

Basis of preparation of our financial statements for the year ended December 31, 2021

Our financial statements filed quarterly with local regulators and the figures included in our quarterly earnings release, are in accordance with the accounting framework set by the Argentine Central Bank. On 2018, the Central Bank adopted IFRS for the first time, excluding the impairment of financial instruments method of IFRS 9 (based on expected credit losses) and IAS 29 Financial reporting in hyperinflationary economies. Since 2020, the Central Bank adopted IAS 29, so currently the only discrepancy is impairment of financial instruments method of IFRS 9.

Our financial statements included in our annual report 20F filed with the SEC, are prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

In consequence, our financial statements included in our annual report 20F differ in certain material aspects related to the adoption of IFRS 9.

The differences in our income statement and balance sheet for the fiscal year ended December 31, 2021 are summarized in the following charts (figures in million of pesos):

	Argentine banking GAAP	IFRS 9	Full IFRS
Financial assets	358.482	-2.468	356.014
Deferred income tax assets	2.603	632	3.235
Fixed assets	11.034	-	11.034
Intangible assets	8.698	-	8.698
Investment Properties	11.422	-	11.422
Total assets	392.239	1.836	390.403
Financial liabilities	322.579	-	322.579
Other liabilities	16.243	31	16.274
Total liabilities	338.822	31	338.853
Shareholders' equity	53.417	1.867	51.550

	Argentine banking GAAP	IFRS 9	IAS 29*	Full IFRS
Net interest income	42.921	11	-	42.932
NIFFI & exchange rate diff.	10.136	-	-	10.136
Net financial income	53.057	11	-	53.068
Net service fee income	11.585	-	-	11.585
Income from insurance act.	2.271	-	-	2.271

	Argentine banking GAAP	IFRS 9	IAS 29*	Full IFRS
Loan loss provisions	-7.283	-1.647	-	-8.930
Personnel & Adm. expenses	-45.172	-	-	-45.172
Other op. income and exp.	-6.327	-	-144	-6.471
Results from exposure to changes in the purchasing power of money	-8.160	-	353	-7.807
Profit before income tax	-29	-1.636	209	-1.456
Income tax	-832	502	50	-280
Net income	-861	-1.134	259	-1.736

*This column reflects the adjustment in the result from exposure to changes in the purchasing power of the currency related to a lower shareholder's equity under full IFRS.