AR\$	
<b>Profit for the Year</b>		<b>9,120,566</b>	<b>5,005,197</b>
Other Comprehensive Income		-	-
<b>Total Comprehensive Income for the Year</b>		<b>9,120,566</b>	<b>5,005,197</b>
<b>Earnings per Share</b>			
Basic and Diluted Earnings per Share		<b>3,230</b>	<b>1,772</b>

The notes are an integral part of these financial statements.

Please refer to our report dated February 11, 2022  
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C. N° 21.000/4.3  
Cr. Andrés Suarez  
Certified Public Accountant (U.B.A.)  
Professional License No. 10.11/21.4 – C.P.C.E.Cba.

José Luis Gentile  
For the Supervisory Committee

Alejandro Asrin  
Chairman



# Tarjeta Naranja S.A.

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

## Balance Sheet

As of December 31, 2021 and 2020

Expressed in thousands of constant Argentine Pesos

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

ASSETS	Note	12.31.2021	12.31.2020	LIABILITIES	Note	12.31.2021	12.31.2020
		In Thousands of AR\$				In Thousands of AR\$	
CURRENT ASSETS				CURRENT LIABILITIES			
Cash and Cash Equivalents	19	5,465,231	4,068,741	Trade and Other Payables	26	96,368,748	82,586,410
Investments	20	12,487	-	Borrowings	27	39,324,482	20,533,040
Receivables from Trade	21	173,000,378	131,928,650	Employee Benefit Obligations	28	1,484,160	2,299,856
Other Receivables	22	1,058,310	577,507	Current Tax Liabilities	29	3,790,175	2,842,488
				Other Liabilities	30	2,767,381	219,102
				Income Tax Provision	18	3,478,634	1,795,865
Total Current Assets		179,536,406	136,574,898	Total Current Liabilities		147,213,580	110,276,761
NON-CURRENT ASSETS				NON-CURRENT LIABILITIES			
Receivables from Trade	21	2,463,527	754,415	Borrowings	27	5,443,048	4,595,100
Investments	20	1,000	-	Other Liabilities	30	17,767	18,134
Other Receivables	22	8,990	11,632	Provisions	31	163,559	218,953
Deferred Tax Assets	18	2,179,105	4,578,622				
Investments Accounted for Using the Equity Method	23	68,038	10,937				
Property, Plant and Equipment	24	6,185,855	7,257,441				
Intangible Assets	25	1,628,019	1,923,956				
Total Non-current Assets		12,534,534	14,537,003	Total Non-current Liabilities		5,624,374	4,832,187
				Total Liabilities		152,837,954	115,108,948
				EQUITY		39,232,986	36,002,953
Total Assets		192,070,940	151,111,901	Total Liabilities and Equity		192,070,940	151,111,901

The notes are an integral part of these financial statements.

Please refer to our report dated February 11, 2022  
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C. N° 21.00004.3

Cr. Andrés Suarez

Certified Public Accountant (U.B.A.)

Professional License No. 10.11421.4 – C.P.C.E.Cba.

José Luis Gentile  
For the Supervisory Committee

Alejandro Asrin  
Chairman

# Tarjeta Naranja S.A.

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

## Statement of Changes in Equity

For the years ended December 31, 2021 and 2020

Expressed in thousands of constant Argentine Pesos

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

	Shareholders' Contributions				Reserves			Retained Earnings	Total Equity
	Capital Stock (Note 2.19)	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 01.01.2021	28,240	1,782,193	134,397	1,944,830	89,739	-	28,963,187	5,005,197	36,002,953
Changes during the Fiscal Year:									
Profit for the Year	-	-	-	-	-	-	-	9,120,566	9,120,566
Establishment of Reserve for Conduction of New Operations Decided pursuant to Minutes of Shareholders' Meeting No. 47 dated 04.19.2021	-	-	-	-	-	-	1,814,664	(1,814,664)	-
Distribution of Cash Dividends Decided pursuant to Minutes of Shareholders' Meeting No. 47 dated 04.19.2021.	-	-	-	-	-	-	-	(3,190,533)	(3,190,533)
Distribution of Dividends Decided pursuant to Minutes of Shareholders' Meeting No. 47 dated 12.17.2021.	-	-	-	-	-	-	(2,700,000)	-	(2,700,000)
Increase of Legal Reserve pursuant to Minutes of Shareholders' Meeting No. 48 dated 12.17.2021	-	-	-	-	275,108	-	(275,108)	-	-
Balances at 12.31.2021	28,240	1,782,193	134,397	1,944,830	364,847	-	27,802,743	9,120,566	39,232,986
Balances at 01.01.2020	28,240	1,782,193	134,397	1,944,830	89,739	-	30,229,830	10,522	32,274,921
Changes during the Fiscal Year:									
Profit for the Year	-	-	-	-	-	-	-	5,005,197	5,005,197
Establishment of Reserve for Conduction of New Operations Decided pursuant to Minutes of Shareholders' Meeting No. 45 dated 04.16.2020	-	-	-	-	-	-	10,522	(10,522)	-
Distribution of Cash Dividends Decided pursuant to Minutes of Shareholders' Meeting No. 46 dated 06.26.2020.	-	-	-	-	-	-	(1,277,165)	-	(1,277,165)
Balances at 12.31.2020	28,240	1,782,193	134,397	1,944,830	89,739	-	28,963,187	5,005,197	36,002,953

The notes are an integral part of these financial statements.

Please refer to our report dated February 11, 2022  
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

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

José Luis Gentile  
For the Supervisory Committee

Alejandro Asrin  
Chairman

# Tarjeta Naranja S.A.

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

## Statement of Cash Flows

For the years ended December 31, 2021 and 2020

Expressed in thousands of constant Argentine Pesos

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

	Note	12.31.2021	12.31.2020
In Thousands of AR\$			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit for the Year		9,120,566	5,005,197
Plus Income Tax Accrued during the Year		5,054,028	2,955,087
Plus Interest and Other Financial Expenses Accrued during the Period, Net of Interest and Other Financial Income Accrued		13,557,819	7,668,987
Plus Loss on Net Monetary Position		11,962,464	7,775,586
Adjustments to Calculate Net Cash Flow and Cash Equivalents from Operating Activities	38	14,031,540	13,159,465
Changes in Operating Assets	39	(111,115,571)	(71,985,532)
Changes in Operating Liabilities	40	44,211,380	32,960,696
<b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>		<b>(13,177,774)</b>	<b>(2,460,514)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
(Increase) / Collection of Non-cash Equivalent Investments		(13,487)	2,719,725
Payments for Property, Plant and Equipment		(939,861)	(1,060,214)
Payments for Intangible Assets		(960,127)	(432,612)
Payments for Capital Contributions to Associates		(123,882)	(30,394)
<b>NET CASH (OUTFLOW) / INFLOW FROM INVESTING ACTIVITIES</b>		<b>(2,037,357)</b>	<b>1,196,505</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from Bank and Financial Loans	41	10,987,367	8,011,008
Proceeds from Credit Lines	41	13,633,162	10,001,313
Notes ("Obligaciones Negociables") Issued	41	19,992,908	10,958,639
Dividends Paid to Company's Shareholders		(3,190,533)	(1,277,165)
Repayment of Principal, Interest and Expenses on Bank and Financial Loans	41	(9,793,631)	(14,946,459)
Repayment of Principal, Interest and Expenses on Notes ("Obligaciones Negociables")	41	(13,105,345)	(17,983,047)
Payment of Tax on Bank Credits and Debits	41	(73,843)	(99,886)
Financial Lease Payments	41	(437,357)	(503,676)
<b>NET CASH INFLOW / (OUTFLOW) FROM FINANCING ACTIVITIES</b>		<b>18,012,728</b>	<b>(5,839,273)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>2,797,597</b>	<b>(7,103,282)</b>
<b>Cash and Cash Equivalents at the Beginning of the Year</b>		<b>4,068,741</b>	<b>14,939,537</b>
Loss on Net Monetary Position on Cash and Cash Equivalents		(1,549,890)	(4,248,044)
Increase Resulting from Exchange Rate Changes on Cash and Cash Equivalents		148,783	480,530
<b>Cash and Cash Equivalents at Fiscal Year-End</b>	37	<b>5,465,231</b>	<b>4,068,741</b>

Additional Information on the Statement of Cash Flows is disclosed in Note 41.  
The notes are an integral part of these financial statements.

Please refer to our report dated February 11, 2022  
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C. N° 21.00004.3

Cr. Andrés Suárez

Certified Public Accountant (U.B.A.)

Professional License No. 10,114,21.4 – C.P.C.E.C.Ba.

José Luis Gentile  
For the Supervisory Committee

Alejandro Asrin  
Chairman

# Tarjeta Naranja S.A.

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

## Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

Expressed in thousands of constant Argentine Pesos

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

## Notes to the Financial Statements

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

- Note 1 – General Information
- Note 2 – Significant Accounting Policies
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- Note 4 – Additional Information to the Financial Statements as of December 31, 2021 and 2020
- Note 5 – Segment Information
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- Note 8 – Revenues from Financing
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- Note 10 – Net Income from Short-term Investments
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- Note 13 – Taxes and Charges
- Note 14 – Marketing Expenses
- Note 15 – Depreciation and Amortization
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- Note 17 – Income from Investments Accounted for Using the Equity Method
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- Note 20 – Investments
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- Note 29 – Current Tax Liabilities
- Note 30 – Other Liabilities
- Note 31 – Provisions
- Note 32 – Financial Liabilities by Contractual Due Date
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- Note 34 – Leases
- Note 35 – Notes (“Obligaciones Negociables”)
- Note 36 – Hedging Transactions
- Note 37 – Cash and Cash Equivalents - Statement of Cash Flows
- Note 38 – Adjustments to Calculate Net Cash Flow and Cash Equivalents from Operating Activities
- Note 39 – Changes in Operating Assets
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- Note 42 – Balances and Transactions with Companies and Related Parties
- Note 43 – Restricted Assets
- Note 44 – Information about Expenses and their Allocation under Section 64 Subsection b) of Law 19550
- Note 45 – Foreign Currency Assets and Liabilities
- Note 46 – Portfolio Assignment
- Note 47 – Documentation Filing
- Note 48 – Economic Environment
- Note 49 – Subsequent Events

Please refer to our report dated February 11, 2022  
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 Financial Statements (Continued)

For the years ended December 31, 2021 and 2020

Expressed in thousands of constant Argentine Pesos

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

### 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 February 11, 2022.

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 – SIGNIFICANT ACCOUNTING POLICIES

The main accounting policies applied to the preparation of these financial statements are detailed below. These policies have been consistently applied to all years presented.

#### 2.1 Basis for Preparation

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 International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (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.

Therefore, these financial statements were prepared in accordance with IFRS, as issued by the IASB and represent the integrated, explicit and unreserved adoption of such international standards.

#### Going Concern

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

Please refer to our report dated February 11, 2022  
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 Financial Statements (Continued)

For the years ended December 31, 2021 and 2020

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 2.1 Basis for Preparation (Continued)

##### 2.1.1 Changes in Accounting Policies and Disclosures

##### a) New and Amended Standards and Interpretations Adopted by the Company during the reporting and previous years.

There have been no new or amended standards and interpretations effective for the years commenced January 1, 2021 and 2020 that have had material effects for the Company. The only standard that resulted in an additional assessment was the following:

- **Changes to IFRS 9, IAS 39 and IFRS 7 – Interest Rate Benchmark Reform:** These changes provide certain relief in connection with the interest rate benchmark reform, such as LIBOR and other interbank offered rates (IBORs). Such changes are related to hedge accounting and the fact that the aforementioned reform should not result in the termination of hedge accounting, considering applicable IFRS. However, any hedge ineffectiveness should continue to be charged to income. These changes came into force as from January 1, 2020. However, they had no impact on the Company's financial statements.
- b) **New and Amended Standards and Interpretations that Have Not Been Adopted by the Company Yet**

There are no other new IFRS or IFRIC changes or interpretations that are not yet effective and that are expected to have a material effect on the Company.

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 2.2 Segment Information

The entity has disclosed the segment information, as established by IFRS 8 “Operating Segments”.

An operating segment is that component of the entity whose financial information is separately available and is regularly used by the Board of Directors in decision-making regarding how to allocate resources and assess the business performance.

Reportable segments are one or more operating segments with similar characteristics, distribution systems and regulatory environments.

Operating segments are presented consistently with the internal information furnished to the maximum authority in decision-making relating to the Company's operation, which, in the case of Tarjeta Naranja S.A., is the Board of Directors.

The entity considers the business from a geographic viewpoint, defining the following operating segments: (i) Greater Buenos Aires I (Greater Buenos Aires South); (ii) Greater Buenos Aires II (Greater Buenos Aires West, CABA); (iii) Central Region (Inside the Province of Cordoba); (iv) Cordoba (Greater Cordoba); (v) Cuyo North (San Juan, San Luis, La Rioja, Catamarca), (vi) Cuyo South (Mendoza); (vii) Inside the Province of Buenos Aires and La Pampa, (viii) Northeast of Argentina; (ix) Northwest of Argentina: (Jujuy and Salta); (x) Northwest of Argentina (South) (Santiago del Estero and Tucumán); (xi) Patagonia (South of Argentina); (xii) Gold North (Santa Fe and Uruguay's Coast); (xiii) Gold South (Rosario, Greater Buenos Aires North) and (xiv) Non-allocable (support areas).

Effective since April 2020 and by decision of its Board of Directors, the Company combined the “Córdoba” and “Central Region” segments into a single one named “Central Region,” for both of them shared the same management team and other specific features.

Effective since April 2021, each of the segments “Cuyo”, “Northwest of Argentina” and “Gold” has been split into North and South; whilst the “Córdoba” segment will no longer be reported on a combined basis with the “Central Region” segment. These changes are made in accordance with the changes carried out in the structure of the commercial network defined by Management. On the other hand, Depreciation of Property Plant and Equipment and Amortization of Intangible Assets are disclosed together in one item.

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 2.3 Functional and Presentation Currency

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. 27468 (published in the Official Gazette on December 4, 2018) introduced certain changes to Section 10 of Law No. 23928, 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. 19550 (as amended in 1984) and its amendments. In addition, Law No. 27468 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 financial statements as of December 31, 2021 were restated.

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 period, and the indexes applicable to each month.

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 2.3 Functional and Presentation Currency (Continued)

Month	FACPCE's Indexes	Changes relative to 12.31.2021	FACPCE's Indexes	Changes relative to 12.31.2021
	2021		2020	
December (Previous Year)	385.8826	50.9%	283.4442	105.5%
January	401.5071	45.1%	289.8299	101.0%
February	415.8595	40.1%	295.6660	97.0%
March	435.8657	33.6%	305.5515	90.6%
April	453.6503	28.4%	310.1243	87.8%
May	468.7250	24.3%	314.9087	85.0%
June	483.6049	20.4%	321.9738	80.9%
July	498.0987	16.9%	328.2014	77.5%
August	510.3942	14.1%	337.0632	72.8%
September	528.4968	10.2%	346.6207	68.0%
October	547.0802	6.5%	359.6570	61.9%
November	560.9184	3.8%	371.0211	57.0%
December	582.4575	0%	385.8826	50.9%

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 reporting period end.
- 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.

#### 2.4 Foreign Currency Assets and Liabilities

Monetary items denominated in foreign currency are translated again at the exchange rates effective as of the closing date of the financial statements. Non-monetary items valued at their fair values, which are denominated in foreign currency, are translated again at the exchange rates effective as of the date when fair values were estimated. Non-monetary items, which were valued at historical cost in foreign currency, are not translated again. Foreign exchange gains / (losses) are recognized in the line "Revenues from Financing / Costs of Financing" in the statement of profit or loss during the year when they arose.

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 2.5 Financial Instruments

Financial instruments, other than derivatives, are defined as any contract that simultaneously gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. As set out in IFRS 9, financial assets are classified into the following categories:

##### *(a) Financial Assets at Amortized Cost*

A financial asset is classified in this category if it meets the following conditions: The objective of the entity's business model is to hold the asset in order to collect contractual cash flows and if the contractual terms entitle collection of cash flows of principal and interest on the specified dates.

In this category, the Company has classified the following financial assets: Receivables from trade, investments in time deposits, investments in Argentine Central Bank Bills, investments in Argentine Treasury Bills, investments in Notes ("*Obligaciones Negociables*"), commissions receivable, and other receivables.

##### *(b) Financial Assets at Fair Value*

If both conditions referred to in the preceding point are not met, the asset is classified in the "Fair Value" category. In this category, the Company has classified the following financial assets: Cash and cash equivalents (except for investments in time deposits), and mutual funds.

#### 2.6 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, time deposits in financial institutions and other highly liquid short-term investments with an original maturity of three months or less, and with a not very significant risk of changes in their value.

Investments in mutual funds were measured at fair value. Changes in fair value are accounted for in the statement of profit or loss.

#### 2.7 Investments

The placements of funds in time deposits, Notes ("*Obligaciones Negociables*") and Argentine Treasury Bills were valued at the estimated cash price upon the transaction, plus interest and financial components accrued based on the effective rate calculated at that time.

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 2.8 Receivables from Trade and Other Receivables

Receivables from Trade include the amounts payable by customers, both for credit-card consumption and loans granted.

Receivables from Trade have been initially recognized at market value and have been subsequently valued at amortized cost using the effective interest rate method. They are disclosed net of the provision for loan losses, if applicable, calculated according to the guidelines set out in Note 2.9 below.

#### 2.9 Impairment of Financial Assets – Provision for Loan Losses

At each year-end, the Company analyzes whether there is objective evidence that a financial asset or group of financial assets is impaired. The loss on impairment of financial assets is recognized when there is objective evidence of impairment as a result of one or more events occurred after the initial recognition of the financial asset, and such event has impact on estimated cash flows for such financial asset or group of financial assets.

The Company's provisions for loan losses and other accounts receivable are directly related to the current delinquency rate in respect of outstanding personal loan portfolios and credit card balances. The Company prepares its financial statements under IFRS and, particularly, under IFRS 9 concerning the impairment of financial assets.

The book value of the asset is reduced through the account Provision for Loan Losses and the amount of loss or recovery, as the case may be, is recognized in the statement of profit or loss.

The table below describes the several variables and items taken into consideration in applying the expected credit loss model set out under IFRS 9:

#### Expected Credit Loss Measurement

The Company will recognize an allowance for expected credit losses (ECL) as of each reporting date, which will reflect:

1 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").

2 The time value of money.

3 The information available on projected future economic conditions.

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 2.9 Impairment of Financial Assets – Provision for Loan Losses (Continued)

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. Such stages are summarized below:

Stage 1	Stage 2	Stage 3
<ul style="list-style-type: none"><li>- Customers less than 30 days past due.</li><li>- Customers with no significant increase in credit risk or having been registered in a Total Payment Plan, with an arrears of less than 90 days.</li></ul>	<ul style="list-style-type: none"><li>- Customers 31-90 days past due.</li><li>- Customers currently less than 30 days past due, with current Risk and significant increase in credit risk.</li></ul>	<ul style="list-style-type: none"><li>- Customers over 90 days past due as of the allowance calculation date.</li><li>- Customers with current Total Payment Plans, provided such plans had been granted while customers were under other Total Payment Plans then current, or otherwise with an arrears of over 90 days.</li></ul>

#### Significant Increase in Credit Risk

The concept of Significant Increase in Credit Risk will be defined using a quantitative approach, based on a historical comparison between Initial and Current Risk.

The calculation is performed in respect of all account segments less than 30 days past due, whose Current Risk is higher than the Initial Risk. The selected “Significant Increase in Credit Risk” ratio will be the change in credit risk that captures more than two thirds of future defaults, with a default rate higher than the portfolio average.

When a customer's Current Risk surpasses that customer's Initial Risk with a value in excess of the calculated ratio, that customer will be assigned to Stage 2.

#### Definition of Default

Based on its portfolio performance and according to its collection policies, Tarjeta Naranja S.A. defines an event of default as arrears in excess of 90 days. Such status will remain until the customer in arrears settles all obligations outstanding with the Company.

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 2.9 Impairment of Financial Assets – Provision for Loan Losses (Continued)

##### Expected Credit Loss – Variables, Assumptions, and Calculation Methods Explained

The Expected Credit Loss (ECL) is the product of the Probability of Default (“PD”), the Exposure at Default (“EAD”), and the Loss Given Default (“LGD” or “1 - Recovery %”), as summarized in the following formula:

$$\text{ECL} = \text{PD} * \text{EAD} * \text{LGD}$$

Below is a description of each of its components:

##### **Probability of Default (“PD”)**

It means 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.

In estimating the “PD,” the Company uses historical portfolio performance data. The Company has identified groups of customers whose risks are similar and, still, different among them. The Company has selected variables remaining constant over the time in terms of business management, and assembled groups with substantial volumes, as detailed below:

- Customers with no Payment Plans, no Loans and no Z Plans
- Customers with no Payment Plans and no Loans, but with interest-bearing Z Plans or Naranja Plus
- Customers with no Payment Plans, but with Loans
- Customers with Partial Payment Plans
- Customers with Total Payment Plans

There is a “PD” per each portfolio segment. A “PD” is also calculated per each tranche of arrears. This information, which is based on historical parameters, is then adjusted for future macroeconomic scenarios.

The “PD” is assessed in three Stages:

Stage 1	Stage 2	Stage 3
It is the probability of default in the following 12 months.	It is the probability of default for the instrument lifetime.	100%

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 2.9 Impairment of Financial Assets – Provision for Loan Losses (Continued)

##### Exposure at Default (“EAD”)

EAD is defined as the exposure of an impaired instrument, at the time the default is observed. For transactions with contingent balance, as it is the case of credit cards, the EAD is estimated by applying a calculation methodology. In determining the EAD, a Credit Conversion Factor (CCF) needs to be calculated, which represents the available credit percentage (credit card limit net of the used balance) the customer would use in addition to the current balance, before the default.

##### Loss Given Default (“LGD”)

It is the percentage of debt finally written off, after having relied on all recovery mechanisms and tools available to the Company. In other words, it is a supplement to the recovery rate. The Company calculates the “LGD” on the basis of all transactions in default, whether recovered or not, segmenting it by tranches of arrears. Such transactions are adjusted to reflect projected macroeconomic scenarios.

##### Time Value of Money

In order to reflect the time value of money, the Company calculates the losses expected to be incurred on a proportional basis over the time, by using a discount rate calculated on the basis of the Company’s financial income and assets, according to the information disclosed in its financial statements.

##### Use of Forward-looking Information to Calculate ECL

A methodology was also developed to analyze the impact of several macroeconomic scenarios on the credit risk associated with the customer portfolio. This information is adjusted on the basis of future scenarios, considering variable macroeconomic forecasts, such as real wages, unemployment rate, exchange rate, Consumer Price Index, BADLAR (the BCRA’s benchmark interest rate on 30-days’ and 35-days’ time deposits of more than AR\$ 1 million), and seasonally-adjusted GDP (Gross Domestic Product). Like any economic forecast, the probability of occurrence is subject to significant uncertainty. Therefore, actual figures and variables may substantially differ from forecasts. Below is a detail of what the Company believes are the best estimates of the several potential scenarios.

The following projected macroeconomic variables were provided by Galicia Group’s subject-matter experts.

Scenarios	Share
Best-case	15%
Baseline	70%
Worst-case	15%

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 2.9 Impairment of Financial Assets – Provision for Loan Losses (Continued)

Projected Macroeconomic Variables	Scenarios	1Q-2022	2Q-2022	3Q-2022	4Q-2022
CPI (YoY % Change)	Baseline	54.9	59.6	60.1	59.0
	Best-case	53.2	50.5	48.0	42.8
	Worst-case	53.2	72.6	83.2	86.8
Real Exchange Rate	Baseline	108.1	105.4	107.2	109.6
	Best-case	107.6	106.2	106.4	108.0
	Worst-case	112.1	112.7	112.4	113.1
Unemployment Rate	Baseline	10.2	10.4	10.3	10.1
	Best-case	9.1	9.3	9.2	9.0
	Worst-case	10.6	11.4	14.5	16.7
Private Badlar	Baseline	40	37	34	34
	Best-case	40	34	32	30
	Worst-case	55	54	57	60
Real Wages (Quarterly % Change)	Baseline	(6.5)	(1.2)	3.8	(0.1)
	Best-case	(6.0)	(0.8)	3.6	2.9
	Worst-case	(0.7)	(8.7)	(1.6)	2.0
Seasonally-adjusted GDP (Quarterly % Change)	Baseline	(1.3)	(0.4)	2.2	1.0
	Best-case	3.8	2.2	1.5	1.5
	Worst-case	(1.4)	(3.5)	0.8	0.5

#### Risk Exposure

##### Maximum Exposure to Credit Risk - Instruments subject to Impairment

The following table includes an analysis of the risk exposure of financial instruments in respect of which the Company recognizes ECL allowances.

##### **Balances of Financial Assets Exposed to Credit Risk as of December 31, 2021:**

Credit Cards	Balances	Allowance	Total
Stage 1	174,821,358	(5,677,757)	169,143,601
Stage 2	5,844,350	(1,257,400)	4,586,950
Stage 3	4,430,801	(2,697,447)	1,733,354
<b>Totals</b>	<b>185,096,509</b>	<b>(9,632,604)</b>	<b>175,463,905</b>

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 2.9 Impairment of Financial Assets – Provision for Loan Losses (Continued)

Balances of Financial Assets Exposed to Credit Risk as of December 31, 2020:

Credit Cards	Balances	Allowance	Total
Stage 1	134,671,424	(5,596,373)	129,075,051
Stage 2	3,706,701	(889,280)	2,817,421
Stage 3	3,580,726	(2,790,133)	790,593
<b>Totals</b>	<b>141,958,851</b>	<b>(9,275,786)</b>	<b>132,683,065</b>

#### Portfolio Impairment Allowance

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; and
- Derecognition of financial assets.

Below is a breakdown of exposures by days in arrears and stages.

	2021			
	Stage 1	Stage 2	Stage 3	Total
<b>Days in Arrears</b>				
0	167,268,847	1,799,598	286,947	169,355,392
1-30	7,552,511	443,058	83,720	8,079,289
31-60	-	2,375,093	50,284	2,425,377
61-90	-	1,226,601	42,995	1,269,596
Default	-	-	3,966,855	3,966,855
<b>Gross Amount</b>	<b>174,821,358</b>	<b>5,844,350</b>	<b>4,430,801</b>	<b>185,096,509</b>
Allowance	(5,677,757)	(1,257,400)	(2,697,447)	(9,632,604)
<b>Total</b>	<b>169,143,601</b>	<b>4,586,950</b>	<b>1,733,354</b>	<b>175,463,905</b>

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# Tarjeta Naranja S.A.

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

## Notes to the Financial Statements (Continued)

For the years ended December 31, 2021 and 2020

Expressed in thousands of constant Argentine Pesos

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

### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 2.9 Impairment of Financial Assets – Provision for Loan Losses (Continued)

	2020			
	Stage 1	Stage 2	Stage 3	Total
<b>Days in Arrears</b>				
0	129,793,000	1,514,656	397,236	131,704,892
1-30	4,878,424	341,066	84,599	5,304,089
31-60	-	1,287,656	72,233	1,359,889
61-90	-	563,323	45,808	609,131
Default	-	-	2,980,850	2,980,850
<b>Gross Amount</b>	<b>134,671,424</b>	<b>3,706,701</b>	<b>3,580,726</b>	<b>141,958,851</b>
Allowance	(5,596,373)	(889,280)	(2,790,133)	(9,275,786)
<b>Total</b>	<b>129,075,051</b>	<b>2,817,421</b>	<b>790,593</b>	<b>132,683,065</b>

#### 2.10 Investments Accounted for Using the Equity Method

Associates are all the companies over which the Company exercises significant influence, but not control and where it usually holds from 20% to 50% of voting rights. Investments in associates are recorded using the equity method. Under this method, the investment is initially recognized at cost and the value at closing increases or decreases to recognize Tarjeta Naranja S.A.'s interest in each company's income (loss) after the acquisition date.

Tarjeta Naranja S.A.'s interest in associates' profit / (loss) is recognized as profit / (loss) from investments in associates in the statement of profit or loss. Changes in equity other than profit / (loss) for the year are charged to equity reserves (and, if appropriate, they are included in other comprehensive income).

As of December 31, 2021, the Company holds 5% of Cobranzas Regionales S.A.'s ordinary shares. The following factors and circumstances evidence that the Company has significant influence (as defined in IAS 28 "Investments in Associates") over Cobranzas Regionales S.A. and, therefore, the investment therein is valued by the equity method in these financial statements:

- a) Representation in the management board.
- b) Involvement in policy setting processes.
- c) Transactions of relative importance between Tarjeta Naranja S.A. and Cobranzas Regionales S.A.
- d) Exchange of managerial personnel.

The following is information about the companies over which Tarjeta Naranja S.A. exercises significant influence as of December 31, 2021 and 2020:

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PRICE WATERHOUSE & CO. S.R.L.

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 2.10 Investments Accounted for Using the Equity Method (Continued)

Company	Percentage of Shares and Voting Rights		Activity
	12.31.21	12.31.20	
Cobranzas Regionales S.A.	5%	5%	To administer and/or acquire and/or transfer portfolios of receivables owned by third parties, whether individuals or legal entities, and to provide integral advisory services for credit risk analysis. To carry out payment transactions on account and behalf of third parties for the acquisition of assets and/or services at stores participating in its electronic payment system; loading and unloading of securities by electronic and magnetic means, wire transfers (cash and securities), and exchange transactions permitted in the Argentine FX market, based on web-based electronic media, mobile communication, computing or other devices, etc.

#### 2.11 Income Tax

Income tax is recognized in these financial statements according to the deferred tax method, thus recognizing the effect of the temporary differences between accounting and tax measurements of assets and liabilities. The main temporary differences primarily stem from the provision for loan losses, and from differences with regard to the charge for depreciation of Property, Plant and Equipment and the deferral of the 2019's Inflation Adjustment for Tax Purposes.

For purposes of determining the deferred assets and liabilities, the tax rate that is expected to be in force at the moment of their reversal has been applied to the temporary differences identified, under the legal regulations enacted at the date of these financial statements. They are recognized in the balance sheet as long as it is deemed likely that the Company will have enough future taxable income against which deferred income tax assets may be applied.

The restatement of financial statements in accordance with IAS 29 may result in differences between the carrying amount of individual assets and liabilities and their tax base, leading to the recognition of deferred assets and liabilities.

On December 29, 2017, the Argentine Income Tax Law was amended through the enactment of Law No. 27430. The amendments included, among other things, changes to the tax rate to be used for the years 2018 and 2019 (30%) and the tax rate to be used for the year 2020 onwards (25%). Then, on December 23, 2019, Law No. 27541 was enacted, introducing new changes to the Income Tax Law, including changes to the tax rate to be used for years 2020 and 2021 (30%) and for year 2022 onwards (25%).

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 2.11 Income Tax (Continued)

In June 2021, a law was enacted establishing a new income tax rate structure divided into three brackets, based on the level of accrued taxable income. The new tax rates are as follows:

- 25% on accrued taxable income for up to AR\$ 5,000;
- 30% on accrued taxable income for up to AR\$ 50,000;
- 35% on taxable income in excess of AR\$ 50,000.

Such change is applicable to fiscal years commenced on or after January 1, 2021. The Company has recorded the impact of this change on these financial statements.

Law No. 27468 amended the transition rules set out by Law No. 27430 concerning the application of the inflation adjustment for tax purposes established in Section 95 of the Argentine Income Tax Law, making it enforceable for years commencing on and after January 1, 2018. Law No. 27468 further provides that, for the first, second and third years from its effective date, the adjustment will be applicable to the extent the changes in the CPI, calculated since the beginning through the end of each of such years, are higher than fifty-five per cent (55%), thirty per cent (30%), and fifteen per cent (15%), respectively. One third of the inflation adjustment so calculated, whether positive or negative, as the case may be, would be carried in that year, while the remaining two thirds would be distributed in equal parts in the two immediately subsequent years. The Social Solidarity and Productive Revival Law No. 27451, which was enacted to address Argentina's public emergency, also amended this last item. Section 27 of said law provides that, where the inflation adjustment (for tax purposes), whether negative or positive, is to be calculated for the first and second year commenced on and after January 1, 2019, one sixth of such adjustment will be applied in that period, while the remaining five sixths (5/6) will be applied, in equal parts, in the immediately subsequent five periods.

In addition, the law also provides that such provision shall not prevent entities from charging the remaining thirds from previous years, calculated pursuant to the former version of Section 194 of the Income Tax Law.

Based on the opinion of the Company's legal and tax advisors and according to applicable case law and accepted legal principles regarding the calculation of the inflation adjustment for tax purposes, the Company filed its annual income tax return for fiscal year 2020 with the Argentine tax authorities (AFIP as per its initials in Spanish) considering the full effect of such adjustment.

Both issues referred to above were taken into consideration in assessing the provision for income tax as of December 31, 2021 and in measuring deferred tax assets and liabilities as of such date.

As of the date of these financial statements, the guidelines set out in the Argentine Income Tax Law triggering the application of the inflation adjustment for tax purposes have been met at year-end; accordingly, the Company has assessed its income tax liability for the reporting period considering such adjustment.

The breakdown and changes of deferred tax assets and liabilities are explained in detail in Note 18.

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 2.12 Property, Plant and Equipment

Property, Plant and Equipment are recorded at historical cost restated following the guidelines set forth in Note 2.3, net of accumulated depreciation and impairment losses, if applicable. Historical cost includes the expenses that are directly attributable to the acquisition of assets.

The costs of adapting and improving stores are capitalized as Property, Plant and Equipment only when investments improve the conditions of the asset, irrespective of those originally established.

The costs subsequently incurred are included in the values of the asset only provided that it is likely for the asset to generate future economic benefits and their cost is reliably measured. The value of replaced parts is written off. The other maintenance and repair costs are charged to income during the year when they are incurred.

Depreciation charges have been calculated following the straight-line method based on the estimated useful life of the assets, applying annual rates enough so as to write off their values at the end of their estimated useful life, according to the following parameters.

Group of Assets	Years of Estimated Useful Life
Buildings	50
Cost of Adapting Stores	Term of Lease Agreement
Furniture and Fixtures	10
Hardware	5
Facilities and Improvements	10

The residual value of assets is reviewed and adjusted, if necessary, as of each year-end. Changes in the criteria originally established are recognized, as the case may be, as a change of estimate.

The value of assets is impaired at their recoverable value if the accounting residual value exceeds their estimated recoverable value, upon being reviewed for impairment when events or circumstances that indicate that their book value may not be recovered have arisen.

#### 2.13 Intangible Assets

Intangible assets are those non-monetary assets, without physical substance, that are identifiable either because of being separable or because of deriving from legal or contractual rights. They are recorded when they may be reliably measured and it is likely for them to generate benefits for the Company.

##### (a) Patents and Software

Patents and software are initially recognized at cost as of the acquisition date, restated following the guidelines set forth in Note 2.3. Patents and software that have a definite useful life are recorded at cost, less the accumulated amortization. Amortization is calculated by the straight-line method to adjust the cost to their estimated useful lives, which do not exceed five years.

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 2.13 Intangible Assets (Continued)

##### (b) Other Intangible Assets

Other Intangible Assets amount to AR\$ 88,259 as of December 31, 2021 and 2020, remaining unchanged in both years. Such item is related to the acquisition of a business unit, which includes the publication, sale and distribution of the magazine *Convivimos*. Such asset is not amortized because it has an indefinite useful life. The possibility for them to generating future income is periodically examined in order to analyze the possible impairment thereof.

#### 2.14 Trade and Other Payables

Trade and other payables represent the obligations to pay Merchants ("*Comercios Amigos*") and for goods and services acquired from suppliers in the normal course of business. They are disclosed in current liabilities if their payment falls due in a term shorter than or equal to one year.

They are initially recognized at fair value and subsequently measured at amortized cost using the effective interest rate method.

#### 2.15 Borrowings and Other Liabilities

Borrowings and Other liabilities are initially recognized at fair value, net of the costs directly attributable to obtaining them. They are subsequently valued at amortized cost using the effective interest rate method.

#### 2.16 Exchange Rate Hedging Transactions

Derivatives are initially recognized at fair value through profit or loss on the date on which the derivative is agreed upon and are subsequently re-measured at fair value. The Company relies on specific tools to calculate the fair value of each instrument. For transactions whose term does not have a quoted market price, the market price curve is extrapolated on a straight line basis, considering the last two terms available. These tools are reviewed on a monthly basis for consistency.

Subsequent changes to fair value will depend on whether the derivative is designated as a hedge instrument and, if so, on the nature of the hedged item. The Company has designated certain derivatives as hedges of the fair value of financial liabilities recognized.

At the beginning of the hedge relationship, the Company documents the financial relation between the hedge instruments and the hedged items, including if the changes to the cash flows from the hedge instruments are expected to offset the changes to the cash flows from the hedged items. The Company documents its risk management goal and strategy to conduct hedge transactions.

The fair values of derivatives designated in hedge relationships are disclosed in Note 36. The total fair value of a hedge derivative will be classified as a non-current asset or liability when the maturity of the hedged item is beyond 12 months. Conversely, such derivative will be classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

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### 2.17 Leases

The Company has adopted IFRS 16 effective since January 1, 2019. Accordingly, the Company has opted for recognizing a right-of-use asset since the first-time adoption date for an amount equal to the lease liability recognized as the present value of the remaining lease payments, adjusted for the amount of any advanced or accrued payment in respect of that lease.

Then, the Company will rely on the cost model to measure its right-of-use asset, recognizing its related depreciation and impairment losses. On the other hand, the lease liability reflects interest accrued, net of realized payments.

The effects of the adoption of this new accounting standard are disclosed in Note 34.

### 2.18 Provisions

Provisions have been made as set out in IAS 37 to cover possible contingencies of a labor, commercial, civil or tax nature and for miscellaneous risks that could lead to obligations for the Company. When estimating their amounts and the possibility of occurrence, the opinion of the Company's advisors and the insurance policies purchased by the Company have been taken into consideration.

At the date of these financial statements, the Company's Management believes there are no elements that make it possible to determine there may be other contingencies that could occur and thus generate a negative impact on the economic and financial position of the Company.

The breakdown and changes of provisions are disclosed in Note 31.

### 2.19 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		
2,824	Ordinary shares with a face value of AR\$ 10,000	1	In Thousands of AR\$	
2,824			28,240	28,240

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 2.19 Capital Stock (Continued)

As of December 31, 2021 and 2020, capital status was as follows:

Capital	Face Value	Approved by		Date of Registration with the Public Registry of Commerce
		Body	Date	
	In Thousands of AR\$			
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
<b>Total</b>	<b>28,240</b>			

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:

	2019	2020	2021
Capital Stock at the Beginning of the Year	28,240	28,240	28,240
<b>Capital Stock at Year-End</b>	<b>28,240</b>	<b>28,240</b>	<b>28,240</b>

#### 2.20 Revenue Recognition

##### (a) Revenues from Services

###### *Account Maintenance Fee*

Revenues related to the account statement are recognized in the month of its issuance.

###### *Fees*

Fee revenues are recognized upon the customer's purchase.

###### *Other Revenues from Services*

The other revenues from services are recognized in the year when the service was provided.

##### (b) Revenues from Financing

Interest earned is recorded based on the accrual period, by applying the effective rate method.

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### 2.21 Statement of Cash Flows

The Company has chosen to prepare the statement of cash flows by the indirect method and considers cash on hand, time deposits in financial institutions, highly-liquid short-term investments and with a not very significant risk of changes in their value, and bank overdrafts with an original maturity of three months or less to be cash. Overdrafts, if any, are classified as "Borrowings" in current liabilities in the Balance Sheet.

All items of the Statement of Cash Flows are restated in terms of the current unit of measurement as of the end of the reporting period.

### 2.22 Set-off of Financial Instruments

Financial assets and liabilities are set off and their net amount is disclosed in the balance sheet when there is a legally enforceable right to set off the amounts recognized and the intention to collect the asset and settle the liability simultaneously. Such right should not be dependent on future events and must be legally enforceable both in the normal course of business and in the event of default, bankruptcy and insolvency of the Company or the counterparty.

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### NOTE 3 – FINANCIAL RISK MANAGEMENT

The Company's activities expose it to several financial risks: market risk, credit risk and liquidity risk.

Information as of December 31, 2021 and 2020 is disclosed in Note 4 below.

### NOTE 4 – ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021 AND 2020

#### 4.1 Financial Risk Management

##### 4.1.1 Financial Risk Factors

The nature of the Company's operations and the characteristics of its customer base expose it to several risks, primarily related to market, capital, credit and liquidity risks. In order to manage the volatility related to these exposures, Management carries out an ongoing risk monitoring, measurement and identification process.

##### (a) Credit Risk

The credit risk arises from certain liquid assets, deposits with banks and financial institutions, as well as customer credit exposures, including other remaining loans and committed transactions.

As regards the credit risk management related to cash, cash equivalents and deposits with banks and financial institutions, the Company has an investment and credit assessment policy from the financial institution. According to such policy, the entities in which it may invest are determined based on its credit rating and the amount allocated to each of them should correspond with the financial institution's and Tarjeta Naranja S.A.'s equity. The maximum percentage to be invested in an entity is also set considering total investments.

In addition, in connection with the risk associated with its customers' credit positions, the Company actively monitors the credit reliability of its customers in order to mitigate the credit risk.

In order to manage and control the credit risk for the customer portfolio, the Company implemented a credit and credit assessment policy for each customer so as to provide the following guidelines in this regard, with the main features:

- ✓ Use tools of analysis and assessment by means of statistical models, for example, which allow analyzing and assessing the risk that best suits the customer's profile.
- ✓ Establish guidelines to grant cards and loans based on the customer's solvency, which are detailed in the credit policy and contemplate meeting requirements and/or validations made by the Company upon granting the credit. They include, for example, the validation of the Applicant's identity, the solvency validation, the proper compliance with existing credits contributed by the Credit Bureau, among others.

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### NOTE 4 – ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021 AND 2020 (CONTINUED)

#### 4.1 Financial Risk Management (Continued)

##### 4.1.1 Financial Risk Factors (Continued)

###### (a) Credit Risk (Continued)

- ✓ Grant credit limits to each customer based on the assessment of each customer's particular situation, considering a number of factors.
- ✓ Credit atomization.
- ✓ Geographic diversity.
- ✓ Monitor customers' degree of compliance on an ongoing basis.

#### Credit Card Subscription Procedure and Credit Limits

The credit risk associated to each applicant is assessed by taking into account certain requirements set forth in the Company's credit policies, the monthly income, and the information from companies specialized in credit information. The Company's credit policy is comprised by several guidelines established by the Risk Committee. Such guidelines are customized and automated to determine whether a credit application should be approved or rejected, and to inform the documents that should be filed in respect of applications submitted to a credit analyst for review.

Applications are also reviewed for negative credit history, credit score and payment history with the Company, if any, among other factors.

If customer meets all these requirements, then a credit card will be issued and may be delivered on the spot, at the address indicated by the applicant, or may be otherwise picked up from the Company's branches.

#### Credit Limits

Credit limits are based on an individual credit assessment of each customer. Based on the outcomes of such assessment, customers are segmented into one of six risk levels, according to the risk level associated to each of them: A, B, C, D, E and F; with A being the lowest risk segment and F being the highest risk segment. In performing such segmentation, the Company takes into account several factors, including without limitation, monthly income, number of family members, geographic location, type of business activity, and scoring range. The customer account is assigned credit limits which are shared among all credit cards associated to the account (whether as main or additional cardholder). In other words, the credit limit is unique to each account, regardless of the number of cards and/or additional cardholders associated to it.

Limits are automatically assigned, according to the above-described segments: (i) the Monthly Balance Limit, which is set based on the applicant's net income and which is the maximum amount in the aggregate for a customer's monthly installments; (ii) the Long-term Purchase Limit, which is the maximum amount for a customer to purchase in six or more installments using the Company's credit cards; and (iii) the Total Credit Limit, which is the maximum amount that may be owed to Tarjeta Naranja S.A. by customers for any and all amounts owed.

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### NOTE 4 – ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021 AND 2020 (CONTINUED)

#### 4.1. Financial Risk Management (Continued)

##### 4.1.1. Financial Risk Factors (Continued)

##### (a) Credit Risk (Continued)

Below is a detail of the percentage limits and nominal caps assigned to the risk segment associated to each customer:

Risk Segment	Monthly Balance Limit			Long-term Purchase Limit			Total Credit Limit		
	% of Base Income	Floor in AR\$	Cap in AR\$	% of Base Income	Floor in AR\$	Cap in AR\$	% of Base Income	Floor in AR\$	Cap in AR\$
A (Lowest)	110%	14,000	90,000	180%	22,000	210,000	220%	28,000	240,000
B	100%	11,000	70,000	160%	16,000	150,000	200%	20,000	190,000
C	90%	10,000	60,000	150%	11,000	95,000	180%	15,000	120,000
D	70%	8,000	35,000	120%	8,000	50,000	150%	10,000	75,000
E	60%	7,000	15,000	100%	7,000	35,000	120%	7,000	40,000
F (Highest)	40%	6,000	10,000	80%	7,000	18,000	100%	7,000	20,000

The credit limits assigned to customers are periodically reviewed by the Company and may be automatically increased for eligible cardholders that meet certain requirements, including an accurate payment history during any given period or a decrease in the likelihood of arrears. In addition, the Company reviews cardholders' applications for increases in the limit and may, at its sole discretion, increase such limits or reject the application. The risk of default varies from customer to customer. The Company assesses and maintains the provision for loan losses, which is calculated based on the criterion described in paragraph 2.9 of Note 2 to these financial statements, and such provisions are deemed adequate for the recognition of potential loan losses.

Credit cards are granted to thousands of customers engaged in a broad range of businesses. The Company considers that there is low risk of credit risk concentration in a given sector of debtors.

The Company develops and implements pilot tests in order to introduce ongoing improvements to its credit policy and customer's experience.

In this sense and taking into account the foregoing, the Company has approved the following credit card limits for customers as of December 31, 2021 and 2020:

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Monthly Balance Limit	228,176,033	137,716,417
Long-term Purchase Limit	430,461,921	382,450,663
Total Indebtedness Limit	529,889,427	452,865,475

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### NOTE 4 – ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021 AND 2020 (CONTINUED)

#### 4.1 Financial Risk Management (Continued)

##### 4.1.1 Financial Risk Factors (Continued)

###### (a) Credit Risk (Continued)

###### Default and Loss Experience

Monthly credit card statements include purchases made up to the 25th day of each month and payment is due by the 10th day of the following month. Certain accounts, depending on their respective risk level, are selected (before their due date) to be managed on a preventive basis. If an account is in arrears, Tarjeta Naranja S.A. has put in place a strategy for the recovery of the amounts due, involving three stages, namely: (I) procedures for collection of amounts in early and advanced stages of arrears through internal processes and suppliers specialized in mass collection efforts, (II) out-of-court procedures for collection of amounts in late arrears through external collection agencies, and (III) portfolio sale processes. The Company's 30 days' credit impairment indicators (percentage of the portfolio of customers which were not in arrears 30 days ago and have accumulated 30 days' arrears at year-end) for the years 2020 and 2021 averaged 6.78% and 6.04%, respectively. The Company's 90 days' credit impairment indicators (percentage of the portfolio of customers which were not in arrears 90 days ago and have accumulated 90 days' arrears at year-end) for the years 2020 and 2021 averaged 1.1% and 0.81%, respectively.

If a customer is in arrears, its credit card is immediately disabled. Based on the customer's risk level (as per predictive score models), and consistently with previously established strategies, the customer is contacted by phone, voice message and e-mail, and is also submitted four self-assessable financing proposals for consideration, until reaching approximately 150 days of arrears. These collection efforts involve both external suppliers in charge of contacting the customer and Tarjeta Naranja S.A.'s branches and internal areas. The 150-day term is restricted to 120 days for customers that have a financing product and are again in arrears (Stage I).

Customers whose accounts remain in arrears after the 150-day period (or the 120-day period with financing plans) has elapsed are referred to external suppliers (Collection Agencies and Law Firms) retained by Tarjeta Naranja S.A. for the commencement of out-of-court collection procedures. According to the established procedures, collection agents contact the debtor demanding settlement of the amounts due. During this stage, the main goals pursued by Tarjeta Naranja S.A. include identifying debtors, securing payments, entering into refinancing agreements, and helping agents to meet the previously established recovery goals (Stage II). Considering the credit quality, the stages of procedures for collection carried out, the cost involved in bringing legal actions and the market situation, Tarjeta Naranja S.A. may include certain receivables in portfolio sale processes under a private bidding process (Stage III).

###### *Maximum Exposure to Credit Risk:*

The following table shows the maximum gross exposure to credit risk, disregarding guarantees or other credit enhancements, or the unused balance of the credit limit granted to the customer:

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Receivables from Trade	175,463,905	132,683,065

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### NOTE 4 – ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021 AND 2020 (CONTINUED)

#### 4.1 Financial Risk Management (Continued)

##### 4.1.1 Financial Risk Factors (Continued)

###### (a) Credit Risk (Continued)

In estimating the provision for loan losses, the risk associated to each customer is determined, on the basis of the products included in that customer's account, segmented into five groups. A likelihood of default is assigned to each of these groups, based on historical payment behavior, arrears and recoveries, as mentioned in Note 2.9.

Below is a detail of receivables from trade not past due or with less than 30 days' arrears, along with their respective allocated provision, calculated as explained in the preceding paragraph.

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Receivables from Trade (A)	177,434,681	137,008,981
Provision for Loan Losses (A)	(6,022,011)	(6,140,298)

Below is a detail of receivables from trade with more than 30 days' arrears and their respective allocated provision.

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Receivables from Trade (B)	7,661,828	4,949,870
Provision for Loan Losses (B)	(3,610,593)	(3,135,488)

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Receivables from Trade - Addition of (A) + (B) (Note 21)	185,096,509	141,958,851
Provision for Loan Losses - Addition of (A) + (B) (Note 21)	(9,632,604)	(9,275,786)

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#### 4.1 Financial Risk Management (Continued)

##### 4.1.1 Financial Risk Factors (Continued)

##### (a) Credit Risk (Continued)

The following table summarizes the Company's portfolio arrears experience:

	12.31.2021		12.31.2020	
	%	Receivables	%	Receivables
Current Receivables	98.67%	182,632,982	99.5%	141,204,436
Non-Current Receivables	1.3%	2,463,527	0.5%	754,415
<b>Total Receivables</b>	<b>100%</b>	<b>185,096,509</b>	<b>100%</b>	<b>141,958,851</b>
0 to 30 days	95.8%	177,434,681	96.5%	137,008,981
Provision for Loan Losses		(6,022,011)		(6,140,298)
Receivables in Arrears				
31-90 days	2.0%	3,694,973	1.4%	1,969,020
Provision for Loan Losses		(1,160,782)		(750,258)
91-180 days	1.1%	1,996,843	0.6%	856,244
Provision for Loan Losses		(1,080,284)		(583,315)
181-365 days	1.0%	1,797,619	1.1%	1,560,154
Provision for Loan Losses		(1,214,405)		(1,274,334)
More than 365 days	0.1%	172,393	0.4%	564,452
Provision for Loan Losses		(155,122)		(527,581)
<b>Total Provision for Loan Losses</b>		<b>(9,632,604)</b>		<b>(9,275,786)</b>
<b>Non-Accrual Portfolio Ratio (*)</b>		<b>2.14%</b>		<b>2.10%</b>
<b>Coverage Ratio (**)</b>		<b>242.8%</b>		<b>311.2%</b>

(\*) Portfolio with more than 90 days' arrears / Total portfolio.

(\*\*) Provision for loan losses / Portfolio with more than 90 days' arrears

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#### 4.1 Financial Risk Management (Continued)

##### 4.1.1 Financial Risk Factors (Continued)

##### (b) Liquidity Risk

The Company has a liquidity policy that is monitored through annual, monthly and daily cash estimates, analyzing the needs and/or surpluses generated, evaluating the availability of cash and the available financing alternatives. Projected cash inflows and outflows for the next months are periodically analyzed and decisions focused on obtaining credit lines are made in order to attain the goals set.

Also, credit lines borrowed could be reinforced by executing commitment agreements that allow having cash immediately, both in normal financial context and in market liquidity contraction situations.

With respect to Borrowings, which includes instruments such as bank and financial loans, bank overdrafts, and notes (“*Obligaciones Negociables*”) publicly offered, regarding the short- and long-term allocation, provided that the market allows it, the Company’s aim is to keep a balanced allocation of debt due dates, giving priority to long-term debt.

Note 32 breaks down financial liabilities by contractual due date as of December 31, 2021 and 2020:

##### (c) Market Risk

##### *Foreign Exchange-associated Risks*

During this year, the Company's operations are not potentially exposed to foreign currency exchange fluctuations, primarily, due to the fact that borrowings are issued in Argentine Pesos. As to the Company's financial indebtedness issued in U.S. dollars, it is hedged by derivatives denominated in foreign currency, which key terms are exactly the same as those of the hedged item (notional value, term, maturity date), which allows to eliminate the exchange risk. Accordingly, changes in the fair value of these derivatives that are qualified and were designated as fair value hedge are charged to income, together with any change in the fair value of the financial liability being hedged, attributable to the hedged risk (exchange rate risk).

##### *Interest Rate-associated Risks*

The Company is exposed to interest rate risks due to financing obtained through the issuance of Notes (“*Obligaciones Negociables*”), together with finance leases, bank loans and credit lines at variable rate. In all these cases, the applicable rate is private Badlar (the interest rate for time deposits amounting to over AR\$ 1,000,000, with a 30/35-day term in private banks) published by the Argentine Central Bank on its web page [www.bcra.gov.ar](http://www.bcra.gov.ar).

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### NOTE 4 – ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021 AND 2020 (CONTINUED)

#### 4.1 Financial Risk Management (Continued)

##### 4.1.1 Financial Risk Factors (Continued)

During the year 2021, the Badlar averaged 34.13%, compared to 29.92% in 2020. Consequently, interest at variable rate, net of income tax, was charged to loss for AR\$ 6,542,627 and AR\$ 3,011,744, respectively, in nominal terms.

The following table summarizes the percentage of principal of Borrowings at the effective fixed and variable interest rates as of December 31, 2021 and 2020:

	As of December 31, 2021		As of December 31, 2020	
	Amount in AR\$	Percentage	Amount in AR\$	Percentage
Fixed Interest Rate	8,403,375	20%	-	0%
Variable Interest Rate	34,140,027	80%	22,927,934	100%
	<b>42,543,402</b>		<b>22,927,934</b>	

The following table shows the sensitivity to potential additional changes in interest rates for next year, considering the debt breakdown as of December 31, 2021. The variation percentage was determined considering the changes in the Badlar for the year 2021, and the changes are considered fairly possible based on the market conditions observed:

	Additional Variation in Interest Rate	Increase / (Decrease) in Profit (Loss), after Income Tax In AR\$	Increase / (Decrease) in Equity In AR\$
Decrease in Interest Rate	340 basis points	754,495	754,495
Increase in Interest Rate	340 basis points	(754,495)	(754,495)

(\*) Figures stated in nominal values

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#### 4.1 Financial Risk Management (Continued)

##### 4.1.1 Financial Risk Factors (Continued)

##### (c) Market Risk (Continued)

If the applicable rate to the obligations assumed at variable rate decreased by 340 basis points, the annual profit, net of income tax, would increase, in nominal terms, by AR\$ 754,495, as a result of a lower interest expense. Otherwise, if the rate increased to the same extent, the profit would decline by the same amount.

##### 4.1.2 Capital Management

The Company seeks to keep an adequate indebtedness level as it should meet certain commitments assumed by virtue of loans obtained and Notes ("*Obligaciones Negociables*") issued and to continue as a going concern. The indebtedness ratio as of December 31, 2021 and 2020 is as follows:

	December 31, 2021	December 31, 2020
	In Thousands of AR\$	
Total Debt	152,837,954	115,108,948
Minus: Cash and Cash Equivalents	5,465,231	4,068,741
<b>Net Debt</b>	<b>147,372,723</b>	<b>111,040,207</b>
Total Equity	39,232,986	36,002,953
Total Capital	186,605,709	147,043,160
<b>Indebtedness Ratio</b>	<b>3.76</b>	<b>3.08</b>

##### 4.1.3 Fair Value Estimation

The table below includes the analysis of financial instruments that are measured at fair value, classified by hierarchy, according to the measurement method used. The different levels have been defined as follows:

- Level 1: Quoted market prices (unadjusted) for identical assets and liabilities in active markets.
- Level 2: Inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly (i.e., prices) or indirectly (i.e., price derivatives).
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement for the asset or liability (i.e., unobservable inputs).

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#### 4.1 Financial Risk Management (Continued)

##### 4.1.3 Fair Value Estimation (Continued)

The following table discloses the Company's assets and liabilities, which are measured at fair value as of December 31, 2021 and 2020:

As of December 31, 2021 In Thousands of AR\$	Level 1	Level 3	Total
<b>Assets</b>			
Cash and Cash Equivalents	5,465,231	-	5,465,231
<b>Total Assets</b>	<b>5,465,231</b>	<b>-</b>	<b>5,465,231</b>
<b>Liabilities</b>			
Borrowings	-	338,882	338,882
<b>Total Liabilities</b>	<b>-</b>	<b>338,882</b>	<b>338,882</b>

As of December 31, 2020 In Thousands of AR\$	Level 1	Total
<b>Assets</b>		
Cash and Cash Equivalents	4,068,741	4,068,741
<b>Total Assets</b>	<b>4,068,741</b>	<b>4,068,741</b>

The fair value of financial instruments traded in active markets is based on quoted prices as of the reporting date. A market is considered to be active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The market quoted price used for financial assets held by the entity is the current offer price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market is measured using valuation techniques. These valuation techniques maximize the use of market information, when available, and depend the least possible on the entity's specific estimates.

If all material inputs required to measure an instrument are observable, the instrument is included in Level 2.

If one or more material inputs are not based on observable market inputs, instruments are included in Level 3.

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#### 4.1 Financial Risk Management (Continued)

##### 4.1.4. Financial Instruments by Category

The following are the amounts of financial assets and liabilities classified by category, as set out in IFRS 9 as of December 31, 2021 and 2020:

December 31, 2021 In Thousands of AR\$	Assets / Liabilities at Fair Value	Assets / Liabilities at Amortized Cost	Total
<b>Financial Assets</b>			
Cash and Cash Equivalents	5,465,231	-	5,465,231
Receivables from Trade	-	175,463,905	175,463,905
Investments	-	13,487	13,487
Other Receivables	-	1,067,300	1,067,300
<b>Total Financial Assets</b>	<b>5,465,231</b>	<b>176,544,692</b>	<b>182,009,923</b>
<b>Financial Liabilities</b>			
Trade and Other Payables	-	96,368,748	96,368,748
Borrowings	338,882	44,428,648	44,767,530
Other Liabilities	-	2,785,148	2,785,148
<b>Total Financial Liabilities</b>	<b>338,882</b>	<b>143,582,544</b>	<b>143,921,426</b>

December 31, 2020 In Thousands of AR\$	Assets / Liabilities at Fair Value	Assets / Liabilities at Amortized Cost	Total
<b>Financial Assets</b>			
Cash and Cash Equivalents	4,068,741	-	4,068,741
Receivables from Trade	-	132,683,065	132,683,065
Other Receivables	-	589,139	589,139
<b>Total Financial Assets</b>	<b>4,068,741</b>	<b>133,272,204</b>	<b>137,340,945</b>
<b>Financial Liabilities</b>			
Trade and Other Payables	-	82,586,410	82,586,410
Borrowings	-	25,128,140	25,128,140
Other Liabilities	-	237,236	237,236
<b>Total Financial Liabilities</b>	<b>-</b>	<b>107,951,786</b>	<b>107,951,786</b>

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#### 4.1 Financial Risk Management (Continued)

##### 4.1.5. Accounting Estimates and Judgments

Estimates and judgments are continuously assessed and are based on past experience and other factors, including expectations of future events that are deemed reasonable under the circumstances.

##### 4.1.6. Significant Accounting Estimates and Judgments

The Company makes estimates and assumptions on the future. The resulting accounting estimates, by definition, will be rarely equal to the related actual figures. The estimates and judgments that have a significant risk of giving rise to a material adjustment to the book amounts of assets and liabilities in the following year are explained below.

###### *(a) Estimated Loss for Impairment of Financial Assets Recorded at Amortized Cost*

The Company follows the guidance in IFRS 9 to calculate the provision for loan losses related to its portfolio of receivables from trade and other receivables. For this estimation, the Company evaluates, among other factors, the customers' historical patterns of behavior, the existing macroeconomic conditions at year-end, and the information available on projected future economic conditions, as explained in detail in Note 2.9.

###### *(b) Income Tax*

The Company is subject to income tax. As explained in detail in Note 2.12, income tax is recognized in these financial statements by applying the deferred tax method, thus recognizing the assets and liabilities related to the temporary differences identified in calculating taxable income. Such differences will have an effect on income tax and the provisions for deferred income taxes in the year when they are made.

##### 4.1.7. Material Judgments upon Applying the Company's Accounting Policies

No material judgments have been made upon applying the accounting policies.

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### NOTE 5 – SEGMENT INFORMATION

#### Segment Information as of 12.31.2021

	Greater Buenos Aires I	Greater Buenos Aires II	Central Region (2)	Córdoba (2)	Cuyo (North) (1)	Cuyo (South) (1)	Inside the Province of Buenos Aires	Northeast of Argentina	Northwest of Argentina (North) (1)	Northwest of Argentina (South) (1)	Gold (North) (1)	Gold (South) (1)	Patagonia	Non-allocable	Effect of Restatement	Total
Revenues from Services	1,352,834	2,606,593	2,062,950	3,094,017	2,235,750	1,793,399	1,293,116	3,197,517	2,024,437	2,896,697	1,185,469	1,465,864	2,807,211	351,334	4,993,264	33,360,452
Costs of Services	(191,563)	(373,624)	(336,816)	(514,548)	(299,206)	(223,599)	(212,154)	(492,896)	(350,859)	(434,356)	(173,382)	(230,073)	(451,830)	(2,091,734)	(1,100,810)	(7,477,450)
<b>Net Revenues from Services</b>	<b>1,161,271</b>	<b>2,232,969</b>	<b>1,726,134</b>	<b>2,579,469</b>	<b>1,936,544</b>	<b>1,569,800</b>	<b>1,080,962</b>	<b>2,704,621</b>	<b>1,673,578</b>	<b>2,462,341</b>	<b>1,012,087</b>	<b>1,235,791</b>	<b>2,355,381</b>	<b>(1,740,400)</b>	<b>3,892,454</b>	<b>25,883,002</b>
Revenues from Financing	2,142,831	4,077,289	3,074,559	4,267,337	3,745,976	2,536,778	2,120,858	5,452,083	3,244,956	4,473,785	1,897,825	2,305,457	5,466,521	-	7,875,931	52,682,186
Costs of Financing	(559,694)	(1,063,821)	(800,977)	(1,111,409)	(976,457)	(661,068)	(552,771)	(1,420,853)	(845,457)	(1,166,996)	(494,492)	(601,061)	(1,425,447)	-	(1,978,908)	(13,659,411)
<b>Net Revenues from Financing</b>	<b>1,583,137</b>	<b>3,013,468</b>	<b>2,273,582</b>	<b>3,155,928</b>	<b>2,769,519</b>	<b>1,875,710</b>	<b>1,568,087</b>	<b>4,031,230</b>	<b>2,399,499</b>	<b>3,306,789</b>	<b>1,403,333</b>	<b>1,704,396</b>	<b>4,041,074</b>	<b>-</b>	<b>5,897,023</b>	<b>39,022,775</b>
Net Income from Short-term Investments	13,629	25,941	19,572	27,167	23,841	16,147	13,499	34,702	20,656	28,466	12,080	14,672	34,787	-	51,329	336,488
Provision for Loan Losses	(522,058)	(996,258)	(357,941)	(609,637)	(515,457)	(539,892)	(297,538)	(626,544)	(365,175)	(594,454)	(257,900)	(383,582)	(543,048)	(301,424)	(1,021,996)	(7,932,904)
Depreciation and Amortization (3)	(33,675)	(19,177)	(10,638)	(24,987)	(17,134)	(13,084)	(59,698)	(23,612)	(27,198)	(16,482)	(4,914)	(19,429)	(68,789)	(832,258)	(1,974,488)	(3,145,563)
Other Operating Expenses	(938,721)	(1,673,641)	(1,040,268)	(1,588,243)	(1,229,773)	(990,292)	(851,838)	(1,760,530)	(1,113,000)	(1,491,906)	(664,477)	(880,704)	(1,636,328)	(7,764,580)	(4,349,811)	(27,974,112)
Loss from Investments Accounted for Using the Equity Method	-	-	-	-	-	-	-	-	-	-	-	-	-	(44,089)	(8,539)	(52,628)
Loss on Net Monetary Position	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(11,962,464)	(11,962,464)
Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,703,580)	(1,350,448)	(5,054,028)
<b>Profit / (Loss) for the Year</b>	<b>1,263,583</b>	<b>2,583,302</b>	<b>2,610,441</b>	<b>3,539,697</b>	<b>2,967,540</b>	<b>1,918,389</b>	<b>1,453,474</b>	<b>4,359,867</b>	<b>2,588,360</b>	<b>3,694,754</b>	<b>1,500,209</b>	<b>1,671,144</b>	<b>4,183,077</b>	<b>(14,386,331)</b>	<b>(10,826,940)</b>	<b>9,120,566</b>

(1) Each one of the segments "Cuyo", "Northwest of Argentina" and "Gold" is divided into North and South. These changes are made in accordance with the changes carried out in the structure of the commercial network defined by Management.

(2) Córdoba segment is no longer disclosed within the Central Region. These changes are made in accordance with the changes carried out in the structure of the commercial network defined by Management.

(3) Depreciation of Property Plant and Equipment and Amortization of Intangible Assets are disclosed together in one item.

Please refer to our report dated February 11, 2022  
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 Financial Statements (Continued)

For the years ended December 31, 2021 and 2020

Expressed in thousands of constant Argentine Pesos

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

### NOTE 5 – SEGMENT INFORMATION (CONTINUED)

#### Segment Information as of 12.31.2020

	Greater Buenos Aires I	Greater Buenos Aires II	Central Region (2)	Córdoba (2)	Cuyo (North) (1)	Cuyo (South) (1)	Inside the Province of Buenos Aires	Northeast of Argentina	Northwest of Argentina (North) (1)	Northwest of Argentina (South) (1)	Gold (North) (1)	Gold (South) (1)	Patagonia	Non-allocable	Effect of Restatement	Total
Revenues from Services	804,119	1,608,231	1,311,233	1,700,779	1,404,459	1,201,912	808,869	2,003,094	1,269,242	1,782,619	777,590	952,718	1,726,770	386,698	13,519,637	31,257,970
Costs of Services	(107,964)	(212,048)	(188,936)	(310,267)	(185,693)	(149,823)	(105,773)	(271,538)	(199,562)	(261,717)	(90,846)	(119,483)	(219,143)	(1,534,237)	(3,646,931)	(7,603,961)
<b>Net Revenues from Services</b>	<b>696,155</b>	<b>1,396,183</b>	<b>1,122,297</b>	<b>1,390,512</b>	<b>1,218,766</b>	<b>1,052,089</b>	<b>703,096</b>	<b>1,731,556</b>	<b>1,069,680</b>	<b>1,520,902</b>	<b>686,744</b>	<b>833,235</b>	<b>1,507,627</b>	<b>(1,147,539)</b>	<b>9,872,706</b>	<b>23,654,009</b>
Revenues from Financing	728,524	1,455,222	1,447,560	1,969,990	1,695,159	1,177,205	811,735	2,408,240	1,412,703	2,022,135	866,778	1,012,069	2,272,993	-	14,652,331	33,932,644
Costs of Financing	(168,381)	(324,778)	(319,998)	(431,882)	(372,783)	(260,939)	(180,582)	(533,136)	(313,110)	(447,177)	(192,025)	(224,495)	(501,796)	-	(3,397,905)	(7,668,987)
<b>Net Revenues from Financing</b>	<b>560,143</b>	<b>1,130,444</b>	<b>1,127,562</b>	<b>1,538,108</b>	<b>1,322,376</b>	<b>916,266</b>	<b>631,153</b>	<b>1,875,104</b>	<b>1,099,593</b>	<b>1,574,958</b>	<b>674,753</b>	<b>787,574</b>	<b>1,771,197</b>	<b>-</b>	<b>11,254,426</b>	<b>26,263,657</b>
Net Income from Short-term Investments	74,477	149,471	148,871	202,819	174,454	121,024	83,412	247,624	145,237	207,952	89,117	104,037	233,802	-	1,691,707	3,674,004
Provision for Loan Losses	(356,549)	(636,736)	(222,809)	(352,267)	(294,379)	(327,356)	(181,810)	(433,955)	(261,069)	(340,993)	(138,047)	(260,672)	(304,659)	(142,031)	(3,397,710)	(7,651,042)
Depreciation and Amortization (3)	(21,258)	(9,082)	(8,649)	(15,524)	(14,004)	(12,504)	(10,496)	(12,102)	(14,350)	(8,248)	(2,875)	(13,055)	(13,196)	(693,778)	(1,881,767)	(2,730,888)
Other Operating Expenses	(639,459)	(1,108,611)	(780,651)	(1,038,211)	(849,965)	(744,689)	(603,201)	(1,171,183)	(705,915)	(964,043)	(496,926)	(670,344)	(1,047,520)	(5,222,511)	(11,390,803)	(27,434,032)
Loss from Investments Accounted for Using the Equity Method	-	-	-	-	-	-	-	-	-	-	-	-	-	(24,090)	(15,748)	(39,838)
Loss on Net Monetary Position	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,775,586)	(7,775,586)
Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,450,128)	(1,504,959)	(2,955,087)
<b>Profit / (Loss) for the Year</b>	<b>313,509</b>	<b>921,669</b>	<b>1,386,621</b>	<b>1,725,437</b>	<b>1,557,248</b>	<b>1,004,830</b>	<b>622,154</b>	<b>2,237,044</b>	<b>1,333,176</b>	<b>1,990,528</b>	<b>812,766</b>	<b>780,775</b>	<b>2,147,251</b>	<b>(8,680,077)</b>	<b>(3,147,734)</b>	<b>5,005,197</b>

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(2) Córdoba segment is no longer disclosed within the Central Region. These changes are made in accordance with the changes carried out in the structure of the commercial network defined by Management.

(3) Depreciation of Property Plant and Equipment and Amortization of Intangible Assets are disclosed together in one item.

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PRICE WATERHOUSE & CO S.R.L.

(Partner)

C.P.C.E.C. N° 21.000043

# Tarjeta Naranja S.A.

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

## Notes to the Financial Statements (Continued)

For the years ended December 31, 2021 and 2020

Expressed in thousands of constant Argentine Pesos

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

### NOTE 5 – SEGMENT INFORMATION (CONTINUED)

#### Segment Information as of 12.31.2021

	Greater Buenos Aires I	Greater Buenos Aires II	Central Region (2)	Córdoba (2)	Cuyo (North) (1)	Cuyo (South) (1)	Inside the Province of Buenos Aires	Northeast of Argentina	Northwest of Argentina (North) (1)	Northwest of Argentina (South) (1)	Gold (North) (1)	Gold (South) (1)	Patagonia	Non-allocable	Effect of Restatement	Total
<b>ASSETS</b>																
Cash and Cash Equivalents	267,260	492,569	407,991	625,194	442,906	301,471	236,577	633,928	386,594	549,470	216,834	263,164	641,273	-	-	5,465,231
Receivables from Trade	8,580,490	15,814,181	13,098,755	20,072,156	14,219,710	9,678,871	7,595,412	20,352,562	12,411,791	17,641,014	6,961,574	8,449,001	20,588,388	-	-	175,463,905
Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	4,982,221	(1,654,291)	3,327,930
Property, Plant and Equipment and Intangible Assets	46,697	58,876	28,571	99,252	51,812	45,106	35,097	48,147	42,962	35,599	13,067	65,650	58,478	2,427,141	4,757,419	7,813,874
<b>Total Assets</b>	<b>8,894,447</b>	<b>16,365,626</b>	<b>13,535,317</b>	<b>20,796,602</b>	<b>14,714,428</b>	<b>10,025,448</b>	<b>7,867,086</b>	<b>21,034,637</b>	<b>12,841,347</b>	<b>18,226,083</b>	<b>7,191,475</b>	<b>8,777,815</b>	<b>21,288,139</b>	<b>7,409,362</b>	<b>3,103,128</b>	<b>192,070,940</b>
<b>LIABILITIES</b>																
Trade and Other Payables	3,779,683	6,889,275	7,231,352	12,932,935	8,012,423	5,455,239	3,596,879	10,295,275	7,136,183	10,464,594	3,430,525	4,269,261	12,875,124	-	-	96,368,748
Borrowings	2,189,210	4,034,800	3,341,992	5,121,172	3,627,990	2,469,449	1,937,879	5,192,714	3,166,721	4,500,895	1,776,163	2,155,662	5,252,883	-	-	44,767,530
Employee Benefit Obligations	52,303	85,445	53,339	73,017	55,928	57,481	52,821	81,820	55,928	73,017	36,767	49,196	60,589	696,509	-	1,484,160
Other Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	10,217,516	-	10,217,516
<b>Total Liabilities</b>	<b>6,021,196</b>	<b>11,009,520</b>	<b>10,626,683</b>	<b>18,127,124</b>	<b>11,696,341</b>	<b>7,982,169</b>	<b>5,587,579</b>	<b>15,569,809</b>	<b>10,358,832</b>	<b>15,038,506</b>	<b>5,243,455</b>	<b>6,474,119</b>	<b>18,188,596</b>	<b>10,914,025</b>	<b>-</b>	<b>152,837,954</b>

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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 Financial Statements (Continued)

For the years ended December 31, 2021 and 2020

Expressed in thousands of constant Argentine Pesos

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

### NOTE 5 – SEGMENT INFORMATION (CONTINUED)

#### Segment Information as of 12.31.2020

	Greater Buenos Aires I	Greater Buenos Aires II	Central Region (2)	Córdoba (2)	Cuyo (North) (1)	Cuyo (South) (1)	Inside the Province of Buenos Aires	Northeast of Argentina	Northwest of Argentina (North) (1)	Northwest of Argentina (South) (1)	Gold (North) (1)	Gold (South) (1)	Patagonia	Non-allocable	Effect of Restatement	Total
<b>ASSETS</b>																
Cash and Cash Equivalents	106,791	211,083	197,700	317,598	223,111	154,567	113,543	318,547	202,959	291,100	112,187	128,275	318,111	-	1,373,169	4,068,741
Receivables from Trade	3,482,490	6,883,488	6,447,076	10,356,999	7,275,726	5,040,497	3,702,677	10,387,932	6,618,549	9,492,881	3,658,442	4,183,090	10,373,710	-	44,779,508	132,683,065
Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	4,255,799	922,899	5,178,698
Property, Plant and Equipment and Intangible Assets	30,556	35,359	33,687	59,914	45,396	46,113	31,824	39,620	32,050	30,696	6,926	42,923	38,949	2,310,419	6,396,965	9,181,397
<b>Total Assets</b>	<b>3,619,837</b>	<b>7,129,930</b>	<b>6,678,463</b>	<b>10,734,511</b>	<b>7,544,233</b>	<b>5,241,177</b>	<b>3,848,044</b>	<b>10,746,099</b>	<b>6,853,558</b>	<b>9,814,677</b>	<b>3,777,555</b>	<b>4,354,288</b>	<b>10,730,770</b>	<b>6,566,218</b>	<b>53,472,541</b>	<b>151,111,901</b>
<b>LIABILITIES</b>																
Trade and Other Payables	923,697	3,304,323	4,575,385	8,322,536	5,004,311	3,515,592	1,715,495	5,754,597	4,262,016	6,149,390	2,013,506	2,391,248	6,782,040	-	27,872,274	82,586,410
Borrowings	659,531	1,303,627	1,220,977	1,961,457	1,377,911	954,593	701,230	1,967,315	1,253,452	1,797,806	692,853	792,213	1,964,622	-	8,480,553	25,128,140
Employee Benefit Obligations	37,006	124,014	57,506	88,510	65,507	60,507	57,006	91,510	61,007	78,509	39,004	53,506	65,507	644,573	776,184	2,299,856
Other Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	3,375,174	1,719,368	5,094,542
<b>Total Liabilities</b>	<b>1,620,234</b>	<b>4,731,964</b>	<b>5,853,868</b>	<b>10,372,503</b>	<b>6,447,729</b>	<b>4,530,692</b>	<b>2,473,731</b>	<b>7,813,422</b>	<b>5,576,475</b>	<b>8,025,705</b>	<b>2,745,363</b>	<b>3,236,967</b>	<b>8,812,169</b>	<b>4,019,747</b>	<b>38,848,379</b>	<b>115,108,948</b>

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(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 Financial Statements (Continued)

For the years ended December 31, 2021 and 2020

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### NOTE 6 – REVENUES FROM SERVICES

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Account Maintenance Fee	14,743,328	14,435,143
Fees	10,487,765	8,671,911
Revenues from Third-Party Portfolio Managed	-	116,571
Card Renewal Fees	2,156,958	2,361,622
Other Revenues from Services	5,972,401	5,672,723
<b>Total</b>	<b>33,360,452</b>	<b>31,257,970</b>

### NOTE 7 – COSTS OF SERVICES

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Printing and Distribution Expenses	(697,743)	(716,898)
Expenses from Call Center Services	(785,146)	(1,445,062)
Collection Expenses	(1,743,623)	(2,460,831)
Openings of Accounts	(664,005)	(251,564)
Special Promotions	(501,838)	(327,274)
Other Costs of Services	(1,402,889)	(1,244,333)
Expenses for Telephone Sale Channel	(1,272,025)	(790,905)
Expenses for Telephone Sale Channel	(410,181)	(367,094)
<b>Total</b>	<b>(7,477,450)</b>	<b>(7,603,961)</b>

### NOTE 8 – REVENUES FROM FINANCING

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Merchants (" <i>Comercios Amigos</i> ") Interest	21,654,166	11,795,419
Interest on Financing through Credit Cards	17,715,785	14,100,974
Interest on Personal Loans	7,690,343	2,776,267
Compensatory Interest	3,590,679	3,198,826
Penalty Interest	1,767,829	1,573,510
Revenues from Lawsuits	8,747	17,528
Foreign Exchange Gain	254,637	470,120
<b>Total</b>	<b>52,682,186</b>	<b>33,932,644</b>

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## Notes to the Financial Statements (Continued)

For the years ended December 31, 2021 and 2020

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### NOTE 9 – COSTS OF FINANCING

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Interest and Expenses on Notes (" <i>Obligaciones Negociables</i> ")	(7,692,178)	(5,481,330)
Bank Interest and Expenses	(5,363,952)	(2,054,751)
Tax on Bank Debits and Credits	(133,606)	(78,468)
Other Costs of Financing	(8,391)	(5,787)
Exchange Loss on Class XLVII Notes (" <i>Obligaciones Negociables</i> ")	(101,592)	-
Loss Resulting from Hedging Transactions	(331,579)	-
Leases	(28,113)	(48,651)
<b>Total</b>	<b>(13,659,411)</b>	<b>(7,668,987)</b>

### NOTE 10 – NET INCOME FROM SHORT-TERM INVESTMENTS

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Income from Mutual Funds	336,001	2,212,550
Interest on Government Securities	-	1,452,297
Interest on Time Deposits	475	9,157
Income from Notes (" <i>Obligaciones Negociables</i> ")	12	-
<b>Total</b>	<b>336,488</b>	<b>3,674,004</b>

### NOTE 11 – PROVISION FOR LOAN LOSSES

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Provision for Loan Losses	(8,766,661)	(8,093,362)
Recovery of Loan Losses	833,757	442,320
<b>Total</b>	<b>(7,932,904)</b>	<b>(7,651,042)</b>

### NOTE 12 – EMPLOYEE BENEFITS EXPENSES

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Compensation and Social Security Charges	(9,365,474)	(9,582,753)
Bonuses for the Personnel	(1,376,571)	(1,254,918)
Travel Expenses and Per Diem	(36,605)	(56,015)
Other Employee Expenses	(747,459)	(707,946)
<b>Total</b>	<b>(11,526,109)</b>	<b>(11,601,632)</b>

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

## Notes to the Financial Statements (Continued)

For the years ended December 31, 2021 and 2020

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### NOTE 13 – TAXES AND CHARGES

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Turnover Tax	(6,077,224)	(4,473,979)
Tax on Bank Credits and Debits	(1,262,565)	(1,297,777)
Trade and Industry Tax	(2,845,696)	(2,020,388)
Other Taxes, Rates and Contributions	(67,095)	(147,406)
<b>Total</b>	<b>(10,252,580)</b>	<b>(7,939,550)</b>

### NOTE 14 – MARKETING EXPENSES

	12.31.2021	12.31.2020
	In Thousands of AR\$	
National Advertising	(786,813)	(811,480)
Advertising at Stores	(6,864)	(22,413)
Regional Advertising	(56,758)	(83,601)
<b>Total</b>	<b>(850,435)</b>	<b>(917,494)</b>

### NOTE 15 – DEPRECIATION AND AMORTIZATION

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Depreciation of Property, Plant and Equipment (Note 24)	(1,889,499)	(1,578,906)
Amortization of Intangible Assets (Note 25)	(1,256,064)	(1,151,982)
<b>Total</b>	<b>(3,145,563)</b>	<b>(2,730,888)</b>

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## Notes to the Financial Statements (Continued)

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### NOTE 16 – OTHER OPERATING EXPENSES

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Rentals	(479,321)	(459,453)
Regular Mail Services	(129,166)	(163,699)
Donations	(13,566)	(54,345)
Electricity, Natural Gas and Communications	(480,154)	(669,430)
Bank and Financial Expenses	(172,644)	(271,296)
Expenses for Procedures for the Collection of Amounts in Arrears	(714,792)	(919,084)
Supervisory Committee Members' Fees	(578)	(12,729)
Directors' Fees	(7,679)	(268,293)
Third Parties' Fees	(1,851,727)	(2,515,317)
Insurance and Security Services	(237,476)	(302,374)
Stationery and Office Supplies	(52,921)	(109,933)
Maintenance of Equipment and Buildings	(612,195)	(626,189)
Cleaning Expenses	(220,342)	(237,177)
Other Expenses	(372,427)	(366,037)
<b>Total</b>	<b>(5,344,988)</b>	<b>(6,975,356)</b>

### NOTE 17 – INCOME FROM INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Income (Loss) from Investment in Cobranzas Regionales S.A.	(52,628)	(39,838)
<b>Total</b>	<b>(52,628)</b>	<b>(39,838)</b>

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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 Financial Statements (Continued)

For the years ended December 31, 2021 and 2020

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### NOTE 18 – INCOME TAX

The following table shows the changes in income tax items:

	Balance Sheet		Statement of Profit or Loss
	Deferred Tax Assets	Income Tax Payable	Income Tax Accrued during the Year
	In Thousands of AR\$		
<b>Balances at the Beginning of 2020 (1)</b>	<b>4,621,539</b>	<b>(3,445,629)</b>	<b>(943,889)</b>
Income Tax Accrued during the Year (2)	480,851	(3,900,585)	(3,419,734)
Adjustment to Income Tax 2019 (3)	(217,933)	214,940	(2,993)
Payment of Income Tax 2019 (4)	-	2,355,529	-
Release as per Law No. 27541 (8)	(305,835)	-	(305,835)
Effect of Restatement on Income Tax Expense	-	875,160	773,475
<b>Balances at December 31, 2020</b>	<b>4,578,622</b>	<b>(3,900,585)</b>	<b>(2,955,087)</b>
Income Tax Accrued during the Year (5)	(1,731,297)	(4,993,527)	(6,724,824)
Adjustment to Income Tax (6)	(1,427,225)	1,619,562	192,337
Payment of Income Tax 2020 (7)	-	1,280,847	-
Release as per Law No. 27541 (8)	759,005	-	759,005
Effect of Restatement on Income Tax Expense	-	1,000,176	719,454
<b>Balances at December 31, 2021</b>	<b>2,179,105</b>	<b>(4,993,527)</b>	<b>(5,054,028)</b>

- (1) It corresponds to the income tax amount that, pursuant to the estimations made by the Company's Management as of February 19, 2020, should have been paid in May 2020 according to the taxable income accrued during the year ended December 31, 2019.
- (2) It corresponds to the income tax amount that, pursuant to the estimations made by the Company's Management as of February 18, 2021, should have been paid in May 2021 according to the taxable income accrued during the fiscal year ended December 31, 2020.
- (3) It corresponds to a correction of the income tax provision estimated at the end of 2019.
- (4) It corresponds to income tax for 2019 paid by the Company.
- (5) It corresponds to the income tax amount that, pursuant to the estimations made by the Company's Management as of the date of these financial statements, should be paid in May 2022 according to the taxable income accrued during the period ended December 31, 2021.
- (6) It corresponds to a correction of the income tax provision estimated at the end of 2020.
- (7) It corresponds to income tax for 2020 paid by the Company.
- (8) It corresponds to the release as per Law No. 27541.

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### NOTE 18 – INCOME TAX (CONTINUED)

As of December 31, 2021 and December 31, 2020, net assets derived from the information included in the previous table amount to AR\$ 2,179,105 and AR\$ 4,578,623, respectively. Their composition as of those dates is detailed below:

	Balances at December 31, 2020	Adjustment to Initial Balances Law No. 27541	Net Tax Asset Generated During the Year	Balance at December 31, 2021
In Thousands of AR\$				
Receivables from Trade	5,902,385	365,185	1,415,903	7,683,473
Property, Plant and Equipment and Intangible Assets	(5,891,314)	(27,141)	(2,661,097)	(8,579,552)
Lease Payment	(120,726)	(6,774)	(9,360)	(136,860)
Mutual Funds	13,656	1,874	(52,296)	(36,766)
Trade and Other Payables	177	7	-	184
Employee Benefit Obligations	46,156	1,859	-	48,015
Foreign-exchange Quotation Difference	(3,656)	342	17,655	14,341
Provision for Contingencies	211,151	22,564	(125,322)	108,393
Inflation Adjustment for Tax Purposes	4,352,408	395,767	(1,810,787)	2,937,388
Others	68,385	5,322	66,782	140,489
<b>Totals</b>	<b>4,578,622</b>	<b>759,005</b>	<b>(3,158,522)</b>	<b>2,179,105</b>

The income tax amount payable estimated by Management, net of prepayments, as of December 31, 2021 and December 31, 2020 is as follows:

#### Current:

	12.31.2021	12.31.2020
Income Tax Provision – Current	(4,993,527)	(3,900,585)
Prepayments	1,514,893	2,104,720
<b>Current Income Tax Payable</b>	<b>(3,478,634)</b>	<b>(1,795,865)</b>

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### NOTE 18 – INCOME TAX (CONTINUED)

The following table shows the reconciliation of income tax charged to loss as of December 31, 2021 and December 31, 2020 to that which would result from applying the tax rate in force to book income:

	12.31.2021	12.31.2020
	<b>In Thousands of AR\$</b>	
Profit for the Year before Income Tax	14,174,594	7,960,284
Tax Rate in Force	35%	30%
<b>Loss for the Year at the Tax Rate</b>	<b>(4,961,108)</b>	<b>(2,388,085)</b>
<b><u>Permanent Differences at the Tax Rate</u></b>		
- Loss from Interest in Other Companies	(18,420)	(11,952)
- Non-taxable Income (1)	134,397	62,913
- Donations and Other Non-deductible Expenses	(2,881)	(551)
- Inflation Adjustment for Tax Purposes	3,758,816	2,401,187
- Others	(53,795)	(24,969)
Release as per Law No. 27541	759,005	(305,835)
Difference between the Tax Return and the Income Tax Provision	192,337	(2,993)
Effect of Restatement on Income Tax Expense	(4,862,379)	(2,684,802)
<b>Total Income Tax Charge for the Year</b>	<b>(5,054,028)</b>	<b>(2,955,087)</b>

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

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### NOTE 18 – INCOME TAX (CONTINUED)

The following chart shows the reconciliation of income tax charged to loss to tax assessed for the year for tax purposes:

	12.31.2021	12.31.2020
	In Thousands of AR\$	
<b>Total Income Tax Charge Recorded for the Year</b>	<b>(5,054,028)</b>	<b>(2,955,087)</b>
<b>- Temporary Differences at the Tax Rate</b>		
- Additions:		
Provision for Loan Losses	(1,903,073)	(985,133)
Portfolio Assignment	121,985	683,066
Employee Benefit Obligations	(1,859)	2,439
Provision for Contingencies	102,758	(148,908)
Depreciation of Property, Plant and Equipment	2,688,238	2,010,473
Lease Payment	16,134	11,911
Foreign-exchange Quotation Difference	(17,997)	2,462
Trade and Other Payables	(7)	-
Mutual Funds	50,422	(13,656)
Inflation Adjustment for Tax Purposes	1,415,020	(1,499,466)
Others	(72,104)	(20,271)
Difference between the Tax Return and the Income Tax Provision	(1,619,562)	(214,940)
Effect of Restatement on Current Income Tax Expense	(719,454)	(773,475)
<b>Total Tax for the Year Determined for Tax Purposes</b>	<b>(4,993,527)</b>	<b>(3,900,585)</b>

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### NOTE 19 – CASH AND CASH EQUIVALENTS

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Cash in Banks – Checking Account	1,977,452	761,385
Cash and Petty Cash	1,635,935	1,421,349
Mutual Funds	1,395,846	1,278,075
Deposits Abroad (Note 45)	20	463
Collections to be Deposited	455,978	607,469
<b>Total</b>	<b>5,465,231</b>	<b>4,068,741</b>

### NOTE 20 – INVESTMENTS

	12.31.2021	12.31.2020
	In Thousands of AR\$	
<b>Current</b>		
Time Deposits	10,475	-
Notes (“Obligaciones Negociables”)	2,012	-
<b>Total</b>	<b>12,487</b>	<b>-</b>

	12.31.2021	12.31.2020
	In Thousands of AR\$	
<b>Non-current</b>		
Notes (“Obligaciones Negociables”)	1,000	-
<b>Total</b>	<b>1,000</b>	<b>-</b>

### NOTE 21 – RECEIVABLES FROM TRADE

	12.31.2021	12.31.2020
	In Thousands of AR\$	
<b>Current</b>		
Credit Card Debtors	170,810,117	135,455,804
Provision for Loan Losses – Credit Card	(9,373,132)	(9,183,580)
Personal Loans Debtors	11,822,865	5,748,632
Provision for Loan Losses – Personal Loans	(259,472)	(92,206)
<b>Total</b>	<b>173,000,378</b>	<b>131,928,650</b>
<b>Non-current</b>		
Credit Card Debtors	712,255	167,223
Personal Loans Debtors	1,751,272	587,192
<b>Total</b>	<b>2,463,527</b>	<b>754,415</b>

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### NOTE 21 – RECEIVABLES FROM TRADE (CONTINUED)

	12.31.2021	12.31.2020
	In Thousands of AR\$	
<b>Changes in the Account Provision for Loan Losses</b>		
Balances at the Beginning of the Year	9,275,786	15,210,674
Increases for the Year (1)	6,318,029	6,205,467
Applications and Uses	(1,343,607)	(5,261,359)
Portfolio Sale (2)	(1,053,481)	(2,262,561)
Effect of Restatement	(3,564,123)	(4,616,435)
<b>Balances at Year-end</b>	<b>9,632,604</b>	<b>9,275,786</b>

(1) The provision for loan losses amounting to AR\$ 8,766,661 disclosed in the Statement of Profit or Loss and in Note 11 as of December 31, 2021 includes AR\$ 2,448,632 for direct charges. The provision for loan losses amounting to AR\$ 8,093,362 disclosed in the Statement of Profit or Loss and in Note 11 as of December 31, 2020 includes AR\$ 1,887,895 for direct charges.

(2) Portfolio Sale: the recovery of AR\$ 1,053,481 corresponds to the active portfolio only, and does not include the portfolio sale for AR\$ 2,805,017 attributable to Memorandum Accounts (Note 46).

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

### Memorandum Accounts

Additionally, as of December 31, 2021 and 2020, the Company recorded AR\$ 1,812,657 and AR\$ 5,378,849, respectively, in respect of receivables from trade deemed uncollectible, considering as such those in respect of which there are no reasonable expectations of recovery (IFRS 9, paragraph 5.4.4), as mentioned in Note 2.9.

Accordingly, receivables deemed uncollectible are those which in the past month:

- were included in Stage 3;
- had a total expected loss of 100%; and
- are classified as uncollectible (Level 5).

### CLASSIFICATION OF BALANCES OF RECEIVABLES FROM TRADE BY MATURITY DATE

	Receivables from Trade	
	12.31.2021	12.31.2020
	In Thousands of AR\$	
<b>Current</b>		
Past due	7,848,875	4,949,870
1st. Quarter	125,182,884	97,650,143
2nd. Quarter	30,356,512	24,240,640
3rd. Quarter	14,392,221	9,859,505
4th Quarter	4,852,490	4,504,278
<b>Non-current</b>	2,463,527	754,415

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### NOTE 22 – OTHER RECEIVABLES

	12.31.2021	12.31.2020
	In Thousands of AR\$	
<b>Current</b>		
Deposits for Checking Account Attachments (Note 43)	99,254	1,468
Prepaid Expenses	28,244	23,274
Commissions Receivable	15,360	4,065
Advance Payments to Suppliers	282,621	116,145
Other Tax Receivables	277,820	284,932
Other Receivables from Related Companies (Note 42)	12,647	26,822
Sundry Receivables	342,364	120,801
<b>Total</b>	<b>1,058,310</b>	<b>577,507</b>
<b>Non-current</b>		
Security Deposits (Note 43)	8,646	10,680
Prepaid Expenses	344	952
<b>Total</b>	<b>8,990</b>	<b>11,632</b>

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

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### NOTE 23 – INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Issuing Company	Interest Percentage	Book Value as of 12.31.2021	Book Value as of 12.31.2020	Issuer Information						
				Principal Line of Business	Class of Shares	Number of Shares (1)	Face Value of Shares	Capital	Balance at 12.31.2021	
		Equity	Profit / Loss							
		In Thousands of AR\$								
Cobranzas Regionales S.A.	5%	68,038	10,937	(2)	Ordinary registered shares	3,910,000	0.1	391,000	1,438,043	(1,372,320)
Totals		68,038	10,937							

(1) Values are stated in units.

(2) To administer and/or acquire and/or transfer portfolios of receivables owned by third parties, whether individuals or legal entities, and to provide integral advisory services for credit risk analysis. To carry out payment transactions on account and behalf of third parties for the acquisition of assets and/or services at stores participating in its electronic payment system; loading and unloading of securities by electronic and magnetic means, wire transfers (cash and securities), and exchange transactions permitted in the Argentine FX market, based on web-based electronic media, mobile communication, computing or other devices, etc.

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### NOTE 24 – PROPERTY, PLANT AND EQUIPMENT

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	12.31.2021
Land	330,863	-	-	-	330,863	-	-	-	-	330,863
Buildings	2,960,350	-	4,721	-	2,965,071	(472,630)	-	(56,669)	(529,299)	2,435,772
Buildings under Financial Leases	3,147,806	-	-	-	3,147,806	(1,516,550)	-	(919,481)	(2,436,031)	711,775
Cost of Adapting Stores	1,680,894	-	222,744	52,098	1,955,736	(932,397)	-	(318,441)	(1,250,838)	704,898
Furniture and Fixtures	640,694	-	6,774	-	647,468	(327,122)	-	(55,869)	(382,991)	264,477
Hardware	2,327,054	(23,515)	182,124	257,326	2,742,989	(1,107,273)	23,515	(459,648)	(1,543,406)	1,199,583
Facilities and Improvements	806,221	(3,561)	42,220	-	844,880	(407,509)	3,561	(78,691)	(482,639)	362,241
Assets at Warehouse	127,040	(121,948)	475,275	(309,424)	170,943	-	-	-	-	170,943
Vehicles	-	-	6,003	-	6,003	-	-	(700)	(700)	5,303
<b>Totals as of 12.31.2021</b>	<b>12,020,922</b>	<b>(149,024)</b>	<b>939,861</b>	<b>-</b>	<b>12,811,759</b>	<b>(4,763,481)</b>	<b>27,076</b>	<b>(1,889,499)</b>	<b>(6,625,904)</b>	<b>6,185,855</b>

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### NOTE 24 – PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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	12.31.2020
Land	383,271	-	-	(52,408)	330,863	-	-	-	-	330,863
Buildings	2,924,041	-	36,309	-	2,960,350	(422,255)	-	(50,375)	(472,630)	2,487,720
Buildings under Financial Leases	2,317,784	-	830,022	-	3,147,806	(719,196)	-	(797,354)	(1,516,550)	1,631,256
Cost of Adapting Stores	1,382,373	(17,078)	244,332	71,267	1,680,894	(729,289)	17,078	(220,186)	(932,397)	748,497
Furniture and Fixtures	639,831	(1,132)	1,995	-	640,694	(271,849)	708	(55,981)	(327,122)	313,572
Hardware	1,673,451	(23,521)	533,964	143,160	2,327,054	(729,525)	-	(377,748)	(1,107,273)	1,219,781
Facilities and Improvements	776,641	(7,229)	36,809	-	806,221	(334,746)	4,499	(77,262)	(407,509)	398,712
Assets at Warehouse	82,254	-	206,805	(162,019)	127,040	-	-	-	-	127,040
<b>Totals as of 12.31.2020</b>	<b>10,179,646</b>	<b>(48,960)</b>	<b>1,890,236</b>	<b>-</b>	<b>12,020,922</b>	<b>(3,206,860)</b>	<b>22,285</b>	<b>(1,578,906)</b>	<b>(4,763,481)</b>	<b>7,257,441</b>

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### NOTE 25 – INTANGIBLE ASSETS

INTANGIBLE ASSETS									
Items	ORIGINAL VALUE				AMORTIZATION				NET BOOK AMOUNT
	Opening Book Amount	Disposals	Additions	Closing Book Amount	Opening Book Amount	Disposals	Amortization Charge	Closing Book Amount	12.31.2021
Patents and Software	6,856,795	(124,728)	960,127	7,692,194	(5,021,098)	124,728	(1,256,064)	(6,152,434)	1,539,760
Other Intangible Assets	88,259	-	-	88,259	-	-	-	-	88,259
<b>Totals as of 12.31.2021</b>	<b>6,945,054</b>	<b>(124,728)</b>	<b>960,127</b>	<b>7,780,453</b>	<b>(5,021,098)</b>	<b>124,728</b>	<b>(1,256,064)</b>	<b>(6,152,434)</b>	<b>1,628,019</b>

INTANGIBLE ASSETS									
Items	ORIGINAL VALUE				AMORTIZATION				NET BOOK AMOUNT
	Opening Book Amount	Disposals	Additions	Closing Book Amount	Opening Book Amount	Disposals	Amortization Charge	Closing Book Amount	12.31.2020
Patents and Software	6,428,930	(4,747)	432,612	6,856,795	(3,873,863)	4,747	(1,151,982)	(5,021,098)	1,835,697
Other Intangible Assets	88,259	-	-	88,259	-	-	-	-	88,259
<b>Totals as of 12.31.2020</b>	<b>6,517,189</b>	<b>(4,747)</b>	<b>432,612</b>	<b>6,945,054</b>	<b>(3,873,863)</b>	<b>4,747</b>	<b>(1,151,982)</b>	<b>(5,021,098)</b>	<b>1,923,956</b>

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### NOTE 26 – TRADE AND OTHER PAYABLES

	12.31.2021	12.31.2020
	In Thousands of AR\$	
<b>Current</b>		
Merchants (“Comercios Amigos”)	95,741,943	81,772,202
Suppliers	613,047	623,697
Collections on Account of Third Parties Payable	13,758	190,511
<b>Total</b>	<b>96,368,748</b>	<b>82,586,410</b>

Trade and Other Payables valued at amortized cost do not differ significantly from their fair value.

### NOTE 27 – BORROWINGS

	12.31.2021	12.31.2020
	In Thousands of AR\$	
<b>Current</b>		
Notes (“Obligaciones Negociables”)	18,833,816	11,478,328
Bank and Financial Loans	5,996,723	2,543,475
Leases (Note 34)	142,728	557,218
Credit Lines	14,351,215	5,954,019
<b>Total</b>	<b>39,324,482</b>	<b>20,533,040</b>
<b>Non-current</b>		
Notes (“Obligaciones Negociables”)	2,493,381	3,734,747
Bank and Financial Loans	2,179,764	-
Hedging Transactions	338,882	-
Leases (Note 34)	431,021	860,353
<b>Total</b>	<b>5,443,048</b>	<b>4,595,100</b>

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

### NOTE 28 – EMPLOYEE BENEFIT OBLIGATIONS

	12.31.2021	12.31.2020
	In Thousands of AR\$	
<b>Current</b>		
Salaries Payable	280,483	470,395
Social Security Charges	325,973	405,102
Provisions	478,343	968,927
Bonuses for the Personnel	364,815	406,416
Rewards for the Personnel	34,546	49,016
<b>Total</b>	<b>1,484,160</b>	<b>2,299,856</b>

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### NOTE 29 – CURRENT TAX LIABILITIES

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Current		
Trade and Industry Tax Payable	269,875	171,703
Tax Withholdings and Additional Tax Withholdings Made from Third Parties	1,215,659	1,103,572
Value-added Tax Payable	1,811,245	1,224,760
Turnover Tax Payable	493,396	342,453
<b>Total</b>	<b>3,790,175</b>	<b>2,842,488</b>

### NOTE 30 – OTHER LIABILITIES

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Current		
Dividends Payable (Note 42)	2,700,000	-
Fees Payable to Directors and Supervisory Committee	57,131	243,456
Advanced Payments to Directors	(9,583)	(41,549)
Other Miscellaneous Liabilities	19,833	17,195
<b>Total</b>	<b>2,767,381</b>	<b>219,102</b>
Non-current		
Other Miscellaneous Liabilities	17,767	18,134
<b>Total</b>	<b>17,767</b>	<b>18,134</b>

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

### NOTE 31 – 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.

Please refer to our report dated February 11, 2022  
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 Financial Statements (Continued)

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### NOTE 31 – 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\$ 3,179 and AR\$ 4,474 (AR\$ 2,964 in nominal terms) as of December 31, 2021 and 2020, 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. On September 4, 2020, the tax agency dismissed the grounds and defenses filed by the Company and gave notice of an official tax assessment for the previously notified amount. The Company timely challenged the adjustment made. On November 6, 2020, the Company was notified of the dismissal of the appeal requesting reversal it had filed. In response, the Company filed an administrative complaint against the tax agency's position. The amount claimed plus accrued interest totaled AR\$ 134,579 and AR\$ 183,454 (AR\$ 121,540 in nominal terms) as of December 31, 2021 and 2020, respectively.

The Company also has outstanding claims from certain Municipal Tax Bureaus in some parts of the country; most of them in connection with Publicity and Advertising, and in respect to which it has filed the respective defenses. As of December 31, 2021 and 2020, total municipal claims against the Company amounted to AR\$ 28,830 and AR\$ 39,003 (AR\$ 25,840 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 February 11, 2022  
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C. N° 21.00004.8

# Tarjeta Naranja S.A.

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

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### NOTE 31 – 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 total and/or partial 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. Similarly, on February 20, 2020, the Company filed an action with AFIP for the recovery of the Income Tax for the year 2015 totaling AR\$ 149,763 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 May 21, 2021, AFIP rejected the claim. Consequently, on June 18, 2021, Tarjeta Naranja filed a complaint requesting the tax refund with the Federal Court. 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 and on April 29, 2021 for Tarjeta Naranja's year 2015. Similarly to the rest of the years, on May 26, 2020, Tarjeta Naranja S.A. filed a complaint requesting refund of the Income Tax with AFIP for the year 2019 for the amount of AR\$ 1,364,949, in nominal terms.

The breakdown and changes of contingent liabilities as of December 31, 2021 are as follows:

	Balance at the Beginning of the Year	Additions	Disposals	Payments	Effect of Restatement	Balance at Year-end
Tax Matters	79,054	28,503	(1,071)	(2,280)	(18,294)	85,912
Consumer Protection	31,048	28,980	(22,000)	(24,582)	(4,655)	8,791
Labor Matters	86,312	78,269	(10,325)	(61,845)	(45,312)	47,099
Damages	20,206	17,185	(6,867)	(4,087)	(6,881)	19,556
Others	2,333	2,963	(1,915)	(481)	(699)	2,201
<b>Total</b>	<b>218,953</b>	<b>155,900</b>	<b>(42,178)</b>	<b>(93,275)</b>	<b>(75,841)</b>	<b>163,559</b>

In addition, the breakdown and changes of contingent liabilities as of December 31, 2020 are as follows:

	Balance at the Beginning of the Year	Additions	Disposals	Payments	Effect of Restatement	Balance at Year-end
Tax Matters	62,831	80,266	(31,838)	(5,613)	(26,592)	79,054
Consumer Protection	49,331	37,464	(52,221)	(11,629)	8,103	31,048
Labor Matters	88,985	91,350	(2,957)	(42,534)	(48,532)	86,312
Damages	20,143	11,269	(6,078)	(2,278)	(2,850)	20,206
Others	1,381	4,183	(1,460)	(277)	(1,494)	2,333
<b>Total</b>	<b>222,671</b>	<b>224,532</b>	<b>(94,554)</b>	<b>(62,331)</b>	<b>(71,365)</b>	<b>218,953</b>

Please refer to our report dated February 11, 2022  
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

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# Tarjeta Naranja S.A.

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### NOTE 32 - FINANCIAL LIABILITIES BY CONTRACTUAL DUE DATE

The table below breaks down financial liabilities by contractual due date as of December 31, 2021:

	December 31, 2021 In Thousands of AR\$					
	Less than 3 Months	From 3 to 12 Months	From 1 to 2 Years	From 2 to 5 Years	Over 5 Years	Total
<b>Financial Liabilities</b>						
Trade and Other Payables	72,276,080	24,092,668	-	-	-	96,368,748
Borrowings (*)	9,628,577	38,837,345	25,056,668	232,876	84,211	73,839,677
Other Liabilities	2,758,877	8,496	17,767	-	-	2,785,140
<b>Total Financial Liabilities</b>	<b>84,663,534</b>	<b>62,938,509</b>	<b>25,074,435</b>	<b>232,876</b>	<b>84,211</b>	<b>172,993,565</b>

(\*) It includes future interest to be accrued.

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

	December 31, 2020 In Thousands of AR\$					
	Less than 3 Months	From 3 to 12 Months	From 1 to 2 Years	From 2 to 5 Years	Over 5 Years	Total
<b>Financial Liabilities</b>						
Trade and Other Payables	64,622,421	17,963,989	-	-	-	82,586,410
Borrowings (*)	2,585,943	31,269,296	4,560,976	65,705	128,980	38,610,900
Other Liabilities	9,547	209,543	18,134	-	-	237,224
<b>Total Financial Liabilities</b>	<b>67,217,911</b>	<b>49,442,828</b>	<b>4,579,110</b>	<b>65,705</b>	<b>128,980</b>	<b>121,434,534</b>

(\*) It includes future interest.

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### NOTE 33 – BORROWINGS

#### Proceeds from Bank and Financial Loans

As of December 31, 2021, the Company had an outstanding bank loan with the following characteristics:

Institution	Currency	Date of Arrangement	Maturity Date	Loan Amount as of 12.31.2021 (*)	Principal Payments	Interest Payments	Interest Rate
Banco Santander Río S.A.	Pesos (AR\$)	07/19/2021	07/19/2022	2,000,000	Upon maturity	Monthly	42.0%
Banco Itaú Argentina S.A.	Pesos (AR\$)	10/21/2021	10/21/2023	700,000	Monthly (as from the 12 <sup>th</sup> month)	Monthly	42.0%
Banco Patagonia S.A.	Pesos (AR\$)	07/14/2021	01/13/2023	1,600,000	Upon maturity	Monthly	Badlar + 7.5%
Banco Patagonia S.A.	Pesos (AR\$)	11/29/2021	11/29/2022	1,000,000	Upon maturity	Monthly	42.0%

#### 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 12.31.2021 (*)	Principal Payments	Interest Payments	Interest Rate
Banco Itaú Argentina S.A.	Pesos (AR\$)	06/11/2021	06/13/2022	1,500,000	Upon maturity	Monthly	Corrected Badlar + 6.75%
Banco de Galicia y Buenos Aires S.A.U.	Pesos (AR\$)	12/16/2021	01/18/2022	7,660,000	Upon maturity	Monthly	Corrected Badlar + 1.0%
Banco HSBC S.A.	Pesos (AR\$)	06/02/2021	05/28/2022	500,000	Upon maturity	Monthly	41.0%
Banco Macro S.A.	Pesos (AR\$)	07/05/2021	07/05/2022	3,000,000	Upon maturity	Monthly	Badlar + 6.75%
Banco Coinag S.A.	Pesos (AR\$)	06/30/2021	06/30/2022	30,000	Upon maturity	Monthly	39.0%
Banco Coinag S.A.	Pesos (AR\$)	06/30/2021	06/30/2022	70,000	Upon maturity	Monthly	Badlar + 7.0%
Banco Comafi S.A.	Pesos (AR\$)	10/01/2021	10/01/2022	600,000	Upon maturity	Monthly	42.5%
Banco Ciudad de Buenos Aires	Pesos (AR\$)	10/20/2021	10/20/2022	1,250,000	Upon maturity	Monthly	42.0%
Banco Itaú Argentina S.A.	Pesos (AR\$)	10/21/2021	10/21/2022	865,000	Upon maturity	Monthly	Corrected Badlar + 6.75%
Banco Patagonia S.A.	Pesos (AR\$)	12/14/2021	12/14/2022	500,000	Upon maturity	Monthly	41.0%
Banco Ciudad de Buenos Aires	Pesos (AR\$)	12/30/2021	12/30/2022	950,000	Upon maturity	Monthly	42.0%

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

Please refer to our report dated February 11, 2022

PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C. N° 21.0004.3

# Tarjeta Naranja S.A.

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### NOTE 33 – BANK AND FINANCIAL LOANS (CONTINUED)

#### Memorandum Accounts

As of December 31, 2021, the Company recorded in memorandum accounts unused amounts for AR\$ 3,840,000 under credit lines borrowed from Banco de Galicia y Buenos Aires S.A.U. The Company did not have any commitment agreement as of such date.

As of December 31, 2020, the Company recorded in memorandum accounts unused amounts for AR\$ 3,799,000 under credit lines borrowed from Banco de Galicia y Buenos Aires S.A.U. The Company did not have any commitment agreement as of such date.

### NOTE 34 – 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	Additions	Opening Book Amount	Charge for the Year	As of December 31, 2021
Casa Naranja Lease Agreement	2,070,311	74,158	(219,730)	(115,573)	1,809,166
Lease Agreements under IFRS 16	3,147,806	-	(1,516,550)	(919,481)	711,775

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

Items	Opening Book Amount	Accrued Interest	Amount Recognized under IFRS 16	Interest to be Accrued	Payments	Effect of Restatement	Value at 12.31.2021
Lease Liabilities	1,417,571	98,016	-	-	(532,542)	(409,296)	573,749

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### NOTE 34 – LEASES (CONTINUED)

The following are the future lease payments and the related present value as of December 31, 2021:

	Future Lease Payments	Present Value of Lease Payments
	12.31.2021	
Less than One Year	199,892	142,728
From 1 to 5 Years	440,259	347,318
Over 5 Years	86,704	83,703
Minus Future Financing Charges	(153,106)	-
Present Value of Lease Payments	573,749	573,749
	12.31.2021	
Included in the Financial Statements as:		
Current Leases	142,728	
Non-current Leases	431,021	
Total	573,749	

### NOTE 35 – NOTES (“OBLIGACIONES NEGOCIABLES”)

As of December 31, 2021, the Company has the Global Program approved by Resolutions No. 15220, No. 15361, No. 15785, No. 16319, No. 16571, No. 16822, No. 17676 and No. 19508 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.

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### NOTE 35 – NOTES (“OBLIGACIONES NEGOCIABLES”) (CONTINUED)

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 35 – NOTES (“OBLIGACIONES NEGOCIABLES”) (CONTINUED)

Below is a breakdown of the main characteristics of notes and their balances as of December 31, 2021 and December 31, 2020:

Date of Placement	Currency	Class Number	Amount in Thousands	Type	Term	Maturity Date	Interest Rate / Price	Face Value (*)	
								12.31.2021	12.31.2020
04/11/2017	AR\$	XXXVII (1)	3,845,700	Simple notes, not convertible into shares	1,826 days	04/11/2022	Minimum 15.00% / Badlar + 3.50 %	1,282,028	2,563,800
06/09/2017	AR\$	XXVIII Series II (2)	371,825	Simple notes, not convertible into shares	1,461 days	06/09/2021	Minimum 25.00% / Badlar + 3.70%	-	371,825
7/8/2020	AR\$	XLIV (3)	3,574,897	Simple notes, not convertible into shares	549 days	01/08/2022	Badlar + 4.00%	628,964	3,574,897
12/18/2020	AR\$	XLV (4)	3,057,000	Simple notes, not convertible into shares	365 days	12/18/2021	Badlar + 5.00%	-	3,057,000
02/17/2021	AR\$	XLVI (5)	4,000,000	Simple notes, not convertible into shares	365 days	02/17/2022	Badlar + 4.72%	4,000,000	-
4/6/2021	US\$	XLVII (6)	8,500	Simple notes, not convertible into shares	742 days	04/28/2023	7.00%	873,375	-
04/26/2021	AR\$	XLVIII (7)	5,001,000	Simple notes, not convertible into shares	365 days	4/26/2022	Badlar + 5.00%	5,001,000	-
08/13/2021	AR\$	XLIX Series I (8)	2,712,000	Simple notes, not convertible into shares	365 days	8/13/2022	Badlar + 5.5%	2,712,000	-
08/13/2021	AR\$	XLIX Series II (8)	1,246,500	Simple notes, not convertible into shares	730 days	08/13/2023	Badlar + 7.24%	1,246,500	-
11/10/2021	AR\$	XLIX Series II, Additional Amount (8)	426,344	Simple notes, not convertible into shares	641 days	08/13/2023	Badlar + 7.24%	426,344	-
11/10/2021	AR\$	L (9)	4,050,000	Simple notes, not convertible into shares	365 days	11/10/2022	Badlar + 5.00%	4,050,000	-

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

Please refer to our report dated February 11, 2022

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(Partner)

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### NOTE 35 – NOTES (“OBLIGACIONES NEGOCIABLES”) (CONTINUED)

- (1) 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.
- (2) 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 and Series II was settled upon maturity.
- (3) On July 8, 2020, the Company issued and placed its Class XLIV Notes for a total amount of AR\$ 3,574,897. This issuance was carried out in only one Series. Principal will be settled in 3 consecutive installments within 12, 15 and 18 months.
- (4) On December 18, 2020, the Company issued and placed its Class XLV Notes for a total amount of AR\$ 3,057,000. This issuance was carried out in only one Series. Principal will be settled upon maturity.
- (5) On February 17, 2021, the Company issued and placed its Class XLVI Notes for a total amount of AR\$ 4,000,000. This issuance was carried out in only one Series. Principal will be settled upon maturity. Interest will be paid on a quarterly basis.
- (6) On April 6, 2021, the Company issued and placed its Class XLVII Notes for a total amount of US\$8,500,000 on the domestic market (in nominal currency). This issuance was carried out in only one Series. Principal will be settled upon maturity. Interest will be paid quarterly.
- (7) On April 26, 2021, the Company issued and placed its Class XLVIII Notes for a total amount of AR\$ 5,001,000. This issuance was carried out in only one Series. Principal will be settled upon maturity, while interest will be payable quarterly.
- (8) On August 13, 2021, the Company issued and placed its Class XLIX Notes in two Series, as follows: Series I for AR\$ 2,712,000 at one year and Series II for AR\$1,246,500 at two years. Interest on both series will be repayable on a quarterly basis, with principal being repayable in a lump sum. On November 10, 2021, the Company issued Series II Notes for an additional amount of AR\$ 426,344.
- (9) On November 10, 2021, the Company issued and placed its Class L Notes for a total amount of AR\$ 4,050,000. This issuance was carried out in only one Series. Principal will be settled upon maturity, while interest will be payable quarterly.

#### 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 to Equity Ratio (the Company's Total Liabilities minus Cash and Cash Equivalents) does not exceed 7 to 1,
  - (b) the Indebtedness to Equity Ratio (the Company's Borrowings, minus Cash and Cash Equivalents) 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.

Please refer to our report dated February 11, 2022  
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.F.C. N° 21.000043

# Tarjeta Naranja S.A.

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

## Notes to the Financial Statements (Continued)

For the years ended December 31, 2021 and 2020

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### NOTE 35 – NOTES (“OBLIGACIONES NEGOCIABLES”) (CONTINUED)

On the other hand, in the Price Supplement of Class XXVIII (TC), XLIV, XLV, XLVI, XLVII, XLVIII, XLIX and L 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 financial statements, the Company has complied with the abovementioned covenants undertaken.

### NOTE 36 – HEDGING TRANSACTIONS

The Company has entered into forward transactions in foreign currency to hedge the exchange rate risk associated with U.S. dollar-denominated debt related to the issuance of Class XLVII Notes (“Obligaciones Negociables”).

These transactions are classified as fair value hedges, where the effective portion of the fair value of these derivatives is recognized under Borrowings. The profit or loss attributable to the ineffective portion is immediately charged to the Statement of Profit or Loss. The amount payable in respect of Notes (“Obligaciones Negociables”) is recognized at amortized cost at each period end.

For transactions designated as hedge, upon designation, the Company documents the relation between the hedge instrument and the hedged items, as well as the risk management goal and strategy for hedge transactions. The Company also documents on an ongoing basis its assessment as to whether the hedge instrument is highly effective in offsetting the changes in the fair value of the items hedged.

As of December 31, 2021, the Company has recorded AR\$ 331,579 under “Costs of Financing” in the Statement of Profit or Loss, as a result of these instruments.

	Fair Value of the Hedged Item		Fair Value of the Hedge Instrument		Cumulative Amount of Adjustments to Fair Value Hedge of the Hedged Item included in the Carrying Amount of the Hedged Item
	Assets	Liabilities	Assets	Liabilities	
Exchange Rate Risk (Hedge Transaction)	-	-	-	(338,882)	-
Class XLVII Notes (“Obligaciones Negociables”)	-	(884,074)	-	-	48,835

Please refer to our report dated February 11, 2022  
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 Financial Statements (Continued)

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### NOTE 36 – HEDGING TRANSACTIONS (Continued)

Below is a detail of the exchange rate hedge transactions agreed upon at the time of issuing Class XLVII Notes (“*Obligaciones Negociables*”):

Counterparty	Purchase Transaction Amount (In Thousands of U.S. Dollars)	Purchase Transaction Amount at the Agreed-upon Exchange Rate (In Thousands of Pesos)	Expiration Date of the Contract
Banco de Galicia y Bs As SAU	188	19,171	07/30/2021 (*)
Banco de Galicia y Bs As SAU	147	16,181	10/29/2021(*)
Banco de Galicia y Bs As SAU	152	18,627	01/31/2022
Banco de Galicia y Bs As SAU	147	20,230	04/29/2022
Banco de Galicia y Bs As SAU	149	22,774	07/29/2022
Banco de Galicia y Bs As SAU	152	26,151	10/31/2022
Banco de Galicia y Bs As SAU	149	28,736	01/31/2023
Banco de Galicia y Bs As SAU	8,645	1,786,840	04/28/2023

(\*) This transaction was settled as of the date of these financial statements.

The contracts signed establish that the transaction will be settled without physical delivery of the underlying currency, i.e., through the difference between the spot exchange rate effective on the settlement date and the agreed forward exchange-rate, based on the following: (i) if on the settlement date the spot exchange rate for the settlement is higher than the agreed forward exchange rate, the counterparty undertakes to pay the Company an amount equivalent to the above-mentioned exchange-rate difference, multiplied by the amount of the underlying notional values, (ii) if on the settlement date the spot exchange rate for the settlement is lower than the agreed forward exchange rate, the Company undertakes to pay the counterparty an amount equivalent to the above-mentioned exchange-rate difference, multiplied by the amount of the underlying notional values; and (iii) if on the settlement date the spot exchange rate for the settlement is the same as the agreed forward exchange rate, the parties will not be entitled to make any claim whatsoever to each other.

### Memorandum Accounts:

As of December 31, 2021, the Company had recorded AR\$ 1,564,475 for purchase transactions in memorandum accounts corresponding to the notional values measured at the quoted price of the futures contract at period-end.

Please refer to our report dated February 11, 2022  
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# Tarjeta Naranja S.A.

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

## Notes to the Financial Statements (Continued)

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

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Cash	4,069,385	2,790,666
Placements of Cash-equivalent Funds	1,395,846	1,278,075
<b>Total</b>	<b>5,465,231</b>	<b>4,068,741</b>

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

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Provision for Loan Losses	8,766,661	8,093,362
Provision for Contingencies, Net of Recoveries	113,722	129,978
Provision for Employee Benefit Obligations	1,976,384	2,327,820
Provision for Fees Payable to Directors and Members of the Supervisory Committee (*)	7,679	281,022
Foreign Exchange Loss	(153,045)	(470,120)
Income from Investments Accounted for Using the Equity Method	52,628	39,838
Decrease in Property, Plant and Equipment	121,948	26,677
Depreciation of Property, Plant and Equipment	1,889,499	1,578,906
Amortization of Intangible Assets	1,256,064	1,151,982
<b>Total</b>	<b>14,031,540</b>	<b>13,159,465</b>

(\*) Net of recoveries

### NOTE 39 – CHANGES IN OPERATING ASSETS

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Increase in Receivables from Trade	(110,351,756)	(71,497,681)
Increase in Other Receivables	(763,815)	(487,851)
<b>Total</b>	<b>(111,115,571)</b>	<b>(71,985,532)</b>

Please refer to our report dated February 11, 2022  
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

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# Tarjeta Naranja S.A.

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

## Notes to the Financial Statements (Continued)

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### NOTE 40 – CHANGES IN OPERATING LIABILITIES

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Decrease in Employee Benefit Obligations	(2,009,514)	(1,171,915)
Increase in Trade and Other Payables	45,333,910	36,915,128
Increase / (Decrease) in Accounts Payable	83,607	(183,907)
Increase in Tax Liabilities	2,211,480	1,121,934
Income Tax Payments	(1,558,223)	(3,867,176)
Increase in Other Liabilities	243,235	208,963
Decrease in Provision for Contingencies	(93,115)	(62,331)
<b>Total</b>	<b>44,211,380</b>	<b>32,960,696</b>

### NOTE 41 – ADDITIONAL INFORMATION ON THE STATEMENT OF CASH FLOWS

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

	At the Beginning of the Year	Borrowing	Principal, Interest and Expenses Payments	Interest and Expenses Payable	Effect of Restatement	At Year-end
Notes ("Obligaciones Negociables")	15,213,075	19,992,908	(13,105,345)	7,692,178	(8,465,619)	21,327,197
Borrowings	9,915,065	24,620,529	(10,304,831)	5,865,641	(6,656,071)	23,440,333
<b>Total</b>	<b>25,128,140</b>	<b>44,613,437</b>	<b>(23,410,176)</b>	<b>13,557,819</b>	<b>(15,121,690)</b>	<b>44,767,530</b>

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

	12.31.2021	12.31.2020
	In Thousands of AR\$	
Payment in Kind for the Issuance of Class XLIX and L Notes ("Obligaciones Negociables")	2,216,787	-

Please refer to our report dated February 11, 2022  
PRICE WATERHOUSE & CO. S.R.L.

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# Tarjeta Naranja S.A.

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

## Notes to the Financial Statements (Continued)

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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 430 - 25th 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 September 2020, Tarjetas Regionales S.A. and Tarjeta Naranja S.A., as shareholders of Cobranzas Regionales S.A., made irrevocable contributions to offset losses on a proportional basis to their equity interests, in the amount of AR\$ 294,068 and AR\$ 15,478, respectively (AR\$ 175,000 and AR\$ 9,211 in nominal values, respectively). The contributions were accepted by the Board of Directors of Cobranzas Regionales S.A., as per Minutes No. 201 and No. 202.

In October 2020, Tarjetas Regionales S.A. and Tarjeta Naranja S.A., as shareholders of Cobranzas Regionales S.A., made irrevocable contributions to offset losses on a proportional basis to their equity interests, in the amount of AR\$ 283,409 and AR\$ 14,917, respectively (AR\$ 175,000 and AR\$ 9,211 in nominal values, respectively). The contributions were accepted by the Board of Directors of Cobranzas Regionales S.A., as per Minutes No. 203.

In January 2021, Tarjetas Regionales S.A. and Tarjeta Naranja S.A., as shareholders of Cobranzas Regionales S.A., made irrevocable contributions to offset losses on a proportional basis to their equity interests, in the amount of AR\$ 103,361 and AR\$ 5,440, respectively (AR\$ 71,250 and AR\$ 3,750 in nominal values, respectively). The contribution was accepted by the Board of Directors of Cobranzas Regionales S.A., as per Minutes No. 206.

In February 2021, Tarjetas Regionales S.A. and Tarjeta Naranja S.A., as shareholders of Cobranzas Regionales S.A., made irrevocable contributions to offset losses on a proportional basis to their equity interests, in the amount of AR\$ 66,529 and AR\$ 3,502, respectively (AR\$ 47,500 and AR\$ 2,500 in nominal values, respectively). The contribution was accepted by the Board of Directors of Cobranzas Regionales S.A., as per Minutes No. 208.

In March 2021, Tarjetas Regionales S.A. and Tarjeta Naranja S.A., as shareholders of Cobranzas Regionales S.A., made irrevocable contributions to offset losses on a proportional basis to their equity interests, in the amount of AR\$ 253,901 and AR\$ 13,363, respectively (AR\$ 190,000 and AR\$ 10,000 in nominal values, respectively). The contribution was accepted by the Board of Directors of Cobranzas Regionales S.A., as per Minutes No. 211.

In April 2021, Tarjetas Regionales S.A. and Tarjeta Naranja S.A., as shareholders of Cobranzas Regionales S.A., made irrevocable contributions to offset losses on a proportional basis to their equity interests, in the amount of AR\$ 256,787 and AR\$ 13,515, respectively (AR\$ 200,000 and AR\$ 10,526 in nominal values, respectively). The contribution was accepted by the Board of Directors of Cobranzas Regionales S.A., as per Minutes No. 214.

In May 2021, Tarjetas Regionales S.A. and Tarjeta Naranja S.A., as shareholders of Cobranzas Regionales S.A., made irrevocable contributions to offset losses on a proportional basis to their equity interests, in the amount of AR\$ 590,255 and AR\$ 31,066, respectively (AR\$ 475,000 and AR\$ 25,000 in nominal values, respectively). The contribution was accepted by the Board of Directors of Cobranzas Regionales S.A., as per Minutes No. 217.

Please refer to our report dated February 11, 2022  
PRICE WATERHOUSE & CO. S.R.L.

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# Tarjeta Naranja S.A.

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## Notes to the Financial Statements (Continued)

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

On August 2, 2021, Tarjetas Regionales S.A. and Tarjeta Naranja S.A., as shareholders of Cobranzas Regionales S.A., made irrevocable contributions to offset losses on a proportional basis to their equity interests, in the amount of AR\$ 216,826 and AR\$ 11,412, respectively (AR\$ 190,000 and AR\$ 10,000 in nominal values, respectively). The contribution was accepted by the Board of Directors of Cobranzas Regionales S.A., as per Minutes No. 219.

On September 1, 2021, Tarjetas Regionales S.A. and Tarjeta Naranja S.A., as shareholders of Cobranzas Regionales S.A., made irrevocable contributions to offset losses on a proportional basis to their equity interests, in the amount of AR\$ 104,700 and AR\$ 5,511, respectively (AR\$ 95,000 and AR\$ 5,000 in nominal values, respectively). The contribution was accepted by the Board of Directors of Cobranzas Regionales S.A., as per Minutes No. 223.

On October 14, 2021, Tarjetas Regionales S.A. and Tarjeta Naranja S.A., as shareholders of Cobranzas Regionales S.A., made irrevocable contributions to offset losses on a proportional basis to their equity interests, in the amount of AR\$ 389,401 and AR\$ 20,495, respectively (AR\$ 365,750 and AR\$ 19,250 in nominal values, respectively). The contribution was accepted by the Board of Directors of Cobranzas Regionales S.A., as per Minutes No. 224.

On November 18, 2021, Tarjetas Regionales S.A. and Tarjeta Naranja S.A., as shareholders of Cobranzas Regionales S.A., made irrevocable contributions to offset losses on a proportional basis to their equity interests, in the amount of AR\$ 371,980 and AR\$ 19,578, respectively (AR\$ 358,000 and AR\$ 18,854 in nominal values, respectively). The contribution was accepted by the Board of Directors of Cobranzas Regionales S.A., as per Minutes No. 227.

The following are Tarjeta Naranja S.A.'s balances with related companies as of December 31, 2021:

Companies under Section 33 of Law No. 19550			
	Banco de Galicia y de Buenos Aires S.A.U.	Tarjetas Regionales S. A.	Total
	In Thousands of AR\$		
ASSETS			
Cash and Cash Equivalents	561,505	-	561,505
Other Receivables	-	-	-
<b>Total Current Assets as of 12.31.2021</b>	<b>561,505</b>	<b>-</b>	<b>561,505</b>
<b>Total Assets as of 12.31.2021</b>	<b>561,505</b>	<b>-</b>	<b>561,505</b>
LIABILITIES			
Trade and Other Payables	19,276	-	19,276
Borrowings	7,792,923	-	7,792,923
Dividends Payable	-	2,698,920	2,698,920
Other Liabilities	10,627	-	10,627
<b>Total Current Liabilities as of 12.31.2021</b>	<b>7,822,826</b>	<b>2,698,920</b>	<b>10,521,746</b>
Borrowings	26,135	-	26,135
Hedging Transactions	338,882	-	338,882
Other Liabilities	1,840	-	1,840
<b>Total Non-current Liabilities as of 12.31.2021</b>	<b>366,857</b>	<b>-</b>	<b>366,857</b>
<b>Total Liabilities as of 12.31.2021</b>	<b>8,189,683</b>	<b>2,698,920</b>	<b>10,888,603</b>

Please refer to our report dated February 11, 2022  
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

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# Tarjeta Naranja S.A.

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## Notes to the Financial Statements (Continued)

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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, 2021:

Other Related Parties								
	Cobranzas Regionales S.A.	Galicia Vida S.A.	Galicia Seguros S.A.	Naranja Digital Compañía Financiera S.A.U.	Ondara S.A.	Key Management Personnel	Parque Azul S.R.L.	Total
In Thousands of AR\$								
<b>ASSETS</b>								
Cash and Cash Equivalents	197,821	64	-	933	-	-	-	198,818
Investments	-	-	-	10,475	-	-	-	10,475
Other Receivables	2,257	-	8,932	1,458	-	-	-	12,647
<b>Total Current Assets as of 12.31.2021</b>	<b>200,078</b>	<b>64</b>	<b>8,932</b>	<b>12,866</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>221,940</b>
<b>Total Assets as of 12.31.2021</b>	<b>200,078</b>	<b>64</b>	<b>8,932</b>	<b>12,866</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>221,940</b>
<b>LIABILITIES</b>								
Trade and Other Payables	203,122	-	1,325	-	-	-	25,032	229,479
Salaries Payable	-	-	-	-	-	2,713	-	2,713
Dividends Payable	-	-	-	-	1,080	-	-	1,080
Other Liabilities	-	-	-	516	-	45,744	-	46,260
<b>Total Current Liabilities as of 12.31.2021</b>	<b>203,122</b>	<b>-</b>	<b>1,325</b>	<b>516</b>	<b>1,080</b>	<b>48,457</b>	<b>25,032</b>	<b>279,532</b>
<b>Total Liabilities as of 12.31.2021</b>	<b>203,122</b>	<b>-</b>	<b>1,325</b>	<b>516</b>	<b>1,080</b>	<b>48,457</b>	<b>25,032</b>	<b>279,532</b>

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# Tarjeta Naranja S.A.

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## Notes to the Financial Statements (Continued)

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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 year ended December 31, 2021:

Companies under Section 33 of Law No. 19550	
	<b>Banco de Galicia y Buenos Aires S.A.U.</b>
	<b>In Thousands of AR\$</b>
<b>REVENUES</b>	
Revenues from Services	3,313
<b>Totals as of 12.31.2021</b>	<b>3,313</b>
<b>EXPENSES</b>	
Rentals	(3,711)
Costs of Services	(25,619)
Bank and Financial Interest	(1,924,974)
Loss Resulting from Hedging Transactions	(331,579)
Bank Expenses	(74,012)
Professional Fees	(27,068)
<b>Totals as of 12.31.2021</b>	<b>(2,386,963)</b>

The following are the transactions carried out by Tarjeta Naranja S.A. with other related parties during the year ended December 31, 2021:

Other Related Parties								
	Cobranzas Regionales S.A.	Galicia Seguros S.A.	Naranja Digital Compañía Financiera S.A.U.	Parque Azul S.R.L.	Key Management Personnel	Golden S.A.	Colores S.A.	Total
	In Thousands of AR\$							
<b>REVENUES</b>								
Revenues from Services	642,522	1,551,589	-	5,237	-	-	-	2,199,348
Revenues from Financing	-	-	475	2,094	-	-	-	2,569
<b>Totals as of 12.31.2021</b>	<b>642,522</b>	<b>1,551,589</b>	<b>475</b>	<b>7,331</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,201,917</b>
<b>EXPENSES</b>								
Rentals	-	-	-	-	-	(9,563)	(3,188)	(12,751)
Directors' Fees	-	-	-	-	(7,679)	-	-	(7,679)
Salaries	-	-	-	-	(126,051)	-	-	(126,051)
<b>Totals as of 12.31.2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(133,730)</b>	<b>(9,563)</b>	<b>(3,188)</b>	<b>(146,481)</b>

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PRICE WATERHOUSE & CO. S.R.L.

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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, 2020:

Companies under Section 33 of Law No. 19550	
	Banco de Galicia y de Buenos Aires S.A.U.
	In Thousands of AR\$
<b>ASSETS</b>	
Cash and Cash Equivalents	382,873
Other Receivables	15,760
<b>Total Current Assets as of 12.31.2020</b>	<b>398,633</b>
<b>Total Assets as of 12.31.2020</b>	<b>398,633</b>
<b>LIABILITIES</b>	
Trade and Other Payables	175,500
Borrowings	3,011,704
Other Liabilities	8,830
<b>Total Current Liabilities as of 12.31.2020</b>	<b>3,196,034</b>
Borrowings	148,211
Other Liabilities	6,934
<b>Total Non-current Liabilities as of 12.31.2020</b>	<b>155,145</b>
<b>Total Liabilities as of 12.31.2020</b>	<b>3,351,179</b>

The following are Tarjeta Naranja S.A.'s balances with other related parties as of December 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\$					
<b>ASSETS</b>						
Cash and Cash Equivalents	56,988	-	79	-	-	57,067
Other Receivables	-	11,062	-	-	-	11,062
<b>Total Current Assets as of 12.31.2020</b>	<b>56,988</b>	<b>11,062</b>	<b>79</b>	<b>-</b>	<b>-</b>	<b>68,129</b>
<b>Total Assets as of 12.31.2020</b>	<b>56,988</b>	<b>11,062</b>	<b>79</b>	<b>-</b>	<b>-</b>	<b>68,129</b>
<b>LIABILITIES</b>						
Trade and Other Payables	118,595	-	-	-	25,221	143,816
Salaries Payable	-	-	-	4,276	-	4,276
Other Liabilities	17,521	-	-	189,149	-	206,670
<b>Total Current Liabilities as of 12.31.2020</b>	<b>136,116</b>	<b>-</b>	<b>-</b>	<b>193,425</b>	<b>25,221</b>	<b>354,762</b>
<b>Total Liabilities as of 12.31.2020</b>	<b>136,116</b>	<b>-</b>	<b>-</b>	<b>193,425</b>	<b>25,221</b>	<b>354,762</b>

Please refer to our report dated February 11, 2022  
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 Financial Statements (Continued)

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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 year ended December 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	113,416
Interest on Time Deposits	9,156
<b>Totals as of 12.31.2020</b>	<b>122,572</b>
EXPENSES	
Rentals	(13,644)
Costs of Services	(7,304)
Bank and Financial Interest	(388,815)
Bank Expenses	(114,930)
Professional Fees	(33,284)
<b>Totals as of 12.31.2020</b>	<b>(557,977)</b>

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

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.	Total
	In Thousands of AR\$						
REVENUES							
Revenues from Services	460,698	1,414,403	6,320	-	-	-	1,881,421
Revenues from Financing	-	-	1,069	-	-	-	1,069
<b>Totals as of 12.31.2020</b>	<b>460,698</b>	<b>1,414,403</b>	<b>7,389</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,882,490</b>
EXPENSES							
Rentals	-	-	-	-	(11,884)	(3,961)	(15,845)
Directors' Fees	-	-	-	(268,293)	-	-	(268,293)
Salaries	-	-	-	(89,926)	-	-	(89,926)
<b>Totals as of 12.31.2020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(358,219)</b>	<b>(11,884)</b>	<b>(3,961)</b>	<b>(374,064)</b>

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### NOTE 43 - RESTRICTED ASSETS

#### Liens in Force

As of December 31, 2021 and 2020, the Company was subject to liens due to labor-related lawsuits (see Note 31) for a total amount of AR\$ 99,254 and AR\$ 1,468, respectively, 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 financial statements under "Other Receivables".

#### Covenants Undertaken

The commitments undertaken by virtue of Class XXVIII (TC), XXXVII, XLIV, XLV, XLVI, XLVII, XLVIII, XLIX and L Notes ("*Obligaciones Negociables*") issued by the Company are mentioned in Note 35.

#### Security Deposits

As of December 31, 2021 and 2020, the Company has paid AR\$ 8,646 and AR\$ 10,680, respectively, for security related to certain buildings lease agreements and for transactions done with the American Express brand. These funds have been included in these 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 ended December 31, 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 (Borrowings minus Cash and Cash Equivalents) 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 12.31.2021	Administrative Expenses	Marketing Expenses	Totals as of 12.31.2020
In Thousands of AR\$				
Directors' Fees	7,679	7,679	-	268,293
Supervisory Committee Members' Fees	578	578	-	12,729
Bonuses for the Personnel	1,376,571	426,736	949,835	1,254,918
Compensation and Social Security Charges	9,365,474	5,284,190	4,081,284	9,582,753
Other Employee Expenses	747,459	425,421	322,038	707,946
Taxes, Rates and Contributions	10,252,580	1,305,390	8,947,190	7,939,550
Travel Expenses and Per Diem	36,605	19,955	16,650	56,015
Maintenance of Equipment and Buildings	612,195	612,195	-	626,189
Depreciation of Property, Plant and Equipment	1,889,499	1,322,649	566,850	1,578,906
Amortization of Intangible Assets	1,256,064	1,256,064	-	1,151,982
Rentals	479,321	228,586	250,735	459,453
Stationery and Office Supplies	52,921	16,677	36,244	109,933
Opening of Accounts	664,005	-	664,005	251,564
Publicity and Advertising	850,435	-	850,435	917,494
Donations	13,566	13,566	-	54,345
Electricity, Natural Gas and Communications	480,154	91,331	388,823	669,430
Third Parties' Fees	1,851,727	1,851,727	-	2,515,317
Insurance and Security Services	237,476	27,112	210,364	302,374
Bank and Financial Expenses	172,644	172,644	-	271,296
Regular Mail Services	129,166	37,709	91,457	163,699
Expenses for Commercial Reports and Procedures for the Collection of Amounts in Arrears	714,792	714,792	-	919,084
Collection Expenses	1,743,623	1,743,623	-	2,460,831
General Expenses	1,775,316	1,010,432	764,884	1,610,370
Expenses for Telephone Sale Channel	410,181	-	410,181	367,094
Expenses for Telephone Sale Channel	1,272,025	-	1,272,025	790,905
Printing and Distribution Expenses	697,743	-	697,743	716,898
Cleaning Expenses	220,342	36,321	184,021	237,177
Special Promotions	501,838	-	501,838	327,274
Expenses from Call Center Services	785,146	224,308	560,838	1,445,062
<b>Totals as of 12.31.2021</b>	<b>(1)38,597,125</b>	<b>16,829,685</b>	<b>21,767,440</b>	
<b>Totals as of 12.31.2020</b>		<b>20,816,733</b>	<b>16,952,148</b>	<b>(1) 37,768,881</b>

(1) Total marketing and administrative expenses correspond with the amount of the lines "Costs of Services" and "Total Operating Expenses" in the 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 12.31.2021	Amount in Argentine Currency as of 12.31.2020
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents				
Deposits in Argentina	519	(1)102.75	53,320	12,495
Deposits Abroad	-	101.75	20	463
Receivables from Trade	4,191	101.75	426,462	422,662
Other Receivables	1,018	101.75	103,564	25,046
<b>Total Current Assets</b>			<b>583,366</b>	<b>460,666</b>
<b>NON-CURRENT ASSETS</b>				
Other Receivables				
Security Deposits	-	101.75	-	2,263
<b>Total Non-current Assets</b>			<b>-</b>	<b>2,263</b>
<b>Total Assets</b>			<b>583,366</b>	<b>462,929</b>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Trade and Other Payables				
Merchants ("Comercios Amigos")	270	107.75	29,142	69,527
Collections on Account of Third Parties	12	(1)102.75	1,236	4,051
Borrowings				
Notes ("Obligaciones Negociables")	104	(1)102.75	10,699	-
<b>Total Current Liabilities</b>			<b>41,077</b>	<b>73,578</b>
<b>NON-CURRENT LIABILITIES</b>				
Borrowings				
Notes ("Obligaciones Negociables")	8,500	(1)102.75	873,375	-
<b>Total Non-Current Liabilities</b>			<b>873,375</b>	<b>-</b>
<b>Total Liabilities</b>			<b>914,452</b>	<b>73,578</b>

US\$: United States Dollars.

(1) Reference Exchange Rate established by the Central Bank

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## Notes to the Financial Statements (Continued)

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### NOTE 46 – PORTFOLIO ASSIGNMENT

As of December 31, 2021, 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)	Portfolio Assignment attributable to Memorandum Accounts	Active Portfolio Assignment
03/25/2021	Comafi Fiduciario Financiero S.A. (Frankel)	71,958	799,531	927,554	140,756
05/27/2021	Comafi Fiduciario Financiero S.A. (Frankel)	14,332	169,769	187,207	23,756
06/02/2021	Creditia Corp	31,485	341,664	402,249	9,246
09/22/2021	Fideicomiso Los Geranios	687	5,629	6,156	-
09/23/2021	Estudio Jurídico Taladrid	2,077	9,017	9,319	-
09/28/2021	Comafi Fiduciario Financiero S.A. (Frankel)	114,485	1,116,932	917,546	312,929
11/29/2021	Creditia Corp	111,156	921,921	354,986	566,794
<b>Totals</b>		<b>346,180</b>	<b>3,364,463</b>	<b>2,805,017</b>	<b>1,053,481</b>

(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.

### NOTE 47 – DOCUMENTATION FILING

On August 14, 2014, the National Securities Commission issued General Resolution No. 629, introducing 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.

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### NOTE 48 – ECONOMIC ENVIRONMENT

The Company operates amidst a challenging economic environment, both locally and internationally.

In recent months, international markets have been affected by the proliferation of the Coronavirus' Omicron variant, the persistence of substantial inflationary pressures, and certain disruptive decisions in China, among other factors. Consequently, global economic recovery is still ongoing, though at a slower pace than that observed months ago. The new international outlook seems to converge into one characterized by more moderate economic growth with tighter financial conditions, in addition to further inflationary pressures caused by delays in production chains and hikes in certain commodity prices. In this vein, the U.S. Federal Reserve has begun to withdraw liquidity from markets (also known as "tapering"). Based on the most recent projections from the Monetary Policy Committee's members, three rate hikes are expected in 2022.

Locally, after recording a 9.9% decline in GDP in 2020, the Argentine economy managed to return to pre-pandemic levels by July 2021. During the third quarter of 2021, GDP grew 11.9% year-on-year, driven by the low basis for comparison. Besides, in seasonally-adjusted terms, GDP increased 4.1% vis-a-vis the second quarter of 2021. Such increase was attributable to the absence of the restrictions on circulation that had been in place during the second quarter of 2021 (which were subsequently eased), in addition to expansionary fiscal and monetary policies prior to elections. According to INDEC, in November, economic activity climbed 1.7%, on a monthly basis. Accordingly, economic activity grew 3.7% compared to February 2020—the month prior to the implementation of the first restrictions imposed to cope with the pandemic.

In the meantime, fiscal accounts displayed a primary deficit equal to 3.6% of GDP in 2021 (excluding the proceeds from the one-off "Millionaires' Tax" and the Special Drawing Rights (SDRs) transferred by the International Monetary Fund). In recent months, the public sector accounts deficit has experienced a considerable increase—attributable, to a greater extent, to a rise in primary expenditures associated with elections than to a decline in total revenues. As a result of such increased deficit, the Central Bank reinforced its assistance to the Treasury during the fourth quarter of 2021. In October, the Central Bank transferred profits for a total amount of AR\$787,712,000, thereby using up this form of financing, in addition to Temporary Advances for a total amount of AR\$ 912,599,000. During 2021, the Central Bank provided assistance to the Treasury for as much as 3.7% of GDP, out of which 2.5% was concentrated on the fourth quarter.

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### NOTE 48 - ECONOMIC ENVIRONMENT (CONTINUED)

The issuance of pesos to cover the fiscal gap has been putting pressure on the FX front for several months now, combined with the uncertainty over the settlement of foreign currency surrender requirements from 2022's crop harvest, as rains are too likely to be scarcer than average levels during the Southern Hemisphere's summer, affecting crop yields. Consequently, in recent months the Central Bank has continued adopting a number of measures to curb the loss of foreign currency. During the fourth quarter of 2021, there was a decline in sales of U.S. dollars to the private sector and in the use of foreign currency to intervene in the securities market and to make Treasury's debt repayments. In spite of this, international reserves decreased by US\$ 3,249,000 (in thousands), to a total of US\$ 39,662,000 (in thousands) at year-end.

Despite the growing pressures, the Central Bank maintained the FX anchor firmly strong until the general legislative elections held in mid-November. However, post-elections, the official exchange rate started to climb until reaching an annualized pace of 22% in December—still below the inflation rate for eighteenth consecutive month, which in December was standing at 50.9% in annual terms. In particular, the official exchange rate established by the Central Bank on a daily basis through Communiqué "A" 3500 depreciated from AR\$/US\$ 98.74 on the last business day of September to AR\$/US\$ 102.75 on the last business day of December. As a result of the use of an exchange anchor, the real effective exchange rate appreciated, declining 5.1% from September 30 to December 31. In 2021, the real effective exchange rate appreciated by 18.0%.

Recently, the Government announced it had reached an understanding with the IMF concerning an agreement. The announcement took the form of a message recorded by President Fernández, followed by a press conference in charge of the Minister of Economy and the Chief of Cabinet. As stated by the Minister of Economy, the understanding envisages a fiscal consolidation plan and the reduction of the Central Bank's assistance to the Treasury. The primary fiscal deficit would stand at 2.5% of GDP in 2022, to be gradually reduced until hitting a balance in 2025.

On the other hand, the monetization of the fiscal deficit would decrease to 1.0% of GDP this year, and to 0.6% in 2023, to be completely eliminated by 2024. The deal with the IMF would allow to raise financing to honor principal repayments due under the Stand-By Agreement entered into in 2018 and would involve quarterly reviews by the IMF for two years and a half. Even though no mention has been made to a specific date, the final deal would be closed in the coming weeks, for subsequent submission to the Argentine Congress and approval by the IMF's Board before the principal repayments due in late March.

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### NOTE 48 - ECONOMIC ENVIRONMENT (CONTINUED)

Concerning the pandemic, since its outbreak in March 2020, the National Government has adopted certain measures to contain the virus proliferation, including, without limitation, border closures and mandatory social distancing measures, combined with the interruption of non-essential business activities for a long time, with certain differences depending on the region and the activity. As of the date of these financial statements, productive and business activities have been resumed, in compliance with health protocols and certain rules of conduct.

However, the above-described scenario did not have adverse consequences on the Company's business or results of operations.

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 potential impacts on its financial position. These financial statements should be read in the light of these circumstances.

### NOTE 49 – SUBSEQUENT EVENTS

On January 3, 2022, Tarjetas Regionales S.A. and Tarjeta Naranja S.A., as shareholders of Cobranzas Regionales S.A., made irrevocable contributions to offset losses on a proportional basis to their equity interests, in the amount of AR\$ 475,000 and AR\$ 25,000, respectively. The contribution was accepted by the Board of Directors of Cobranzas Regionales S.A., as per Minutes No. 228.

As part of its Global Program for the Issuance of Short-, Medium- and/or Long-term Notes ("*Obligaciones Negociables*"), on January 31, 2022 the Company issued Class LI Notes in 2 Series as follows: i) Series I for an aggregate principal amount of AR\$ 2,715,058 due within 12 months from the date of issuance. The notes will accrue interest at a Badlar plus a 3.99% margin, payable on a quarterly basis. ii) Series II for an aggregate principal amount of AR\$ 3,284,942 due within 24 months from the date of issuance, with interest being payable quarterly, at Badlar plus a 6.0% margin.

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# Tarjeta Naranja S.A.

## Summary of Activity

As of December 31, 2021

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### SUMMARY OF ACTIVITY

As of December 31, 2021, we had 3,340,578 open accounts under the Naranja brand. This figure reaches a total of 4,640,267 customers when considering Naranja additional cardholders.

As of December, we completed 180,508,605 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 December 31, 2021, profit was AR\$ 9,120,566, accounting for an increase of 82% in constant currency as compared to the previous year. At period-end, equity amounted to AR\$ 39,232,986 in constant currency. The Company's Ordinary Shareholders' Meeting approved a distribution of dividends in the amount of AR\$ 5,890,533. Out of that total, AR\$ 2,700,000 were partially released from the discretionary reserve for distribution of future dividends and/or to generate new businesses and undertakings, as required by the Company's financial needs.

### Sources of Financing

As of December 31, 2021, Naranja X secured financing through the issuance of Notes ("*Obligaciones Negociables*") for an aggregate amount of AR\$ 17,435,844 (in nominal currency) and US\$ 8,500 (in thousands) and new Borrowings and Credit Lines for AR\$ 22,225,000 (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\$ 18,397,819 (in nominal currency).

## Review of Operations as of December 31

### Increase in Digital Payments

During 2021, we continued with the migration of card payments, leveraging customers' enhanced experience to facilitate transactions. At the beginning of 2021, digital transactions accounted for 48% of the total, while at year-end digital payments rose to 52%—66% of which are made through our own channels, which means increased efficiency.

Finally, the Company managed to improve its Customer Effort Score (CES)—a metric that measures the ease of the digital payment experience— from 90 points in 2020 to 91% at the reporting period end.

### Increased Portfolio Financing

In order to improve the financing offering available to customers in 2021, we included new plans and products. With varying options and plans based on customer segments, we offered up to 18 installments with the Z Plan (up to 3-interest free installments), as well as with Naranja Plus for customers who were current with their card payments. This action allowed to increase the financed portfolio by 60%.

Effective since September, we implemented "Pago Flex," a facility to finance the card payment through all digital channels and for purchases in excess of AR\$ 800. The plan comprises a cash payment and installments based on each customer's particular case, plus interest on the balance being financed. With this product, we achieved considerable efficiency gains and enhanced profitability with each customer.

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# Tarjeta Naranja S.A.

## Summary of Activity (Continued)

As of December 31, 2021

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### Consumption Level

During the reporting period, we strived to boost the use of the card, reducing the number of inactive accounts, and minimizing attrition. Annual consumption grew 21%, in tandem with average consumption per customer, with a 13% increase in transactions relative to 2020. In 2021, the number of inactive accounts declined 16%, while attrition fell 27%, maintaining an account activation ratio of 77% at 90 days versus 2020.

### Arrears Ratios

Similarly to the previous year, in 2021, collection efforts of amounts in arrears were a significant determining factor of this year's performance. The 30 days' arrears ratio averaged 6.04%, the lowest mark in the Company's history.

Besides, 120 days' arrears —a ratio which indicates arrears after completion of early arrears collection efforts—displayed very good performance, with an annual average of 0.55%.

These results were primarily driven by early management of customers likely to fall into arrears, by using new analytical models, maximizing management capacity, and offering tailored-made refinancing plans, consistent with the complexity of the prevailing context and the constant search for better arrears management solutions.

### Personal Loans

In 2021, the Company expanded its offering for account holders. The Company offers loans for a maximum amount of AR\$ 750,000 repayable in 36 installments. The promotional actions are aimed at offering customers their first borrowing experiences, with focus on financial inclusion. Through these efforts, Naranja X was able to achieve sustained growth and hit loan origination records in recent months.

### Insurance and Assistance Products

At the reporting period end, the Company recorded 2.1 million insurance policies and assistance products, with an average of 70,000 new products per month. These indicators were maintained throughout the year.

Some remarkable initiatives during the year included the migration of insurance sales to the new NX app and the sale of products within the ecosystem workflows (loans and debits).

### Promotions and Benefits

At the beginning of 2021, and with the gradual opening of stores in Argentina, we launched "Smartes Recargado" (an umbrella action under the Zeta Plan and up to 25% discounts through an intensive communication campaign, leveraging the "Smartes" brand) on categories and stores that were not traditionally included in this campaign, such as mattress and paint shops, Falabella, and Farmacity. Benefits include payment plans in up to 12 installments and up to 25% discounts. Naranja X participated in the Hot Sale event, boosting sales and pushing sustainable growth month over month, despite the COVID-19 second wave.

Grido and Starbucks were some of the brands that joined the portfolio of benefits available to cardholders. At supermarkets, we expanded our benefit offering not only with the Zeta Plan (up to 3 interest-free installments), but also with an online offering including up to 20% unlimited discounts.

Besides, a new sales event was created known as the "Electro Week," during which electronics stores offered special prices. Naranja X supported the action with plans in more installments.

We also supported the categories most badly affected by the pandemic— such as bus and air tickets—with plans, terms and conditions, as well as with web-based communication efforts.

Please refer to our report dated February 11, 2022  
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C. N° 21.00004.3

# **Tarjeta Naranja S.A.**

## **Summary of Activity (Continued)**

As of December 31, 2021

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

### **Social Innovation and Sustainability Strategy**

In line with the business transformation, in 2021 Naranja X presented its new Social Innovation and Sustainability strategy. The strategy design was based on the "Future-Fit" methodology, an international tool that allows companies and organizations in general to assess whether their services, sources of income and operations are conducive—or not—to a fairer and more equal society and to a regenerating environment. The process encompassed already existing initiatives, initiatives that were redesigned based on new action lines, and new opportunities that were identified to boost the business through a triple impact approach: **Economic, social and environmental.**

### **2021 Awards and Distinctions**

Naranja X 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.

Naranja X also ranked 19th among Argentina's most responsible companies with best corporate governance—a report prepared by the Spanish firm Análisis e Investigación and audited by KPMG.

Finally, the Company made it to the 4th position in the ranking of "Best Employers," which is compiled by Apertura.

### **2022 Outlook**

After Argentina's economic rebound in 2021, driven, in part, by the low base of comparison versus 2020, activity growth would moderate in 2022. The macroeconomic imbalances accumulated in recent years, particularly during 2020, would start to be fixed in light of the agreement with the IMF. In principle, the agreement would require a more moderate primary deficit, a decrease in the FX gap, the phasing out of the existing exchange controls and foreign trade restrictions, and less pressure on monetary issuance. In the short term, these corrections would have a negative impact on purchasing power—a more moderate primary deficit and exchange rate lag would entail adjustments to utility rates and the official exchange rate, coupled with a reduction in discretionary expenditures. The foregoing would negatively affect purchasing power; therefore, economic growth would not be driven by spending. Exports and investment could eventually support activity growth, once the macroeconomic correction months are left behind, paving the way for a modest recovery in 2022.

Against this backdrop, we should highlight the risks and opportunities faced by Naranja X. On the risks side, one of the most significant ones is the economic turmoil that has prevailed in Argentina over the last years. Years of shrinking activity, exchange volatility, high inflation, changes in the sector's regulations and the adoption of reforms with uncertain results are just a few examples of the challenges the financial sector, in general, and Naranja X, in particular, have to face.

Finally, as a consequence of all the foregoing, Naranja X seeks to become the most human technological and financial platform preferred by Argentinians. This will surely allow it to scale up new products and services simply and to a massive extent, facilitating financial inclusion and education.

Please refer to our report dated February 11, 2022  
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C. N° 21.00004.3

# Tarjeta Naranja S.A.

## Summary of Activity (Continued)

As of December 31, 2021

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	12.31.21	12.31.20	12.31.19	12.31.18	12.31.17
Open Accounts (in Thousands)	3,341	3,282	3,257	3,413	2,977
Monthly Average Consumption per Active Account (in Thousands of AR\$) (1)	15.82	13.72	12.65	15.15	16.90

Nevada	12.31.21	12.31.20	12.31.19	12.31.18	12.31.17
Open Accounts (in Thousands)	-	-	-	-	781
Monthly Average Consumption per Active Account (in Thousands of AR\$)	-	-	-	11	14

(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	12.31.21	12.31.20	12.31.19	12.31.18	12.31.17
Amounts in Thousands (until December) (1)	180,509	159,090	177,849	166,330	150,033
Monthly Average Amount (in Thousands of AR\$) (1)	46,883,337	39,469,830	39,375,644	44,543,107	47,591,587
Merchants' Average Fee	1.72%	1.92%	2.08%	2.19%	2.33%

Transactions with Nevada	12.31.21	12.31.20	12.31.19	12.31.18	12.31.17
Amounts in Thousands	-	-	-	20,142	7,837
Monthly Average Amount (in Thousands of AR\$)	-	-	-	4,722,791	8,037,646

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

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

	12.31.21	12.31.20	12.31.19	12.31.18	12.31.17
Naranja Clásica and Oro	4,640	4,619	4,605	4,777	4,266
Naranja Visa	3,594	3,514	3,451	3,504	2,968
Naranja MasterCard	381	416	454	491	531
Naranja Amex	60	64	49	46	41
Nevada	-	-	-	0	960
Nevada Visa	-	-	-	0	551
<b>Total</b>	<b>8,675</b>	<b>8,613</b>	<b>8,559</b>	<b>8,818</b>	<b>9,317</b>

Please refer to our report dated February 11, 2022  
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C. N° 21.00004.3

# Tarjeta Naranja S.A.

## Summary of Activity (Continued)

As of December 31, 2021

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

### COMPARATIVE CHART OF BALANCE SHEET

	12.31.21	12.31.20	12.31.19	12.31.18	12.31.17
Current Assets	179,536,406	136,574,898	116,058,742	147,537,058	156,403,891
Non-current Assets	12,534,534	14,537,003	15,131,654	14,307,389	13,819,250
Assets	192,070,940	151,111,901	131,190,396	161,844,447	170,223,141
Current Liabilities	147,213,580	110,276,761	91,709,515	104,974,650	90,532,008
Non-current Liabilities	5,624,374	4,832,187	7,205,960	27,398,580	40,945,012
Liabilities	152,837,954	115,108,948	98,915,475	132,373,230	131,477,020
Equity	39,232,986	36,002,953	32,274,921	29,471,217	38,746,121

### COMPARATIVE CHART OF STATEMENTS OF PROFIT OR LOSS

	12.31.21	12.31.20	12.31.19	12.31.18	12.31.17
Operating Revenues	65,242,265	53,591,670	58,313,730	65,653,270	46,021,236
Operating Revenues, Net of Provision for Loan Losses	57,309,361	45,940,628	48,267,962	52,226,072	40,985,626
Total Operating Expenses	(31,119,675)	(30,164,920)	(34,415,559)	(40,474,462)	(25,119,235)
Loss / (Income) from Investments Accounted for Using the Equity Method	(52,628)	(39,838)	(18,971)	1,423	9,872
Loss on Net Monetary Position	(11,962,464)	(7,775,586)	(10,085,838)	(10,775,106)	(5,335,950)
Profit before Income Tax	14,174,594	7,960,284	3,747,594	977,927	10,540,313
Income Tax	(5,054,028)	(2,955,087)	(943,889)	(4,904,101)	(5,630,407)
Profit for the Year	9,120,566	5,005,197	2,803,705	(3,926,174)	4,909,906

Please refer to our report dated February 11, 2022  
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C. N° 21.00004.3



# Tarjeta Naranja S.A.

## Summary of Activity (Continued)

As of December 31, 2021

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

	12.31.21	12.31.20	12.31.19	12.31.18	12.31.17
Net Cash Inflow / (Outflow) from Operating Activities	(13,177,774)	(2,460,514)	40,866,197	4,312,748	13,530,367
Net Cash Inflow / (Outflow) from Investing Activities	(2,037,357)	1,196,505	(4,868,283)	(2,418,511)	(2,389,770)
Net Cash (Outflow) / Inflow from Financing Activities	18,012,728	(5,839,273)	(30,305,602)	8,026,305	(12,450,313)
Total Net Cash (Outflow) / Inflow as of December	2,797,597	(7,103,282)	5,692,312	9,920,542	(1,309,716)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>4,068,741</b>	<b>14,939,537</b>	<b>15,978,582</b>	<b>10,019,158</b>	<b>10,665,537</b>
Increase in Cash and Cash Equivalents from Merger	-	-	-	-	1,513,718
Loss on Net Monetary Position on Cash and Cash Equivalents	(1,549,890)	(4,248,044)	(6,674,594)	(3,947,798)	(859,702)
Increase due to Effects of Exchange Rate Changes on Cash and Cash Equivalents	148,783	480,530	(56,763)	(13,321)	9,325
<b>CASH AND CASH EQUIVALENTS AT YEAR-END</b>	<b>5,465,231</b>	<b>4,068,741</b>	<b>14,939,537</b>	<b>15,978,581</b>	<b>10,019,162</b>

### RATIOS

	12.31.21	12.31.20	12.31.19	12.31.18	12.31.17
Liquidity	1.220	1.238	1.266	1.405	1.728
Indebtedness	3.896	3.197	3.065	4.492	3.393
Solvency	0.257	0.313	0.326	0.223	0.295
Tied-up Capital	0.065	0.096	0.115	0.088	0.081
ROE for the Period	(1) 24.25%	14.66%	9.08%	(11.51%)	14.53%
ROA for the Period	(2) 5.32%	3.55%	1.91%	(2.36%)	3.09%

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

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

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Alejandro Asrín  
Chairman

Please refer to our report dated February 11, 2022  
PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C. N° 21.00004.3

## **SUPERVISORY COMMITTEE'S REPORT**

To the Shareholders and Directors 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 Balance Sheet as of December 31, 2021;
- the Statements of Profit or Loss and Other Comprehensive Income for the year ended December 31, 2021;
- the Statements of Changes in Equity and Cash Flows for the year ended December 31, 2021; and
- the summary of critical accounting policies and other explanatory information included in supplementary notes and exhibits.
- the Summary of Activity.
- Furthermore, we have reviewed the Inventory and the Board of Directors' Annual Report for the year ended December 31, 2021.

The figures and other information for fiscal year 2020 are an integral part of the aforementioned financial statements, and are exclusively disclosed for comparative purposes to the figures and information for the current year.

### **BOARD OF DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

2. The Company's Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS), adopted by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE) and by el Professional Council in Economic Sciences of the Province of Córdoba (CPCECBA), as approved by the International Accounting Standards Board (IASB). Furthermore, the Board of Directors is responsible for the existence of the internal controls it deems necessary to enable the preparation of financial statements free from significant deviations resulting from errors or irregularities.

### **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 work was carried out in accordance with standards applicable in Argentina to members of the Supervisory Committee. Said standards require our examination to be performed in accordance with the professional auditing standards applicable in Argentina and 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 audit performed by the external auditors, Price Waterhouse & Co. S.R.L., who issued an unqualified limited review report on February 11, 2022, which was conducted in accordance with the International Auditing Standards (IAS) as adopted by auditing standards in Argentina by Technical Pronouncement No. 32 of FACPCE and its related Circulars.

Said review included verifying the work plans and the nature, scope and timing of the procedures applied and of the results of the audit performed by the above-referred professionals. Said standards require that ethics principles are to be complied with as well as an audit requires that the auditor plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements.

An audit entails applying procedures to obtain judgmental evidence about the amounts and other information disclosed in the financial statements. The procedures selected depend on the auditor's judgment, including the risk assessment of material misstatements in the financial statements due to fraud or error. Upon performing such risk assessment, the auditor must consider the appropriate internal control for the Company's preparation and fair presentation of the financial statements in order to design the audit procedures that are adequate according to the circumstances and not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the adequacy of the accounting policies applied, the reasonableness of the significant estimates made by the Company's Management and of the presentation of the financial statements taken as a whole.

With regard to the Board of Directors' Annual Report, we have checked that it contains the information required by the provisions of the Argentine General Companies Law, and insofar as concerns our field of competence, that the numerical data contained therein are in agreement with the Company's accounting records and other relevant documentation. Assumptions and projections on future events contained in that documentation are the exclusive responsibility of the Board of Directors.

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 Act 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 financial statements mentioned in paragraph 1, are fairly presented, in all material aspects, in accordance with the accounting guidance set out by the International Financial Reporting Standards (IFRS).
- In regard to the Board of Directors' Annual Report, we have no observations insofar as concerns our field of competence, and the assertions on future events are the exclusive responsibility of the Company's Board of Directors.
- 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 financial statements as of December 31, 2021 arise from accounting records kept, in all formal aspects, in compliance with applicable legal regulations, except that they have not yet been transcribed to the "Inventory and Balance Sheet" book, considering that Tarjeta Naranja S.A. keeps that book in digital format;
- II. As called for by Section 21, Chapter III, Part VI, Title II of the Regulations issued by the Argentine National Securities Commission concerning the independence of external auditors as well as the quality of the auditing policies applied by them and the Company's accounting policies, the above mentioned external auditor's report includes a representation indicating that the auditing standards in force have been applied, these standards include independence requirements, and contain no observations relative to the application of said professional accounting standards. In its report, the external auditor declares to be independent from the Company;
- III. We have read the Summary of Activity and the Additional Information to the Notes to the Condensed Interim Financial Statements required by Section 12, Chapter III, Title IV of the regulations issued by the Argentine National Securities Commission which, insofar as concerns our field of competence, we have no observations to make.

Córdoba, February 11, 2022.

**José Luis Gentile**  
For the Supervisory Committee



## Independent Auditors' Report

To the Shareholders, President and Directors of  
Tarjeta Naranja S.A.  
Legal domicile: La Tablada 451  
Tax Code No. 30-68537634-9

### Report on the Audit of the Financial Statements

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#### Opinion

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We have audited the financial statements of Tarjeta Naranja S.A. (the "Company"), including the statement of financial position at December 31, 2021, the statements of income, of other comprehensive income, of changes in equity and cash flows for the year then ended, and the notes to the financial statements, comprising a summary of the most significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2021 and its comprehensive income and cash flows for the fiscal year then ended, in accordance with International Financial Reporting Standards (IFRS).

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#### Basis for Opinion

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We have conducted our audit in accordance with International Standards on Auditing (ISAs). These standards have been adopted as auditing standards in Argentina by Technical Pronouncement No. 32 of the Argentine Federation of Professional Councils in Economic Sciences (FACPCE), as approved by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Independence

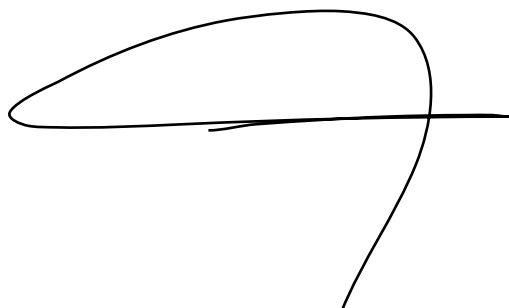
We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) together with requirements that are relevant to our audit of the financial statements in Argentina, and we have fulfilled other ethical responsibilities in accordance with these requirements and the IESBA Code.

A large, stylized handwritten signature in black ink, consisting of a large loop and a horizontal stroke.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, have been were of most significance in our audit of the financial statements for the current year. These matters have been were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Audit Response
<p><b>Provision for expected credit losses</b></p> <p>As described in Notes 2.1.1 and 2.9 to the financial statements, the Company's provision for expected credit losses amounted to ARS 9,632,604,000 at December 31, 2021.</p> <p>The Company assess impairment by estimating expected credit losses. Models used by Management to determine expected credit losses involve significant judgments, including aspects such as defining a significant increase in credit risk, identifying impaired assets or assets subject to severe impairment risk, developing parameters like probabilities of default and losses in the event of default, and making assumptions on macroeconomic scenarios considering a range of possible economic results calculated on a probability-weighted basis.</p> <p>Below are the main considerations that led us to determine that the estimation of expected credit losses is a key audit matter:</p> <ul style="list-style-type: none"> <li>(i) Impairment assessment through the estimation of expected credit losses involves a significant judgment by Management. This in turn led to a significant auditor's judgment and an effort in the procedures conducted to assess audit evidence relating to the models and assumptions used to determine expected credit losses.</li> <li>(ii) The audit effort involved the use of skilled and proficient professionals to assist in the performance of procedures and the assessment of audit evidence obtained.</li> </ul>	<p>Audit procedures followed relating to this key matter involved assessing the audit evidence regarding our general opinion on the Financial Statements. These procedures included, among others:</p> <ul style="list-style-type: none"> <li>- testing the effectiveness of Management controls relating to the provision for expected credit losses process, which included controls on data, models and assumptions used in the estimation process;</li> <li>- validating the completeness and accuracy of the information provided by Management.</li> </ul> <p>Skilled and proficient professionals assisted us in testing the Management's process for determining the provision for expected credit losses, which included the evaluation of:</p> <ul style="list-style-type: none"> <li>(i) the reasonableness of assumptions used by Management,</li> <li>(ii) the reasonableness of criteria used by Management to define a significant increase in credit risk and identify impaired assets and assets subject to a severe impairment risk,</li> <li>(iii) the suitability of models used to estimate parameters like probabilities of default and losses in the event of default, and</li> <li>(iv) the appropriateness of the methodology used to construct macroeconomic scenarios.</li> </ul>



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## Information Accompanying the Financial Statements ("Other Information")

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The Other Information comprises the annual report and summary of activity. The Board of Directors is responsible for the Other Information.

Our opinion on the financial statements will not cover the Other Information and, therefore, we do not express any audit conclusion.

In relation to our audit of the financial statements, our responsibility is to read the Other Information and consider whether it is materially inconsistent with the financial statements or with our knowledge obtained during the course of the audit or, if for any other reason, it appears to contain a material misstatement. Based on the work performed, and as regards those matters that are within our field of competence, if we consider that there is a material misstatement in the Other Information, we have to report it. We have nothing to report in this regard.

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## Board's Responsibilities for the Financial Statements

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The Board of Tarjeta Naranja S.A. is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for the internal control it may deem necessary to prepare the financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Company's ability to continue as a going concern, disclosing matters relating to this issue, as applicable, and using the going concern basis of accounting unless the Board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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## Auditor's Responsibilities for the Audit of the Financial Statements

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Our objectives are to obtain reasonable assurance that the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of these financial statements.

In performing an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company's Board.
- Conclude on the appropriateness of the use by the Company's Board of the going concern basis of accounting and, based on the audit evidence obtained, whether there is material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained at the date of this auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Company's Board with a statement on our fulfillment of relevant ethical requirements regarding independence and communicate any relationship and other matters that might be thought to affect our independence and, when applicable, the actions taken to eliminate/remove threats or the related safeguards.

Among the matters that have been subject to communication with the Company's Board, we determine those of most significance in the audit of the financial statements, which are, consequently, the key audit matters. We describe these matters in this audit report, except for those legal or regulatory provisions that prohibit the public disclosure of the matter or if, in extremely infrequent circumstances, we determine that a matter should not be disclosed in our report, because it is reasonable to expect that the adverse consequences of doing so would outweigh the public interest benefits thereof.

## Report on Other Legal and Regulatory Requirements

In compliance with current regulations, we report that:

- a) the financial statements of Tarjeta Naranja S.A. are transcribed into the Inventory and Balance Sheet book and as regards those matters that are within our competence, they are in compliance with the provisions of the General Companies Law and pertinent resolutions of the National Securities Commission;
- b) the financial statements of Tarjeta Naranja S.A. arise from accounting records kept in all formal respects in conformity with legal regulations, which maintain the security and integrity conditions on the basis of which they were authorized by the National Securities Commission;
- c) the total amounts of the statement of financial position and the statement of income are detailed below:

c.1.) statement of financial position at December 31, 2021 and 2020:

	12.31.2021	12.31.2020
	In thousands of pesos	
Assets	192,070,940	151,111,901
Liabilities	152,837,945	115,108,948
Equity	39,232,986	36,052,953



- c.2.) statement of income for fiscal years ended December 31, 2021 and 2020, stated in thousands of pesos, resulting in a profit of ARS 9,120,566 and ARS 5,005,197, respectively;
- d) at December 31, 2021 the debt of Tarjeta Naranja S.A. accrued in favor of the Argentine Integrated Social Security System according to the Company's accounting records amounted to ARS 236,477,157.47, none of which was claimable at that date;
- e) as required by Section 21, Subsection b), Chapter III, Part VI, Title II of the regulations issued by the National Securities Commission, we report that total fees for auditing and related services billed to Tarjeta Naranja S.A. during the fiscal year ended December 31, 2021 account for:
- d.1) 90.88% of the total fees for services billed to Tarjeta Naranja S.A. for all items during that fiscal year;
- d.2) 11.38% of the total fees for auditing and related services billed to Tarjeta Naranja S.A., its parent company, subsidiaries and related companies during that year;
- d.3) 8.77% of the total fees for services billed to Tarjeta Naranja S.A., its parent company, subsidiaries and related companies for all items during that year;
- f) we applied the anti-money laundering and financing of terrorism procedures for Tarjeta Naranja S.A., prescribed by professional standards issued by the Professional Council of Economic Sciences for the Province of Córdoba.

Córdoba, February 11, 2022

PRICE WATERHOUSE & CO. S.R.L.

(Partner)

C.P.C.E.C. No. 21.00004.3

Cr. Andrés Suarez

Certified Public Accountant (U.B.A.)

Professional License No. 10.11421.4 – C.P.C.E.