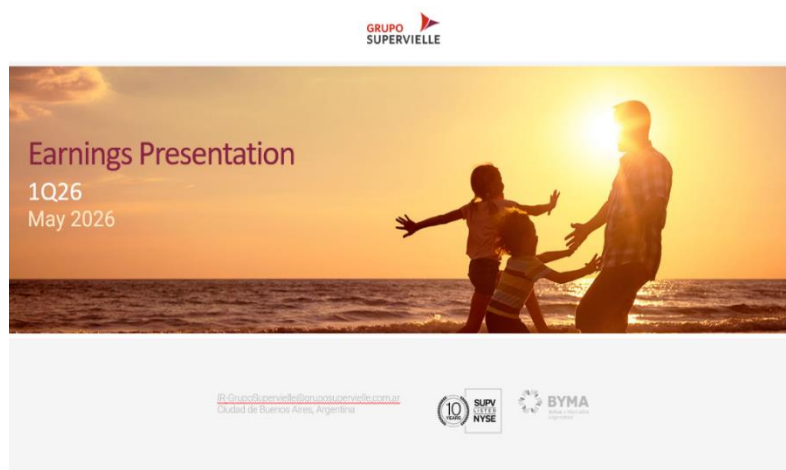


Grupo Supervielle 1Q26 Earnings Conference Call

Ana Bartesaghi, Treasurer and IRO

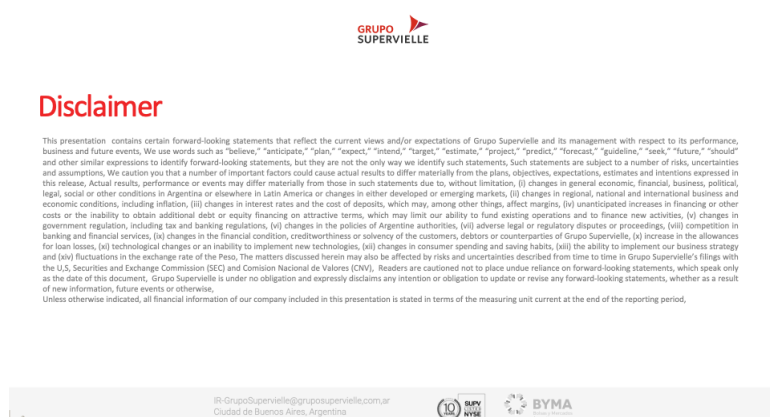


Good morning and welcome to Grupo Supervielle's First Quarter 2026 earnings call. I'm Ana Bartesaghi, Treasurer, and IRO. Today's conference call is being recorded. For the Q&A session, please ensure your full name appears on Zoom. You can ask questions by voice or through the Q&A chat box.

Speaking today are Patricio Supervielle, our Chairman and CEO, Gustavo Paco Manriquez, CEO of Banco Supervielle, and Mariano Biglia, our CFO. Diego Pizzulli, CEO of invertironline will also be available

during the Q&A session.

Slide 2 – Forward-Looking Statements:



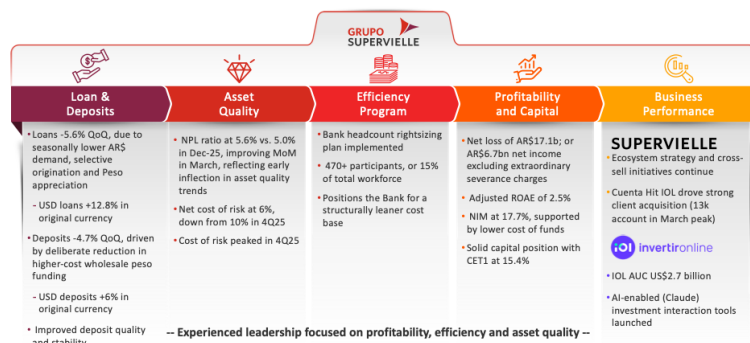
Before we begin, please note this call may include forward-looking statements. Please refer to our earnings release and SEC filings for further details.

Patricio, please go ahead.

Patricio Supervielle, Chairman & CEO

Slide 3:

1Q-2026: Net Income Before Extraordinary Severance Charges Turns Positive; Improving Operating Trends



Thank you, Ana. Good morning, everyone, and thank you for joining us today.

The first quarter marked an early but important step in our earnings recovery, with underlying profitability returning to positive territory excluding extraordinary severance charges. We maintained a disciplined approach to growth. Loans declined sequentially, reflecting seasonally lower demand in local currency lending and our continued focus on selective origination. U.S. dollar loans grew 13% in

original currency terms, although peso appreciation masked growth when reported in local currency. We also further optimized our funding mix by reducing higher-cost wholesale deposits and strengthening deposit quality.

Asset quality showed early signs of stabilization. While the NPL ratio stood at 5.6% at quarter-end, delinquency trends improved slightly through March, following the February peak. In parallel, cost of risk improved by 400 basis points to 6%, from 10% in the fourth quarter, supporting our view that credit costs peaked at the end of last year.

During the quarter, we implemented a voluntary retirement plan to further align our operating model with evolving customer behavior, as activity continues to migrate toward digital and virtual channels. With 15% of employees taking the voluntary retirement plan to-date and 9% at quarter-end, we are well positioned for a structurally leaner cost base going forward. Paco will discuss this initiative and its profitability impact in greater detail.

The related severance charges contributed to a net loss in the quarter. Excluding this effect, the business generated net income of AR\$6.7 billion, with an adjusted ROAE of 2.5%. Net interest margin remained solid at 17.7%, benefitting from lower funding costs, while our CET1 ratio stood at 15.4%, reflecting a strong capital position to support future growth.

At the business level, we continued executing our ecosystem strategy and cross-selling initiatives, particularly through IOL, where assets under custody reached approximately US\$2.7 billion, up from US\$2.2 billion a year ago. Cuenta Hit IOL, launched by the Bank to drive client acquisition within our ecosystem, reached a peak of approximately 13,000 new accounts in March.

We also continued advancing innovation at IOL with the launch of a differentiated AI-enabled investment experience powered by Claude, allowing customers to interact with their portfolios, access market insights and manage investment decisions through natural language.

Overall, the quarter showed clear progress, with underlying profitability turning positive in March and other operating trends continuing to improve into April.

Importantly, these results reflect disciplined execution by an experienced leadership team with active asset and liability management, improving efficiency and protecting the franchise while maintaining a clear focus on profitability.

Slide 4

| Operating Environment Stabilizing Toward Quarter End



Stepping back for a moment, let me frame the external drivers behind the quarter's performance and our outlook for the rest of the year.

The year began with inflation running above expectations, high rate volatility and tight monetary conditions weighing on activity and profitability across the system.

Conditions improved as the quarter progressed, with interest rates declining by March.

The policy framework also continues to evolve constructively. Fiscal discipline, reserve accumulation, higher exports, the IMF staff-level agreement, and progress on structural reforms, including the recent labor and glacier laws, are improving visibility and supporting exchange-rate stability.

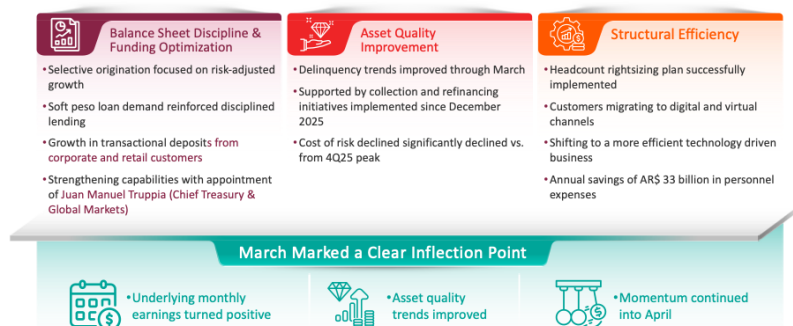
Looking ahead, policy execution will remain critical. Sustaining the fiscal anchor, continuing to normalize monetary policy and easing FX restrictions in an orderly manner will be important to preserving confidence and reducing volatility.

For the banking system, a more predictable macro environment should gradually improve financial intermediation. Lower inflation and more stable rates should support credit demand, while improved visibility allows us to deploy capital selectively and continue prioritizing profitable growth and disciplined risk management. In this context, Supervielle enters the next phase from a stronger position: with improving credit trends, a better funding mix, and a structurally more efficient operating platform.

With that, I will turn the call over to Paco, who will discuss the key drivers behind the improvement we are seeing in the Bank's operating performance.

Paco, please go ahead.

Banco Supervielle: Executing on Key Drivers of Earnings Recovery



Thank you, Patricio, and good morning, everyone.

Turning to slide 5, I will walk through the main operating drivers of the quarter and the actions we are taking to improve the Bank's earnings profile.

Starting with the balance sheet, we continued to manage the business with a prudent approach, prioritizing asset quality and profitability over volume. Soft demand in local currency lending led us to remain disciplined

while we continued to optimize our funding mix, as Mariano will discuss shortly. We also further reinforced our senior leadership team with the appointment of Juan Manuel Truppia as Chief Treasury & Global Markets Officer this month, capitalizing on evolving market opportunities.

Our strategy is beginning to deliver the expected results. Asset quality improved as the quarter progressed, with delinquency levels showing signs of stabilization through March. This was supported by collection and refinancing initiatives implemented across the branch network since December. In parallel, cost of risk declined significantly from fourth-quarter highs, reinforcing our view that we have moved past the peak of the credit cycle.

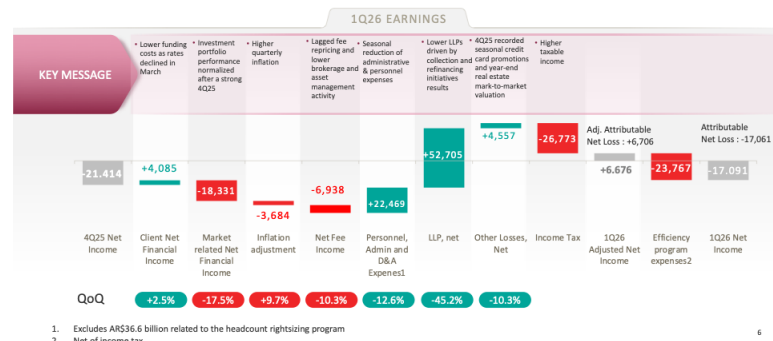
We also made important progress on structural efficiency. During the quarter, we implemented a headcount rightsizing plan to align our operating model with changing customer behavior, as clients continue migrating toward digital and virtual channels. These efficiencies are the result of work we have been doing for some time to redesign the service model around simpler, more agile customer experiences. We scaled digital and virtual service channels, centralized key processes and improved operating discipline across the network. This allowed us to execute the plan without compromising service quality.

Together with our ongoing technology-driven transformation, this initiative positions the Bank for a more efficient, scalable cost base. Annual savings are expected to be approximately AR\$33 billion in personnel expenses, supporting a more efficient earnings profile going forward.

Taken together, the quarter showed clear progress. Underlying monthly earnings turned positive in March, asset quality trends improved, and momentum continued into April.

With that, I will hand the call over to Mariano, who will take you through the financial results, including how these initiatives are impacting results for the quarter, and our guidance for the year.

Adjusted Net Income Turns Positive: Reported Results Impacted by Extraordinary Severance Charges



Thank you, Paco, and good day to everyone.

Let's turn to Slide 6.

We reported an attributable net loss of AR\$17 billion in the quarter, improving from the AR\$21 billion loss in the prior quarter.

As evidence of improving trends, **Adjusted net income** was AR\$6.7 billion after excluding the one-time AR\$23.8 billion in severance charges net of income tax related to the headcount optimization plan.

The main improvement came from credit costs, with **loan loss provisions** declining around 45% sequentially reflecting the initiatives discussed.

The second driver was lower underlying costs. Excluding severance charges, **expenses** declined 13% sequentially, reflecting lower seasonal administrative and personnel costs.

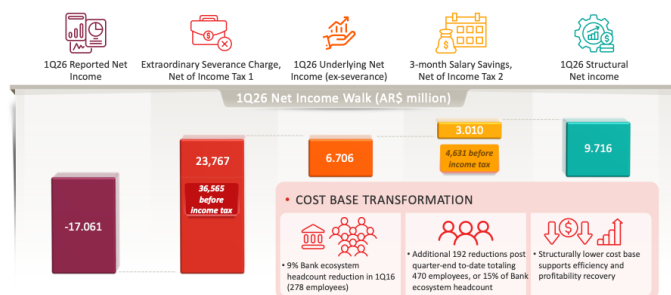
Client Net Financial Income also improved sequentially, supported by lower funding costs.

Market-related income normalized after a strong fourth quarter, while **fee income** remained subdued, reflecting lagged repricing and softer activity levels at IOL and Asset Management.

In sum, the quarter showed a clear improvement in underlying trends, with margins stabilizing in March and credit quality beginning to normalize.

Slide 7

Underlying Profitability Achieved, Cost Base Reset to Support Future Earnings, with Additional Structural Cost Benefits Expected in 2Q26



Turning to slide 7, the quarter reflects an important step in the recovery of structural earnings.

On this slide you can see the walk from reported to structural Net Income.

Excluding the extraordinary severance charges, underlying net income was AR\$6.7 billion. This voluntary retirement initiative reduced the Bank ecosystem workforce by 9%, or 278 employees in the quarter. On a pro-forma basis, salary-

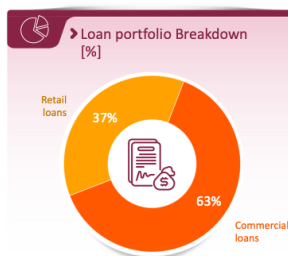
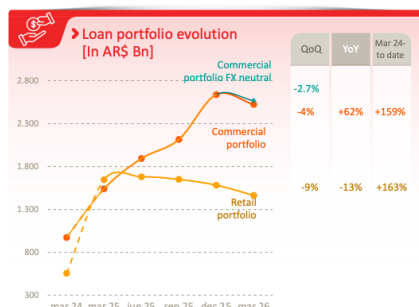
related expenses would have been approximately AR\$4.6 billion lower before taxes, reflecting of these reductions.

As a result, structural net income reached AR\$9.7 billion, highlighting the earnings capacity of the business on a normalized basis.

Since the end of March, we have implemented an additional 192 headcount reductions, bringing total headcount down by around 15% across the Bank ecosystem. This positions us for a structurally lower and more efficient cost base going forward.

Slide 8

Commercial Lending Leads Portfolio Mix; Disciplined Retail Origination Reflects Prudent Risk Management



Turning to slide 8, total loans declined 5.6% sequentially, reflecting first-quarter seasonality, subdued credit demand in local currency, and our continued focus on disciplined, risk-adjusted origination.

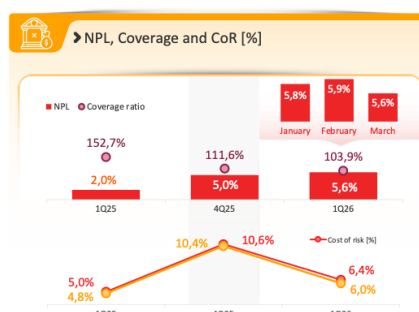
Retail balances declined sequentially, consistent with our cautious underwriting approach amid still-elevated delinquency levels, while corporate balances remained relatively resilient supported by US dollar loans, which expanded 13% in original

currency, although peso appreciation decreased balances translated from dollar to pesos.

As credit conditions continue to stabilize, our objective remains to gradually resume growth while maintaining a balanced and profitable portfolio mix.

Slide 9

NPL Ratio at 5.6% with Early Signs of Stabilization; Net Cost of Risk Eased to 6.0%



Moving on to asset quality on slide 9, the NPL ratio stood at 5.6% at quarter-end, up from 5.0% in December, reflecting the lagged impact of prior credit stress.

Importantly, the NPL ratio peaked in February and then improved in March, with early signs of stabilization across key portfolios.

Net cost of risk declined significantly to 6.0% in the quarter, from 10.4% in the fourth quarter, reflecting the moderation in

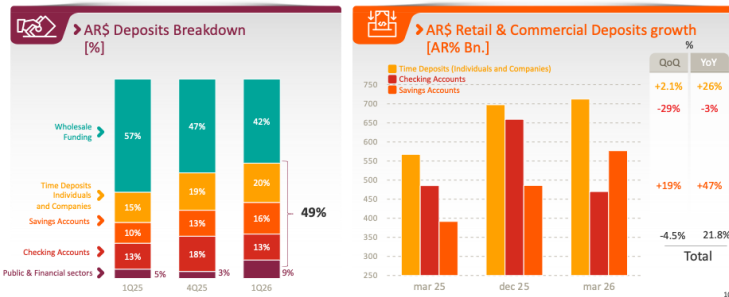
new inflows and the impact of our collection and refinancing initiatives. These actions, implemented since December and focused on both individual and SME clients, helped contain migration into more advanced delinquency buckets.

While we remain cautious, current trends reinforce our view that credit costs peaked in the fourth quarter of 2025, with asset quality now moving into a more stable phase.

Slide 10

Enhanced Funding Mix with Lower Reliance on High-Cost Wholesale Deposits

GRUPO SUPERVIELLE



Turning to slide 10, we continued to improve the quality of our funding base. Total deposits declined 4.7% sequentially, as we deliverately reduced higher-cost wholesale peso funding.

Year-on-year, retail and commercial deposits increased 22% in real terms, supported by stronger primary relationships and our remunerated account value proposition.

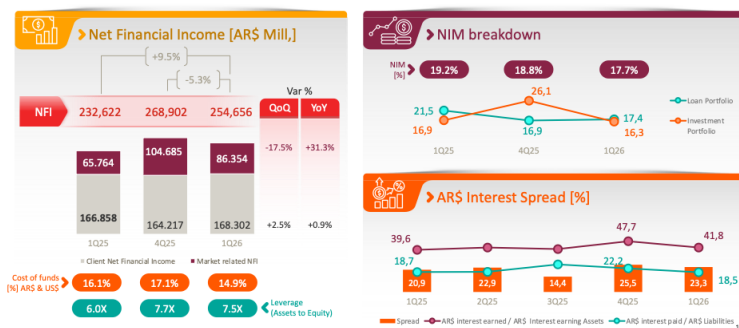
Checking account balances declined low single digits while time deposits and savings accounts grew 26% and 47%.

As a result, our mix improved, with lower reliance on wholesale funding and a higher contribution from retail and commercial deposits.

Slide 11

NIM at 17.7% Supported by Lower Rates Since Early March

GRUPO SUPERVIELLE



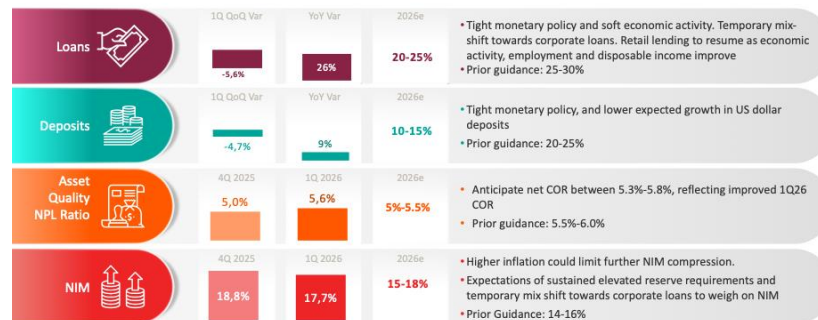
Turning to slide 11, net financial income reached AR\$255 billion, declining 5% sequentially.

Client net financial income improved, supported by lower funding costs and a lower and more stable rate environment in March, while market related net financial income normalized after a strong fourth quarter.

Net interest margin stood at 17.7%, compared to 18.8% in 4Q25, reflecting rate volatility during most of the period. Importantly, margins improved toward March as volatility eased.

Slide 12

Updating 2026 Expectations to Reflect 1Q26 Performance and Normalizing Operating Conditions



Macro assumptions as of March 2026 (Central Bank Market Expectations Survey): Inflation of 29.1%, Fx eop at 1,700 and GDP of +3.3% in 2026.

12

Turning to our outlook, we are updating our 2026 expectations to reflect a more normalized operating environment and the trends we observed during the first quarter.

We now expect real **loan growth** between 20% and 25%, compared to our prior guidance of 25% to 30%. Growth is expected to remain skewed toward corporate lending in the near term, while retail credit should gradually recover alongside improvements in economic activity,

employment and disposable income.

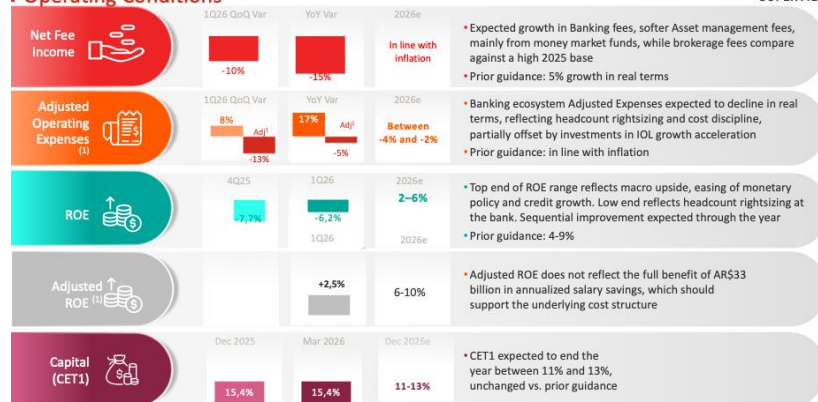
Deposits, are now expected to expand between 10% and 15%, below our prior guidance of 20% to 25%, reflecting continuity of restraining monetary policy.

On **asset quality**, we now expect the NPL ratio to range between 5% and 5.5% during 2026. Importantly, cost of risk improved meaningfully in the first quarter, and we now expect full-year net cost of risk between 5.3% and 5.8%, compared to our prior guidance of 5.5% to 6%.

We also now expect **NIM** to range between 15% and 18%, above our prior guidance of 14% to 16%. This reflects a higher expected inflation path, which should keep nominal rates and asset yields above our previous assumptions. At the same time, reserve requirements remain elevated and the temporary shift toward corporate lending may continue to weigh on margins.

Slide 13

Updating 2026 Expectations to Reflect 1Q26 Performance and Normalizing Operating Conditions



1. Adjusted figures exclude Headcount rightsizing cost

13

Turning to the next slide, we now expect **net fee income** growth broadly in line with inflation, compared to our prior guidance of 5% real growth. This reflects continued growth in banking fees, offset by softer asset management fees and brokerage activity normalizing against a strong 2025 comparison base.

Adjusted operating expenses are expected to decline between 2% and 4%, driven by lower expenses at the banking ecosystem in real terms. This

reflects the impact of a larger than originally expected headcount rightsizing and continued cost discipline, partially offset by investments supporting accelerated growth at IOL.

We now expect **Reported ROE** for the year of between 2% and 6%, compared to our prior range of 4% to 9%. The lower range reflects the impact of the headcount optimization plan implemented during the first quarter, while the upper end continues to reflect upside from macro normalization, easing monetary conditions and stronger credit growth.

Excluding extraordinary severance charges related to the efficiency program, **Adjusted ROE** is expected to range between 6% to 10%. Note this range does not yet reflect the benefit of approximately AR\$33 billion in annualized salary savings, which should support the underlying cost structure over time.

Lastly, we continue to expect **CET1** to end the year between 11% and 13%, unchanged from our prior guidance, supporting disciplined growth while maintaining a strong capital position.

This concludes our prepared remarks. We are now opening the floor for Q&A.

Q&A Session

Ana Bartesaghi

Thank you, Mariano. At this time, we will be conducting the question-and-answer session. As a reminder, to ask a question, you need to be connected to a Zoom platform. To ask a question, please press the Raise Your Hand button and press it again to withdraw. You can also send your questions in written form via the Q&A box. The first question comes from Ernesto Gabilondo from Bank of America. Hello. Good morning, Ernesto. Please go ahead.

Ernesto Gabilondo – Bank of America

Thank you, Ana. Good morning, Patricio, Paco and and Mariano, Diego. Thanks for the opportunity to ask questions. My first question will be on your reserve coverage ratio. When looking to this ratio is around 100%, which I think it's a little bit low, given that 30% of the loan book is integrated by consumer loans, and especially when compared to other Latin American banks in the region. So, Just wondering how should we expect the evolution of your reserve coverage ratio? Then I will make my next question.

Julio Patricio Supervielle

We feel that we have an appropriate coverage ratio at this moment, and I think this view is also in our peers among our peers, but this reflects a particularly cautious view on retail origination. For the time being, focus on corporate origination with export-led industries, and we feel comfortable, of course, and if things change, we will apply another policy. Do you want to add on that?

Mariano Biglia

Yes. Hi, Ernesto, thank you for your question. I will add to what Patricio mentioned also that although, as we saw during the presentation that we have a 37% of retail loans or total portfolio, 10% of that is mortgages. It's not a consumer finance. On mortgages, we have a much lower statistics of probability of default or given default. So that also explains part of why our expected loss models require less provisions on that part of the portfolio. And then the other, 63, almost two-thirds of the portfolio is commercial, where we also normally require less provision. Nonetheless, we are above the 100%. That's also above the industry average.

Ernesto Gabilondo

Thank you. So, for example, in terms of cost to risk, it already peaked in the fourth quarter, and I believe the NPL ratio peaked in this first quarter or so. If you improve the NPL ratio throughout the year, probably that should allow the reserve coverage ratio also to go up. Am I right with that assumption?

Mariano Biglia

Yes, because of the loan growth, when we grow in real terms, the NPL ratio will tend to dilute, and the coverage ratio should increase. It will also depend on the mix of the portfolio. If we grow more on the retail side, that will also require higher provisions. If we continue to have more weight on the commercial side, we will be closer and not much above the 100%.

Ernesto Gabilondo

Perfect. My second question is on regulation. Deposit requirements have been lowered but continue to be high when compared to other countries. How do you see the government willing to reduce even more the requirement? And also is there any other deregulation we should have in mind?

Julio Patricio Supervielle

Well, in terms of, I think it's a good, very good question. Of course, this government, in addition to the fiscal anchor, also are restrictive in their monetary policy, and to make sure that the anti-inflation program succeeds. It's still pending the easing of peso denominated reserve requirements, which are, which I think they are still are the highest in the last 20 years. So I expect that when particularly this is my opinion, when the government secures the refinancing of the bonds in the international market through these the guarantees that they are willing, they are taking, they are negotiating with the multilaterals. I think that they will start to be softer in terms of peso reserve requirements. This is my opinion, so I am optimistic on that. In addition to that, there is also on the agenda something extremely important, which is the lifting of the foreign exchange controls for particularly for corporations. That is a constraint today on investment and capital locations for corporations. And finally, another important agenda that I think is very important is unlocking the Social Security Sustainability Fund, particularly as a long-term funding vehicle for supporting mortgage securitization. That would be a big help for construction, for the value of properties, and I think it's, I mean, it's an agenda that is important. In summary, what we need is less restrictive monetary policy, deeper capital market, and a fully functioning foreign exchange framework.

Ernesto Gabilondo

Oh, thank you very much, Patricio. Very helpful. Just a last question from my side related to the RIGI projects. Is there any update you can provide us, and how is Supervielle expecting to participate in financing SMEs or suppliers related to these projects?

Julio Patricio Supervielle

I think the RIGI project is going very well, and there I think I understand that the full pipeline today is ARS100 billion. So, only one part of that has been already approved. The impact for us, for Banco Supervielle, is very important because what we do we concentrate on financing the value chain of dynamic industries such as energy and mining. Definitely, this will help all the value chain, and we will be there.

Ernesto Gabilondo

Excellent. Thank you very much.

Ana Bartesaghi

Thank you Ernesto for your question. Our next question comes from Diego Marquez with JP Morgan. Hello. Good morning Diego. Please go ahead.

Diego Marquez – JP Morgan

Good morning, Patricio, Paco, Mariano, Ana. Thanks for the space for questions. Just a quick question regarding the right-sizing initiative and headcount reduction that we saw this quarter, just to get a sense of what impact we can expect in the coming quarters, and if we can expect a normalization, and to what extent. If I can, a second question, just following up on what Ernesto was saying on NPLs. You mentioned a slight improvement in March compared to February. Just if you could give us a bit of more color on what you're seeing, maybe through April, and what's driving this stabilization, if we could expect, you know, first Q to be the peak for this. Thank you.

Julio Patricio Supervielle

So, regarding your first question, basically, this voluntary retirement program was designed to run mainly from March through May. The estimated annual savings so far are to be approximately 33 billion. This – the impact of all the technology and the change of customer behavior basically is allowing the review of the infrastructure in order to basically make sure that we strengthen the operating platform, we improve scalability, and we align the cost base of with the way the clients interact with the bank today. This is an agenda that you have to expect that we will be looking on a continuing basis. We do not expect another program of similar magnitude during 2026.

Gustavo Manriquez

Also, we call rightsizing because we don't see any impact in our NPLs or quality service or whatever. That why we call it rightsizing because we don't see any impact in the organization. Going to the second part of the...

Mariano Biglia

Yes. Also, let me add regarding the impact for the incoming quarters, as we said during the presentation, we expect ARS33 billion savings annualized, and when this program is fully executed. We did the most part in the first quarter, but we are executing also in April and part in May. These 33 billion annualized savings cost, which is about ARS8 billion per quarter, will be fully captured in the third and fourth quarter of this year.

Gustavo Manriquez

...also with this rightsizing, we are preparing the bank for the next month, for the future, no? for the competition, for the new value proposition, be more digital, for the customers, so we are preparing them, the bank for the future.

Julio Patricio Supervielle

The ARS33 billion is what we have already achieved in terms of annual savings by now, by today.

Diego Marquez – JP Morgan

Okay.

Gustavo Manriquez

Exactly.

Mariano Biglia

Exactly. So, regarding the second question, what we expect for NPLs now is that they will be quite stable. The range of 5.5-5.7, and decreasing by the end of the year, where we have a guidance of 5%-5.5% NPL ratio. What we did to achieve this improvement we saw between February and March, and now we've seen it more stabilized, is first with what we saw the peak in interest rates that impacted so negatively on delinquency across the industry. We were much more stringent on loans origination, particularly in unsecured loans on the retail side. So that helped us stop delinquency, and that's why we are seeing first an important reduction in the cost of risk. The NPL has a lag, so that's why it increased quarter-over-quarter, but we think it reached a peak or close to a peak. Also very important was a collection initiative that we launched in between December and February, where we put effort across all our channels, including our commercial network, to contain delinquency and to increase to improve collections. That gave very good results that translated in this decrease of NPL month over-month in March.

Gustavo Manriquez

I think, Diego, that the NPL figures shows that we are implemented certain initiatives in order to control the risk. Yes, the NPLs also. I think we did different initiatives against the market.

Julio Patricio Supervielle

Yes. That includes, and not only, of course, all the efforts to contact clients and try to I mean, making an effort to collect all the...

Gustavo Manriquez

....all the branches.

Julio Patricio Supervielle

..but also we have been implementing – Paco has been implementing structural changes in the way we collect to make sure that basically the quality of collection remains for the future. This is very important. So better procedures, better way of working. This is very important, and of course this requires technology behind, this is already an agenda, an important agenda.

Diego Marquez – JP Morgan

No, very clear. Thank you. Pleasure. Nice to hear you.

Ana Bartesaghi

Thank you, Diego, for your question. Our next questions come from Arnon Shirazi with Citi. Hello. Good morning, Arnon.

Arnon Shirazi - Citi

Hello. Good morning. Thanks for the opportunity. My question is in line with Diego's question. It's related to NPL and collections. We saw stabilization recently. But to what extent is improvement dependent on collection initiatives rather than genuine recovery environment capacity? Thank you.

Mariano Biglia

I think it's both effects from having more restrictive origination policies. As I said, mainly on the unsecured retail portfolio, but also the collection efforts. Collection efforts were not only introduced to collect past due loans, but also to prevent loans that were performing. But according to the measures or indicators that we have, we saw customers at the risk of being past due and generating new delinquency. So these efforts were intended to prevent going those loans into delinquency or early delinquency turning into NPLs later. But I think it's. It's both effects.

Arnon Shirazi - Citi

Okay, great. Thank you.

Ana Bartesaghi

Thank you. Arnon. We have a question from Pedro Offenhenden with Latin Securities. Hello. Good morning, Pedro.

Pedro Offenhenden – Latin Securities

Hi, everyone. Good morning. Thank you for taking my question. I wanted to ask for some color on Invertironline this quarter. What were the drivers of the decline in revenue and net income, with customers growing and assets under custody only modestly down?

Diego Pizzulli

Thank you, Pedro, for your question. So I think this portal reflects a trend we've been experiencing in the business for the last year. A year ago, a meaningful part of our brokerage activity was FX-driven, and this, of course, brought activity, transactions, volume, and revenue. And after the lifting of the restrictions in the FX market in April, part of this, or a significant part of this, disappeared. So, what is important is that despite this shift or change, we managed to keep growing our accounts. We now have 2.3 million accounts open in Invertironline. And as you mentioned, activity and transactions are roughly the same that we had when the restrictions were in place. Also, the AUC grew 25% year over year in dollar terms. In the same period, we grew our asset management business from USD120 million in AUM to USD350 million AUM. What we saw was a shift from the nature of the activity from our customers from one very intensive in FX transactions to a more stable investment operations. So for us, what we did last year and been doing last time, and we're going to do ahead is monetize these customers, this broad base of customers, in a more recurring and resilient way and not dependent on market distortions. We are adding more investment products for our customers, especially for retail customers. We are also improving our advisory relationships, and we are focusing on development of our high value customers' activities or segments. Something that we accomplished in the last year was what is growing the AUC I mentioned before was if you look at which segments explain the growth, the high-value customer affluent customers, and the ones that are advisor grew twice as fast as the AUC of retail customers. Retails were growing too, so we were executing well on that front. The share of the revenues that was explained by these affluent customers was close to 10 11% last year, and now it's 20%, and it's growing. So, I believe that if we look at the experience in other countries and other markets, when the macroeconomic environment normalizes, and the FX rate is more stable, the interest rates are low and stable, and also the inflation is under control, the capital market expands. I think we have a good strategy to capitalize on that, and we believe, and we are optimistic that in Argentina, this will happen. The capital markets is still in its infancy. We are, I think, well-positioned to capitalize on the development that it will have in the future, as we have in other countries as an example.

Pedro Offenhenden – Latin Securities

Thank you, Diego. Super clear. Just if I may, a quick follow-up on the bank. There was a bit of movement on deposits this quarter. Could you give us some color on the increase in public sector deposits and savings account? How should we expect the deposit mix going forward?

Julio Patricio Supervielle

Well, in terms of funding, as you know, the government is pursuing a constrained monetary policy, and I think basically now they are also aware that volatility in rates is harmful. The dollar deposits continue to grow at this point, although maybe at a slower rate than in the first quarter. We are already at record levels in the past 20 years, and I think that the policy, the strategy we started last April of remunerating accounts selectively for certain classes of individuals corporations is having a very good effect, and it's already, we already see the results, but we need – this will grow over time because basically what it helps us is to attract funding for individuals and affluent individuals and corporations, and also build primary relationships. So, looking forward, peso constraints particularly will continue with this government policy to exist. I don't know if you're aware, but the peso to loan deposit in the system is very high at this point. In order to have the industry grow in terms of funding loans, we need to see the growth in peso deposits. I think this is related to the I think to the success of the stabilization program, to the government securing the external financing for their debts and therefore allowing for more monetization of pesos in the country, which will fund deposits and fund loans.

Pedro Offenhenden – Latin Securities

Patricio, thank you.

Ana Bartesaghi

Thank you, Pedro, for both questions. We have a question from Camila Azevedo with UBS. Hello. Good morning, Camila. Thank you also for your question.

Camila Azevedo - UBS

Hi, everyone. Good morning. I would like to follow up on previous questions on the headcount rightsizing plan. Excluding these extraordinary changes, and also, given your medium-term goal of accelerating ROE, reaching high single digits or low double-digit ROE by year-end, what specific levers, other than this, the plan, will drive the acceleration in the coming quarters? And I also have another question, if I may, related to the expansion of your presence in key industrial hubs in the country, focused on oil and gas and mining, right? What is the pipeline for corporate lending in these sectors, and how do you expect the agreement with the US to impact your corporate deal flow? Thanks.

Julio Patricio Supervielle

Okay, I think basically the first question relates to the process to grow in terms of return on equity. Do you want to explain that?

Mariano Biglia

Exactly. Thank you, Camila, for your question. The main drivers of the ROE improvement for incoming quarters and the following year, I will mention, first, of course, the efficiency achieved in headcount reduction that we explained well in detail. Second, improvement in asset quality, which we also talked about. Stabilization of loan loss provisions will also lead us to foster loan growth also on the retail side,

which now we are very stringent. In order to achieve higher ROE, we want to resume growth on both the commercial and the retail side of the loan book. Right now, we are growing on the commercial side both in pesos and dollars, but we want to grow also when we think that the moment is appropriate on the retail side, that is the third point, and the fourth is growing fees. We want to grow the banking net service fee income, but also in Invertironline, which Diego explained well in detail before, and on asset management, those are the key line items.

Gustavo Manriquez

Also, we are changing our mixing cost of funds that the main focus of the recent appointment as Chief of Treasury. And also, we are implementing new initiatives in term of new value proposition, new products, basically for the lending size. We are communicating in the next weeks, a strategic alliance with a big car factory sales in order to sell cars, with a huge alliance with us. And also the personal loan size. Now we are selling the new. Cohort. The new sales since February are showing good results in term of delinquency. So in the next weeks we will increasing the personal loan sales in order to capture more spread and obviously more revenues. Add in your comments, Mariano.

Julio Patricio Supervielle

Regarding your second question, see, we have a clear focus, and we always said it that we want to concentrate on the financing of the value chains of dynamic industries. and that includes precisely oil and gas, and mining. We have, in the past two years, opened selective branches in particular points where we want to deliver service, but most important, most importantly, we have on the credit side we have specialized people that are looking on the oil industry, and we have a team, which is dedicated to the oil industry.

Gustavo Manriquez

And also we have presence in Añelo.

Julio Patricio Supervielle

Exactly. Exactly. We have presence in Añelo. We have presence also on mining areas in San Juan. So basically, we have the infrastructure, we have the team, we have the drive, we have the funding. The funding is particularly dollar funding because this is related with all these companies; they are looking for dollar funding, and this is precisely what we do. So we are very optimistic, and this will not change with any change of government. I mean, this is something a secular growth that is in Argentina. That is a fantastic opportunity for the banking industry.

Gustavo Manriquez

Also, you can mention the ON dollar MEP that we launch on Tuesday.

Julio Patricio Supervielle

Yeah, we are tapping, of course, particular opportunities to attract low-cost funding. For instance, last week we sold in the market a bond, a one-year bond at with a very low cost of.

Julio Patricio Supervielle

3.25%.

Gustavo Manriquez

ARS20 million.

Julio Patricio Supervielle

So, basically we are looking, tapping into, all this funding, pool-based, in order to make sure that we have what is necessary to deliver to our clients. I hope I have answered your question.

Camila Azevedo - UBS

Yes, yes. Perfect. Yeah, it's perfect. Thanks a lot.

Ana Bartesaghi

Thank you, Camila. Thank you. Okay, so I think we can go to some of the written questions in the Q&A. I had some. Some maybe it were already. I think in terms of MPL and NIMS. I think we already answered those. Regarding, maybe they announced 9% headcount reduction or 15. How much annual savings do you expect this to generate? I think it's already answered ARS33 billion. This question may be. And do you plan to reinvest any of these savings into technology or other strategic initiatives?

Julio Patricio Supervielle

No.

Mariano Biglia

No, those will be savings that will impact the bottom line.

Ana Bartesaghi

Exactly. We have some others. Well, no. Go back to the previous one, Federico Cabelli from AdCap, I think. Should we expect additional non-recurring structuring charges throughout the year? How will this impact your full-year return on equity? I think this is already included in what Mariano already said. The return on equity guidance stands at a wide range. What the key assumptions may be among those, I think there is another question asking more or less the same. Mariano?

Mariano Biglia

Yes. Regarding the ROE guidance, it has a wide range, mainly due to economic monetary policy from the central bank that we can see throughout the second part of the year. If we have an easing of the monetary policy, that will allow deposits to grow faster, that will fuel loan growth, as Patricio also explained. That's the main driver. That will also help interest rates keep going down or at a stable range, also help the delinquency to be contained and PS to grow. That's the upside we see. The downside would be that this restraining monetary policy keeps throughout all year. So that's the lower and the higher part of the ROE range. It's important to highlight that we give an adjusted ROE without the impact of the retirement plan costs and the reported ROE guidance that includes it. The range is for both, the explanation is for both the same. It's important also to highlight that in the reported ROE, we include the cost of the retirement plan, both what has already been incurred as of March 31st and what we expect to incur in the second quarter.

Ana Bartesaghi

We have another question from Ricardo Cavanagh with Itau. Hello, good morning, Ricardo.

Ricardo Cavanagh - Itaú

Hi. Hello. Good morning, all, and well, thanks for this quite interesting conference call. And what I'm seeing in the market is that corporates are issuing debt at very low spreads compared to the sovereign. Of course, on a lower sovereign spread would come in hand with much better conditions for banks. My question is, would you imagine under any scenario the prospects of sovereign risk premium compressing over, let's say, the next six to 12 months?

Julio Patricio Supervielle

Well, I think, definitely, what, for instance, yesterday there was a very successful debt emission by that's the city of Buenos Aires, and over I think it was six times over subscribed, and with rates in the region of 7%, for I think it's the tenure was...

Ana Bartesaghi

...10 years

Julio Patricio Supervielle

10 years. So, I think this is a very good sign. It was a very good timing because after the Fitch announcement, but in my opinion, it will impact on the sovereign risk. I cannot say exactly how much, but I think it will impact because definitely this is not a private company. This is a state. There's a state within Argentina, the Capital Federal, that is getting funds at 7%. I think definitely this will impact on the sovereign risk. In addition, if the government succeeds in refinancing all the what is due in, on bonds on 2026 and 2027 with guarantees from multilaterals, this will also give more tranquility and help, you know, compress the sovereigns. This is my opinion.

Ricardo Cavanagh

No, well, thanks. Thanks for that answer, and Patricio, I have a question for you regarding if these times that we are living in Argentina remind you of any additional time, in particular in the past, where the banking sector faced certain issues and also certain opportunities, no? That is my question.

Ricardo Cavanagh

Given your long track record in the industry.

Julio Patricio Supervielle

No, thank you. I think, of course, we can refer back to the convertibility, because the convertibility was also a stabilization program, very successful in the first five, six years, and that stabilization program was tremendously transformational for Argentina, also of the financial industry. You can see it. We saw at that time an increase, I think, of loans to GDP up to 25%, so it grew a lot. So, you see the type of potential that a financial industry has when you have a successful stabilization program, and I do not buy into the fact that we will have a, you know, very international inflation rates, in the next 12-month. I think stabilizations, if you see Israel, Uruguay, Chile, they take a few years, maybe up to 10 years, but the trend is there, and definitely would have an impact on the growth of the financial industry. Just only look at one figure. For instance, mortgages to GDP is 1% of GDP here, and in Chile it's 15 times that. So, we have a lot of agendas on the financial industry to capitalize with a stabilization program. So, we need to see, of course, that this goes on with the next government, and also that the entire political spectrum also buys into the fiscal

anchor that this is very important. I expect that eventually they will do so because this is gonna be a winning theme for elections.

Ricardo Cavanagh

Okay. Okay, thank you all very much.

Ana Bartesaghi

Thank you.

Julio Patricio Supervielle

I think there's a question I would like to work to answer there, which is regarding the acceleration.

Ana Bartesaghi

Yes. I was going to ask that.

Julio Patricio Supervielle

Okay.

Ana Bartesaghi

So, It's repeat investor.

How can you accelerate your transformation?

To a fintech-like business model like Revolut or Nubank?

Julio Patricio Supervielle

Okay. First of all, these are you're talking of two great financial companies, best in class, and I think the way forward for us is, first of all, to make sure that we have an agenda of literally, I would say radically diminishing the cost to serve of individual clients. This is an agenda that Paco is pursuing and will continue to pursue over the next few years. So, I'm talking of unit economics. I mean, we want to make sure that every individual that works with the bank has a very low cost to serve compatible with the revenue we get from these active customers. That's my first part of the question. Of course, with that, you need to continue working on technology. On the second part is also it is very important that we, in our case, we are working with clusters, not like a universal bank for agenda. We're working with clusters, and the clusters are for us at this stage, working, making sure that we have good value propositions for salary accounts, good value propositions for senior citizens, and good value propositions for investor-type or affluent clients. So, those affluent clients, we are capturing them through a cross-sell, let's say strategy with InvertirOnline that is a very successful fintech, by the way, the largest in the country, and it's growing particularly. The focus today is grow on high-value clients, as Diego explained just before, which includes affluent individuals, corporations, and IFAs. And the second part is we want to make sure that Banco Supervielle is very strong on enterprises because this is not the focus of Revolut or Nu. This is so, or even Mercado Pago. We want to focus on the value chain of dynamic industries. This is going to be a way to defend and grow for the financial industry, and particularly for us.

Ana Bartesaghi

Well, I think we reached the end of today's Q&A session and conference call. Thank you for joining us today. Thank you. We appreciate all your questions and your interest in our company. We look forward to meeting more of you over the coming months and providing financial and business updates next quarter. Maybe there were some questions on the Q&A box that we can go through after the call. Thank you all of you for joining.