

Banco CMF S.A.

**Consolidated financial statements as of December 31,
2023, jointly with the Independent Auditors' Report and
the Statutory Audit Committee's Report**

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CONSOLIDATED FINANCIAL STATEMENTS AS OF December 31, 2023

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BANCO CMF S.A		
Registered office: Macacha Güemes 150, City of Buenos Aires, Argentina		
Main business activity: Commercial bank	CUIT (Argentine taxpayer identification number): 30-57661429-9	
Organization date: June 21, 1978		
Data of Registration with Buenos Aires City Public Registry of Commerce	Date	(1) Of the articles of incorporation: 21/06/1978
		(2) Of the latest amendment: August 9, 2016
	Book	Stock Corporations Book: 88 – Vol. A
		Number: 1926
Expiry of the articles of incorporation: June 20, 2077		
Fiscal year: No. 47		
Beginning date: January 1, 2023	Closing date: December 31, 2023	
Capital structure		
Number and characteristics of shares	In Argentine pesos	
	Subscribed	Paid-in
323,900,000 book-entry ordinary shares of ARS 1 face value and entitled to five votes each	323,900,000	323,900,000

MARCOS PRIETO
General Manager

Signed for identification purposes with
our report dated March 11, 2024
PISTRELLI, HENRY MARTIN Y ASOCIADOS S.R.L.
C.P.C.E.C.A.B.A. Vol. 1 – Fo. 13

JOSÉ A. BENEGAS LYNCH
Chairperson

GABRIEL GAMBACORTA
On behalf of Statutory Audit
Committee

SEBASTIAN OSEROFF
Partner
Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. Vol. 296 – Fo. 157

ALEJANDRO VICENTE
Accounting and Reporting System
Manager

Bank name: Banco CMF S.A.
 CUIT (Argentine taxpayer identification number): 30-57661429-9
 Name of the undersigned auditor: Sebastian Oseroff
 Professional firm: PISTRELLI, HENRY MARTIN Y ASOCIADOS S.R.L.
 Report for the year ended December 31, 2023:
 Type of report: 1– Unqualified audit report

- 1 -

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF DECEMBER 31, 2023, AND 2022

(Figures stated in thousands of Argentine pesos)

ASSETS	Notes	Exhibits	12/31/2023	12/31/2022
Cash and deposits with banks		P	119,443,742	70,297,112
– On hand			21,174,562	8,223,142
– Financial institutions and correspondents			98,269,180	62,073,970
– BCRA (Central Bank of Argentina)			66,784,851	25,057,952
– Other in Argentina and abroad			31,484,329	37,016,018
Debt securities at fair value through profit or loss			43,044,078	11,427,060
Derivatives	8	A and P	417,929	312,367
Reverse repo transactions	3	P	142,823,382	44,173,514
Other financial assets	4	P	56,242,527	18,287,018
Loans and other financing		B, C, D, P and R	84,751,883	103,587,280
– BCRA (Central Bank of Argentina)			980	-
– Other financial institutions			-	39,191
– Nonfinancial private sector and residents abroad			84,750,903	103,548,089
Other debt securities		A and P	68,278,479	129,172,660
Current income tax assets			10,795	120,116
Financial assets delivered in guarantee	5	P	2,899,246	3,621,839
Investments in equity instruments		A and P	567,895	1,778
Investments in subsidiaries			151,690	101,899
Bank premises and equipment	10	F	11,248,809	11,463,591
Deferred income tax assets	14		1,025,361	31,424
Other nonfinancial assets			827,970	981,909
TOTAL ASSETS			531,733,786	393,579,567

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**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2023, AND 2022**

(Figures stated in thousands of Argentine pesos)

LIABILITIES	Notes	Exhibits	12/31/2023	12/31/2022
Deposits		H, I and P	333,124,948	247,499,384
– Financial sector			1,388	30,652
– Nonfinancial private sector and residents abroad			333,123,560	247,468,732
Liabilities at fair value through profit or loss		I and P	10,945,508	7,062,962
Derivatives	8		-	34,214
Repo transactions	3		584,518	-
Other financial liabilities	30	I and P	91,935,921	51,684,427
Financing received from financial institutions		I and P	2,198,717	1,981,235
Current income tax liabilities	14		5,631,760	5,244
Corporate bonds issued	32	I and P	-	9,121,363
Deferred income tax liabilities	14		548,315	2,286,881
Other nonfinancial liabilities	31		7,756,172	7,151,592
TOTAL LIABILITIES			452,725,859	326,827,302
EQUITY				
Capital stock	22		323,900	323,900
Capital adjustments			40,157,875	40,157,875
Appropriated retained earnings			23,493,174	26,461,161
Unappropriated retained earnings			-	478,382
Other accumulated comprehensive income (loss)			8,168,364	(2,154,380)
Profit for the year			6,565,453	1,288,259
Equity attributable to the subsidiary's owners			78,708,766	66,555,197
Equity attributable to noncontrolling interests			299,161	197,068
TOTAL EQUITY			79,007,927	66,752,265

The accompanying notes 1 through 37 and exhibits A, B, C, D, F, H, I, K, L, N, P, Q and R are an integral part of these consolidated financial statements.

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**CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE FISCAL YEARS ENDED
DECEMBER 31, 2023, AND 2022**

(Figures stated in thousands of Argentine pesos)

STATEMENT OF PROFIT OR LOSS

	Notes	Exhibits	12/31/2023	12/31/2022
Interest income		Q	131,835,673	93,149,453
Interest expense		Q	(80,294,592)	(51,054,607)
Interest income, net			51,541,081	42,094,846
Commission income		Q	2,983,263	2,921,527
Commission expense			(627,879)	(57,411)
Commission income, net			2,355,384	2,864,116
Net gain on financial instruments at fair value through profit or loss		Q	25,754,445	6,263,700
Foreign exchange difference	15		5,212,137	2,254,946
Other operating profit	16		3,241,517	2,938,894
Loan loss allowance	6		(1,449,900)	(543,877)
Net operating profit			86,654,664	55,872,625
Employee benefits	11		(11,400,318)	(10,396,628)
Administrative expenses	17		(11,106,606)	(9,250,286)
Depreciation and amortization of assets (*)			(720,816)	(401,750)
Other operating expenses	18		(10,207,572)	(8,595,938)
Operating profit			53,219,352	27,228,023
Gain on investments in associates and joint ventures			2,335	(968)
(Loss) from net monetary position			(40,504,071)	(23,813,822)
Profit from continuing operations before income tax			12,717,616	3,413,233
Income tax on continuing operations	14		(6,121,264)	(2,109,559)
Profit on continuing operations, net			6,596,352	1,303,674
NET PROFIT FOR THE YEAR			6,596,352	1,303,674
Net profit for the year attributable to the parent company's owners			6,565,453	1,288,259
Net profit for the year attributable to noncontrolling interest			30,899	15,415

(*) Including other expenses.

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**CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE FISCAL YEARS ENDED
DECEMBER 31, 2023, AND 2022**

(Figures stated in thousands of Argentine pesos)

STATEMENT OF OTHER COMPREHENSIVE INCOME

	Notes	Exhibits	12/31/2023	12/31/2022
Net profit for the year			6,596,352	1,303,674
Foreign exchange differences on conversion of financial statements			8,250,873	(2,176,142)
Total other comprehensive income (loss)			8,250,873	(2,176,142)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR			14,847,225	(872,468)
Total comprehensive income (loss) attributable to the parent company's owners			14,733,817	(866,121)
Total comprehensive income (loss) attributable to noncontrolling interests			113,408	(6,347)

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FISCAL YEAR ENDED AS OF DECEMBER 31, 2023

(Figures stated in thousands of Argentine pesos)

Changes	Capital stock	Adjustments to equity	Other comprehensive income	Appropriated retained earnings (accumulated losses)			Unappropriated retained earnings (accumulated losses)	Total equity of controlling interests as of 12/31/2023	Total shareholders' equity of noncontrolling interests as of December 31, 2023	Total equity as of 12/31/2023
	Outstanding shares		Foreign exchange differences on conversion of financial statements	Legal reserve	Optional reserve	Statutory/special reserve due to first-time adoption of IFRS				
— Restated balances at beginning of year	323,900	40,157,875	(2,154,380)	11,829,721	10,201,755	4,429,661	1,766,665	66,555,197	197,068	66,752,265
— Distribution of unappropriated retained earnings approved by the Shareholders' Meeting of April 17, 2023 (1)										
— Creation of a legal reserve, reversal of the optional reserve and absorption of other comprehensive income	-	-	2,154,380	257,683	(645,398)	-	(1,766,665)	-	-	-
— Cash dividends (2) (3)	-	-	-	-	(2,580,248)	-	-	(2,580,248)	(11,315)	(2,591,563)
— Profit for the year, net	-	-	-	-	-	-	6,565,453	6,565,453	30,899	6,596,352
— Other comprehensive income	-	-	8,168,364	-	-	-	-	8,168,364	82,509	8,250,873
— Balance at end of year	323,900	40,157,875	8,168,364	12,087,404	6,976,109	4,429,661	6,565,453	78,708,766	299,161	79,007,927

- (1) On April 17, 2022, the Regular and Special Shareholders' Meeting, with respect to the use of the earnings for the year ended December 31, 2022, amounting to ARS 413,692,565, resolved to: (i) create a legal reserve for ARS 82,738,513, and (ii) earmark ARS 330,954,052 to absorb losses under "Other accumulated comprehensive loss", which stood at ARS 691,819,848. It also resolved to earmark prior-year retained earnings standing at ARS 153,627,367 to partially absorb losses under "Other accumulated comprehensive loss". In addition, as regards the optional reserve, which stood at ARS 3,276,013,442 as of December 31, 2022, it was decided that it be reversed in the following amounts: (i) ARS 207,238,429 to absorb the remaining losses under the "Other comprehensive loss" account, and (ii) ARS 1,093,416,000 to distribute dividends in cash aimed at shareholders in compliance with BCRA Communiqué "A" 7719 ad referendum of the BCRA approval, and in conformity with the applicable standards. On May 4, 2023, the Special Shareholders' Meeting decided that dividends could be distributed in cash or in kind. On May 12, 2023, the Board of Directors' Meeting resolved that dividends be distributed in kind, selecting the Treasury bonds in Argentine pesos adjusted by CER and maturing on March 25, 2024 (TX24). On June 2, 2023, through the Board of Directors' Meeting Minutes and upon obtaining the BCRA's approval, as stated in note 33 to the consolidated financial statements, established the payment schedule comprising TX24 bonds amounting to 258,338,098 in nominal terms payable in six equal, monthly and consecutive installments. Figures are stated at the exchange rate as of December 31, 2022.
- (2) On February 17, 2023, Metrocorp Valores S.A. held the General Regular Shareholders' Meeting that approved the distribution of dividends in cash for a total amount of ARS 363,300,676. Note that figures are stated in Argentine pesos as of December 31, 2022.
- (3) On April 17, 2023, CMF Asset Management SAU Sociedad Gerente de Fondos Comunes de Inversión held a Regular Shareholders' Meeting that approved, among other items, to reverse the optional reserve and to earmark ARS 163,451,650 to pay dividends in cash. Figures are stated in the currency as of December 31, 2022.

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MARCOS PRIETO
General Manager

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Accounting and Reporting System
Manager

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FISCAL YEAR ENDED AS OF DECEMBER 31, 2022

(Figures stated in thousands of Argentine pesos)

Changes	Capital stock	Adjustments to equity	Other comprehensive income	Appropriated retained earnings (accumulated losses)				Shareholders' equity of controlling interests as of 12/31/2022	Total shareholders' equity of noncontrolling interests as of 12/31/2022	Total equity as of 12/31/2022
	Outstanding shares		Foreign exchange differences on conversion of financial statements	Legal reserve	Optional reserve	Statutory/special reserve due to first-time adoption of IFRS	Unappropriated retained earnings (accumulated losses)			
— Restated balances at beginning of year	323,900	40,157,875	(1,869,464)	10,940,727	-	4,429,661	15,510,691	69,493,390	229,099	69,722,489
— Distribution of unappropriated retained earnings approved by the Shareholders' Meeting of April 19, 2022 (1)										
— Creation of legal and optional reserves.										
— Absorption of other comprehensive income	-	-	1,869,464	888,994	10,201,755	-	(12,960,213)	-	-	-
— Cash dividends (2) (3)	-	-	-	-	-	-	(2,072,035)	(2,072,035)	(25,684)	(2,097,719)
— Profit for the year, net	-	-	-	-	-	-	1,288,259	1,288,259	15,414	1,303,673
— Other comprehensive loss	-	-	(2,154,380)	-	-	-	-	(2,154,380)	(21,761)	(2,176,141)
— Other changes	-	-	-	-	-	-	(37)	(37)	-	(37)
— Balance at end of year	323,900	40,157,875	(2,154,380)	11,829,721	10,201,755	4,429,661	1,766,665	66,555,197	197,068	66,752,265

- (1) On April 19, 2022, the Regular and Special Shareholders' Meeting, with respect to the use of the earnings for the year ended December 31, 2021, resolved to: (i) create a legal reserve for ARS 146,555,028, and (ii) absorb the accumulated losses in full under "Other accumulated comprehensive loss", which stood at ARS 308,186,694. In addition, in compliance with BCRA Communiqué "A" 7427, which became effective as from January 1, through December 31, 2022, it approved the distribution of unappropriated retained earnings as follows: (a) distribute 20% as dividends in cash among the shareholders in the amount of ARS 420,448,077, and (b) with the remaining amount, constitute an optional reserve for the future distribution of dividends for ARS 1,681,792,310, the reversal of which was approved at that moment, ad referendum of the BCRA approval, in conformity with the applicable standards. Note that figures are stated in Argentine pesos as of the December 31, 2021 year-end.
- (2) On April 29, 2022, Metrocorp Valores S.A. held the General Regular Shareholders' Meeting that approved: (a) the creation of a legal reserve for ARS 9,094,798; (b) the reversal of the optional reserve for the distribution of earnings for ARS 27,454,936, and (c) dividends in cash for a total amount of ARS 423,505,829. Note that figures are stated in Argentine pesos as of the December 31, 2021 year-end.
- (3) On April 29, 2022, CMF Asset Management SAU Sociedad Gerente de Fondos Comunes de Inversión held a Regular Shareholders' Meeting that approved, among other items, to reverse the optional reserve and to earmark ARS 153,491,822 to pay dividends in cash. Note that figures are stated in Argentine pesos as of the December 31, 2021, year-end.

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General Manager

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**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEARS ENDED
AS OF DECEMBER 31, 2023, AND 2022**

(Figures stated in thousands of Argentine pesos)

	Notes	12/31/2023	12/31/2022
Cash flows provided by operating activities			
Profit for the period before income tax		12,717,616	3,413,233
Adjustment due to the total monetary profit (loss) for the period		40,504,071	23,813,821
Adjustments to determine cash flows provided by operating activities:			
<i>Amortization, depreciation and impairment in value</i>		720,816	401,750
<i>Loan loss allowance</i>		1,449,900	543,877
<i>Monetary losses from cash and cash equivalents</i>		55,278,512	69,067,720
<i>Other adjustments</i>		(48,315,048)	(54,078,264)
Increases/decreases from operating assets, net			
<i>Debt securities at fair value through profit or loss</i>		(33,221,316)	7,790,488
<i>Derivatives</i>		(105,562)	331,730
<i>Repo transactions</i>		(98,649,868)	(7,468,384)
<i>Loans and other financing</i>			
<i>Other financial institutions</i>		39,191	26,453,883
<i>Nonfinancial private sector and residents abroad</i>		17,343,101	40,515,704
<i>Other debt securities</i>		62,004,498	(39,740,937)
<i>Financial assets delivered in guarantee</i>		722,593	4,614,619
<i>Investments in equity instruments</i>		(566,117)	1,214,888
<i>Other assets</i>		(37,444,479)	9,944,903
Increases/decreases from operating liabilities, net:			
<i>Deposits</i>			
<i>Financial sector</i>		(29,264)	1,875
<i>Nonfinancial private sector and residents abroad</i>		85,654,829	(65,328,161)
<i>Liabilities at fair value through profit or loss</i>		3,882,546	7,088,348
<i>Derivatives</i>		(34,214)	33,305
<i>Repo transactions</i>		584,518	(613,931)
<i>Other liabilities</i>		42,533,667	(7,479,943)
Income tax collections		(3,227,251)	(1,517,088)
Total operating activities (A)		101,842,739	19,003,437

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C.P.C.E.C.A.B.A. Vol. 1 – Fo. 13

JOSÉ A. BENEGAS LYNCH
Chairperson

GABRIEL GAMBACORTA
On behalf of Statutory Audit
Committee

SEBASTIAN OSEROFF
Partner
Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. Vol. 296 – Fo. 157

ALEJANDRO VICENTE
Accounting and Reporting System
Manager

**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEARS ENDED
AS OF DECEMBER 31, 2023, AND 2022 (CONTD.)**
(Figures stated in thousands of Argentine pesos)

	Notes	12/31/2023	12/31/2022
Cash flows provided by investing activities			
Payments:			
<i>Purchase of bank premises and equipment, intangible assets and other assets</i>		(686,969)	(115,261)
<i>Purchase of liability or equity instruments issued by other institutions</i>		(49,791)	-
<i>Obtainment of control in subsidiaries or other businesses</i>		8,250,873	(2,169,795)
Collection:			
<i>Sale of liability or equity instruments issued by other institutions</i>		-	14,337
<i>Other collections related to investing activities</i>		249,417	365,026
Total investing activities (B)		7,763,530	(1,905,693)
Cash flows provided by financing activities			
Payments:			
<i>Dividends</i>		(1,484,332)	(2,072,035)
<i>Unsubordinated corporate bonds</i>		(9,126,414)	7,634,588
<i>BCRA</i>		-	(13,350)
<i>Financing received from financial institutions in Argentina</i>		203,106	(3,306,992)
<i>Other payments related to financing activities</i>		-	(6,082)
Collection:			
<i>BCRA</i>		14,359	-
<i>Other collections related to financing activities</i>		17	-
Total financing activities (C)		(10,393,264)	2,248,293
Effect of changes in the exchange rate (D)		5,212,137	2,254,946
Effect of monetary gains (losses) from cash and cash equivalents (E)		(55,278,512)	(69,067,720)
Total changes in cash flows			
Decrease in cash and cash equivalents, net (A+B+C+D+E)		49,146,630	(47,466,737)
Cash and cash equivalents at beginning of year	21	70,297,112	117,763,849
Cash and cash equivalents at end of year	21	119,443,742	70,297,112

The accompanying notes 1 through 37 and exhibits A, B, C, D, F, H, I, K, L, N, P, Q and R are an integral part of these consolidated financial statements.

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General Manager

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023

(Figures stated in thousands of Argentine pesos)

1. GENERAL INFORMATION - BANCO CMF AND ITS SUBSIDIARIES

Banco CMF S.A. (the "Company") is a *sociedad anónima* (Argentine business association type akin to a stock corporation) duly organized under Argentine laws on June 21, 1978. Its duration term is 99 (ninety-nine) years, expiring in 2077 and may be extended. The current shareholders purchased the Bank in 1990. Subsequently, on April 10, 1996, through Resolution No. 208/96, and on May 5, 1996, through Communiqué "B" No. 6,010, the BCRA (Central Bank of Argentina) approved its transformation into a commercial bank. Finally, on March 23, 1999, through Communiqué "B", the BCRA approved the corporate name change and the adoption of the current corporate name, Banco CMF S.A.

Since it is a financial entity governed by Financial Institutions Law No. 21,526, it should meet BCRA provisions because it is its regulatory agency.

These financial statements comprise Banco CMF and its subsidiaries, which are made up of the following companies:

- I. Metrocorp Valores S.A. is a company registered with the CNV (Argentine Securities Commission) as a comprehensive settlement, clearing and trading agent (ALyC y AN - Integral). This company engages in trading securities in Bolsas y Mercados Argentinos S.A. (BYMA) and Mercado a Término de Rosario (ROFEX), rendering services to the Bank and its customers, broadening the portfolio of products.
- II. CMF Asset Management S.A.U. is a mutual fund managing companies registered with the CNV as a managing agent in charge of mutual funds collective investment products. It manages seven mutual funds. These mutual funds are traded exclusively through the Bank, which, in turn, operates as a custodial agent of collective investment products.
- III. Eurobanco Bank Ltd. is a financial entity located in Bahamas registered under a "Banking and Trust Business" license granted by the Ministry of Finance of The Commonwealth of the Bahamas and overseen by the Central Bank of Bahamas. Banco CMF S.A. controls 99% of the company. It is mainly engaged in the trading of sovereign debt and corporate securities subject to public offer, as well as financing transactions and investments in low-risk financial assets in international markets. The source of financing is its own capital and deposit-taking. In addition, Eurobanco Bank Ltd. keeps a record with the Security Commission of The Bahamas (according to "Section 22 of Security Industry Act, 1999) as a Broker Dealer Class II (see exhibit IV(3)) to purchase and sell securities.

On March 11, 2024, the Board of Directors of Banco CMF S.A. approved the issuance of the accompanying consolidated financial statements.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023

(Figures stated in thousands of Argentine pesos)

2. SIGNIFICANT ACCOUNTING POLICIES

Basis for preparation

Accounting standards applied

The Bank's consolidated financial statements were prepared in accordance with the information framework established by the BCRA (Communiqué "A" 6114, as supplemented). Such framework is based on International Financial Reporting Standards (IFRS) issued by the IASB (International Accounting Standards Board) and adopted by the FACPCE (Argentine Federation of Professional Councils in Economic Sciences), only subject to the exceptions explained in the following paragraph. These international standards include the IFRS, the International Accounting Standards (IAS) and the interpretations originated by the IFRS Interpretations Committee (IFRIC) or the former Standard Interpretations Committee (SIC).

The following BCRA temporary exceptions and regulatory provisions to the application of IFRS in effect were applied to the preparation of these consolidated financial statements:

As part of the convergence process towards IFRS established by Communiqué "A" 6114, as amended and supplemented, the BCRA defined through Communiqués "A" 7181, 7427, 7659 and 7,928 that the financial institutions defined within "Groups B and C", as regulated by that body, which include the Bank, may opt to start applying as from the years beginning on January 1, 2022, 2023, 2024 or 2025, section 5.5 "Impairment in value" under IFRS 9 "Financial instruments" (items B5.5.1 through B5.5.55), except for the exposures to the public sector, considering the temporary exclusion under Communiqué "A" 6847. The Bank started to apply the abovementioned point as from fiscal 2025. Even though as of the date of the accompanying consolidated financial statements, the Bank is quantifying the potential effects of the full application of section 5(5) "Impairment in value" mentioned above, the Bank's Management estimates that they could be material.

Except as mentioned in the previous paragraph, the accounting policies applied by the Bank comply with the IFRS that are currently approved and applied in preparing these separate financial statements in agreement with the IFRS adopted by the BCRA according to Communiqué "A" No. 7899.

Transcription into the Bank's Inventories and Financial Statements Book

As of the date of issuance of the accompanying financial statements, they are being transcribed into the "Inventory and Financial Statements" book. In addition, the financial statements as of March 31, June 30, and September 30, 2023, in the Inventory and Financial Statements book are being signed.

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Going concern

Bank Management assessed its capacity to continue as a going concern and concluded that it has the resources to continue in the business in the near future. Management is not aware of any material uncertainty that could compromise the Bank's capacity to continue as a going concern. Therefore, these consolidated financial statements were prepared on a going concern basis.

Basis of consolidation

These consolidated financial statements comprise the financial statements of the Bank and its subsidiaries as of December 31, 2023.

Subsidiaries are defined as the entities over which the Bank exerts control. Bank controls a company when it is exposed to, or has rights over, variable returns due to its continuous involvement in the investee, and it has the capacity of using the power to direct the investee's operating and financial policies to exert an influence over these returns.

This is generally evidenced by an equity interest involving more than half of the shares with voting rights.

However, under specific circumstances, the Bank can still exert control with less than 50% of its equity or may not exert control with more than 50% of a subsidiary's shares.

Upon assessing whether it has control over a subsidiary and, hence, controls its variable returns, the Bank considers all the important facts and circumstances, including:

- The purpose and design of the subsidiary.
- The significant activities, how decisions are made concerning these activities and whether the Bank may manage these activities.
- The contractual agreements as rights to buy, sell and settle.
- If the Bank is exposed to, or has rights over, variable returns of its equity in the subsidiary and it has the power to exert an influence over these returns.

The Bank has no interests in structured entities to be consolidated.

Subsidiaries become wholly consolidated as from the date on which the effective control thereof is transferred to the Bank, and they are no longer consolidated as from the date on which such control ends. These consolidated financial statements include the assets, liabilities, profit or loss and each component of other comprehensive income of the Bank and its subsidiaries. The transactions between related entities are fully eliminated.

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Changes in a subsidiary that do not result in the parent losing control of the subsidiary are booked as equity transactions. If the Bank loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, the non-controlling interest and other capital components, whereas any resulting profit or loss is recognized through profit or loss, and any investment retained is recognized at fair value at the date when control is lost.

The subsidiaries' financial statements were prepared as of the same dates and for the same accounting periods as those of Banco CMF S.A, consistently using accounting policies similar to those used by the latter. If applicable, the financial statements of the subsidiaries are adjusted so that the accounting policies used by the group are consistent.

The Bank and its subsidiaries consider the Argentine peso as its functional and disclosure currency. To such end, before the consolidation, the financial statements of its subsidiary Eurobanco Bank Limited, originally issued in US dollars, were converted into Argentine pesos (disclosure currency) using the following method:

- The assets and liabilities were converted at the BCRA's benchmark interest rate effective for such foreign currency at the closing of operations of the last business day of the reporting year.
- Profits for the reporting year were converted into Argentine pesos every month using the BCRA's average benchmark exchange rate.
- The resulting foreign exchange differences are booked as a separate component in equity in the statement of comprehensive income as "Foreign exchange differences on conversion of financial statements".

Furthermore, noncontrolling interests are the portion of profit or loss and equity that does not belong, either directly or indirectly, to the Bank. They are disclosed in these financial statements in a separate line in the statements of financial position, profit or loss, other comprehensive income and changes in equity.

As of December 31, 2023 and 2022, the Bank consolidated its financial statements with those of the following companies:

Company	Shares		% to		Activity
	Class	Number	Capital stock	Votes	
Metrocorp Valores S.A.	Ordinary	6,491,430	99%	99%	Comprehensive settlement, clearing and trading agent
Eurobanco Bank Ltd.	Ordinary	2,970,000	99%	99%	Financial institution
CMF Asset Management S.A.U. Sociedad Gerente de Fondos Comunes de Inversión	Ordinary	5,000,000	100%	100%	Managing agent in charge of mutual funds investment products

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(Figures stated in thousands of Argentine pesos)

The total amounts related to the assets, liabilities, equity and profit or loss of Banco CMF S.A and each of its subsidiaries as of December 31, 2023 and 2022 are disclosed below:

<u>As of 12/31/2023</u>	Banco CMF	Metrocorp Valores	Eurobanco	CMF Asset	Eliminations	Consolidated
Assets	326,582,252	40,755,572	211,634,297	2,172,736	(49,411,071)	531,733,786
Liabilities	247,873,486	36,835,743	185,638,026	984,370	(18,605,766)	452,725,859
Equity attributable to the parent company's owners	78,708,766	3,880,631	25,736,308	1,188,366	(30,805,305)	78,708,766
Equity attributable to noncontrolling interests	-	39,198	259,963	-	-	299,161
Profit (loss) for the year, net	6,565,453	2,448,944	640,928	967,439	(4,026,412)	6,596,352
Total other comprehensive income (loss)	8,168,364	-	8,250,873	-	(8,168,364)	8,250,873
Total comprehensive income (loss) attributable to the parent company's owners	14,733,817	2,424,454	8,802,883	967,439	(12,194,776)	14,733,817
Total comprehensive income (loss) attributable to noncontrolling interests	-	24,490	88,918	-	-	113,408

<u>As of 12/31/2022</u>	Banco CMF	Metrocorp Valores	Eurobanco	CMF Asset	Eliminations	Consolidated
Assets	244,520,801	35,257,788	159,600,267	1,476,661	(47,275,950)	393,579,567
Liabilities	177,965,604	32,655,557	142,495,800	746,734	(27,036,393)	326,827,302
Equity attributable to the parent company's owners	66,555,197	2,576,210	16,933,420	729,927	(20,239,557)	66,555,197
Equity attributable to noncontrolling interests	-	26,021	171,047	-	-	197,068
Profit (loss) for the year, net	1,288,259	1,131,347	410,165	509,002	(2,035,099)	1,303,674
Total other comprehensive income (loss)	(2,154,380)	-	(2,176,142)	-	2,154,380	(2,176,142)
Total comprehensive income (loss) attributable to the parent company's owners	(866,121)	1,120,034	(1,748,317)	509,002	119,281	(866,121)
Total comprehensive income (loss) attributable to noncontrolling interests	-	11,313	(17,660)	-	-	(6,347)

The Bank's Management considers that there are no other entities or structured entities that should be included in the financial statements as of December 31, 2023 and 2022.

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Summary of significant accounting policies

Below are disclosed the main valuation and disclosure methods followed in the preparation of these consolidated financial statements as of December 31, 2023, and 2022.

Assets and liabilities in foreign currency

Assets and liabilities denominated in foreign currency, basically in US dollars, have been valued at BCRA's benchmark exchange rate effective for the US dollar at the closing of operations of the last business day of each fiscal year.

In addition, assets and liabilities denominated in other foreign currencies were converted at the exchange rates published by the BCRA. Foreign exchange differences were charged to profit or loss for each year under "Differences in quoted prices of gold and foreign currency".

Financial instruments

Initial recognition and measurement

The Bank recognizes a financial instrument when it becomes a party to its contractual clauses.

Purchases or sales of financial assets requiring the delivery of assets within the term generally established by regulations or market conditions are booked on the transaction negotiation date, i.e. on the date when the Bank and its subsidiaries agree to purchase or sell the asset.

In the initial recognition, financial assets or liabilities were recorded at their fair values. Those financial assets or liabilities that are not booked at fair value through profit or loss were booked at fair value adjusted by the transaction costs that were directly attributable to their purchase or issuance.

Upon initial recognition, the fair value of a financial instrument is normally the transaction price. However, if part of the consideration delivered or received is related to something other than the financial instrument, the Bank and its subsidiaries estimate the fair value of the financial instrument. If this fair value is based on a valuation technique that uses only observable market data, any amounts additional to the consideration will be a lower profit or expense, unless they meet the requirements to be recognized as any other asset type ("day 1" results). Should the fair value be based on a valuation technique that uses nonobservable market data, the Bank will recognize this deferred difference through profit or loss only insofar as it arises from a change in a factor (including time) that the market participants would consider upon determining the price of the asset or liability, or when the instrument is derecognized.

Subsequent measurement

Business model:

The Bank and its subsidiaries establish three categories for classifying and measuring its debt instruments based on a business model for managing them, and the characteristics of the contractual flows thereof:

- Amortized cost: the business purpose is to obtain the contractual cash flows of the financial asset.

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- Fair values through other comprehensive income: the business purpose is to obtain the contractual cash flows of the financial asset and those arising from the sale thereof.
- Fair value through profit or loss: the business purpose is to generate profit from the purchase and sale of financial assets.

Consequently, the Bank and its subsidiaries measure their financial assets at fair value, except for those that meet these two conditions and are therefore valued at amortized cost:

- They are held within a business model which aim is to maintain assets to obtain contractual cash flows.
- The contractual conditions of the financial assets give rise to, in specific dates, cash flows that are only payments of principal and interest on the outstanding capital.

The Bank and its subsidiaries define its business model at the level that best shows how it manages the groups of financial assets to reach a specific business purpose.

The business model is not assessed by instrument, but a higher level of aggregated portfolios, and it is based on observable factors, such as:

- The method for assessing the performance of the business model and the financial assets held within such business model, and the reporting method to key personnel in the Bank and its subsidiaries.
- The risks affecting the performance of the business model (and the financial assets held within such business model) and, in particular, the way of managing these risks.
- The method for compensating key personnel in the Bank and its subsidiaries (for example, if compensation is based on the fair value of the assets managed or collected contractual cash flows).
- The expected frequency, timing and reasons for sales are also important factors.

The assessment of the business model is based on reasonably expected scenarios, without taking into consideration the "worst case" or "stress case" scenarios. If subsequent to initial recognition cash flows are realized in a manner other than that originally expected by the Bank and its subsidiaries, they do not change the classification of the remaining financial assets held within such business model, but rather consider the information to assess the recent purchases or origination.

Test of payments of principal and interest only:

As part of the classification process, the Bank assessed the contractual terms of its financial assets to identify whether they originate cash flows at certain dates only consisting in repayments of principal and interest on the outstanding principal.

For the purpose of this assessment, "principal" was defined as the fair value of the financial asset upon initial recognition, which may be modified throughout the life of the instrument; for example, if there are any reimbursements of principal, amortization of a premium or discount.

The main components of interest in a loan agreement usually are time value of money and credit risk.

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To perform the characteristics test, the Bank and its subsidiaries use their own judgment and consider relevant factors, such as the currency in which the financial asset is stated and the term for which the interest rate was set.

On the contrary, the contractual terms introducing an exposure higher than the minimum to risk or volatility in the contractual cash flows not related to a basic loan agreement do not give rise to contractual cash flows only consisting of repayments of principal and interest on the outstanding amount. In such cases, it is required that financial assets be measured at fair value through profit or loss.

Therefore, financial assets were classified on the basis of the considerations made in the preceding paragraphs under "Financial assets measured at fair value through profit or loss", "Financial assets measured at fair value through other comprehensive income" or "Financial assets at amortized cost". Such classification is disclosed in Exhibit P "Classification of financial assets and liabilities".

Financial assets and liabilities measured at fair value through profit or loss:

This category is divided into two subcategories: financial assets and liabilities held for trading, and financial assets and liabilities designated at fair value from their initial recognition by Management in accordance with IFRS 9, paragraph 6(7)1.

The Bank and its subsidiaries classify financial assets or liabilities as held for trading when they have been purchased or issued mainly for obtaining short-term benefits through negotiation activities, or when they are part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking.

The Board designates an instrument at fair value when one of the following conditions are met: (i) the designation eliminates or reduces significantly the inconsistent treatment that, otherwise, arises from measuring assets or liabilities, or recognizing profit or losses generated by them on a different basis; (ii) assets and liabilities are part of a group of financial assets, which are managed and assessed on a fair value basis in accordance with a documented risk management or investment strategy; or (iii) liabilities include one or more embedded derivatives, unless they do not significantly modify cash flows. Such designation is made on an instrument-by-instrument basis.

Financial assets and liabilities measured at fair value through profit or loss are booked in the statement of financial position at fair value. Changes in fair value are recognized in the statement of profit or loss under "Net gain (loss) on financial instruments at fair value through profit or loss", except for the changes in fair value of the liabilities designated at fair value through profit or loss due to changes in own credit risk. Such changes in fair value would be booked under other comprehensive income and would not be reclassified through profit or loss. Interest income and expenses, as well as dividends, are charged to "Net gain (loss) on financial instruments at fair value through profit or loss" under the terms of the agreement or when the payment right has been established.

The fair value of these instruments, classified as level 1, was calculated using the listed prices as of each year-end on active markets, if representative. The main market on which the Bank operates is the Mercado Abierto Electrónico (over-the-counter electronic market). In addition, in the case of dividends, both the MAE and the Mercado a Término de Rosario S.A. (ROFEX) are considered active markets.

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If there was no active market, the instruments are classified as L2 instruments and valuation techniques were used, including the use of market transactions performed under mutually independence conditions between duly informed and interested parties, provided that they are available, as well as references to the current fair value of another instrument that is substantially similar or the analysis of discounted cash flows. The fair value estimate is further explained in section "Accounting judgments, estimates and assumptions" under this note.

Financial assets measured at amortized cost – Effective interest method:

They represent financial assets held to obtain contractual cash flows and the contractual conditions of which give rise, on specific dates, to cash flows only consisting in repayments of principal and interest on the outstanding principal.

Subsequent to initial recognition, these financial assets are booked in the statement of financial position at amortized cost using the effective interest rate method, less the loan loss allowance, if applicable.

Interest income and impairment are disclosed in the statement of profit or loss in "Interest income" and "Loan loss allowance", respectively. The changes in the provision is disclosed in Exhibit R "Adjustment due to losses. Loan loss allowance."

The effective interest rate method uses the rate that allows discounting future cash flows estimated to be paid or received over the life of the instrument or a shorter period, if appropriate, equal to the net carrying amount of this instrument. By applying such method, the Bank identifies the incremental costs that are an integral part of the effective interest rate. To such purpose, interest is defined as the consideration for the time value of money and the credit risk associated to the outstanding principal amount over a specified period.

Cash and deposits with banks

They were measured at nominal value, plus accrued interest as of each year-end, if appropriate. Accrued interest was charged to the related statement of profit or loss for each year under "Interest income", if applicable.

Repo transactions (purchases and sales with repurchase agreements):

The purchases (sales) of financial instruments with the nonoptional repurchase commitment at a determined price (repos) are booked in the consolidated statement of financial position as a financing granted (received) under "Repo transactions".

The difference between the purchase and sale prices of those instruments is recorded as interest, which is accrued over the effective term of transactions using the effective interest rate method and charged to the statement of profit or loss under "Interest income" and "Interest expense", as the case may be.

Loans and other financing:

They are financial assets other than a derivative held by the Bank in a business model aimed at obtaining contractual cash flows and the contractual conditions of which give rise, on specific dates, to cash flows only consisting in repayments of principal and interest on the outstanding principal.

MARCOS PRIETO
General Manager

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JOSÉ A. BENEGAS LYNCH
Chairperson

GABRIEL GAMBACORTA
On behalf of Statutory Audit
Committee

SEBASTIAN OSEROFF
Partner
Public Accountant (U.B.A.)
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Loans and other financing are booked when funds are disbursed to customers. Subsequent to initial recognition, loans and other financing are valued at amortized cost using the effective interest rate method, less the loan loss allowance. Amortized cost is calculated considering any discount or premium incurred upon origination or acquisition, and origination fees, which are part of the effective interest rate. Interest income are allocated to the statement of profit or loss under "Interest income". Impairment losses are included in the consolidated statement of profit or loss under "Loan loss allowance" and the changes thereof are disclosed in Exhibit R "Loan loss allowance." The impairment estimate is further explained in section "Accounting judgments, estimates and assumptions" under this note.

The guarantees provided and contingent obligations are disclosed in the notes to the financial statements (off balance) when the documents supporting these credit facilities are issued and are initially recognized at the fair value of the commission received in "Other financial liabilities" in the statement of financial position. After the legal recognition, the liability for each guarantee is booked at the highest value between the commission amortized and the best expense estimate required to settle any financial obligation arising from the financial guarantee.

Any increase in the liability related to a financial guarantee is booked in profit or loss. The commission received is recognized in "Commission income" in the statement of profit or loss based on its amortization using the straight-line method during the term of the financial guarantee offered.

Financial liabilities:

After initial recognition, all the financial liabilities are valued at amortized cost using the effective interest method, except for derivative financial instruments and financial liabilities held for trading or designated at fair value. Interest is charged to profit under "Interest expense".

Such classification is disclosed in Exhibit P "Classification of financial assets and liabilities".

Derivatives:

Forward transactions without delivery of the underlying asset:

They include forward purchases and sales of foreign currency without delivery of the underlying asset traded, which are not designated as hedge relationships but are aimed at reducing the exchange rate risk for expected purchases and sales. Transactions are measured at the fair value of agreements and are performed by the Bank for the purpose of intermediation for its own account. The Bank mainly operates on the Mercado a Término de Rosario S.A. (ROFEX). The fair value estimate is further explained in section "Accounting judgments, estimates and assumptions" under this note. The resulting profit or loss is charged to profit or loss for the year under "Difference in quoted prices of foreign currency."

Reclassification of financial assets and liabilities:

The Bank does not reclassify its financial assets after initial recognition, except under exceptional circumstances, when it changes its business model to manage financial assets as a result of significant external or internal changes to the Bank's operations. Financial liabilities are never reclassified. As of December 31, 2023 and 2022, the Bank and its subsidiaries made no reclassifications.

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Finance leases:

The Bank grants borrowings through finance leases, recognizing the current value of lease payments as an asset, which are booked as "Loans and other financing" in the statement of financial position. The difference between the total value receivable and the present value of the financing is recognized as interest to be earned. This revenue is recognized over the lease term using the effective interest rate method, which shows a constant rate of return and charged to profit or loss under "Interest income". Impairment losses are included in the statement of profit or loss under "Loan loss allowance" and the changes thereof are disclosed in Exhibit R "Adjustment due to losses. Loan loss allowance."

Bank premises and equipment

The Bank and its subsidiaries chose the cost model for all types of assets within the account. These assets are booked at their historical acquisition cost, less the related accumulated depreciation and impairment in value, if applicable. The historical acquisition cost includes expenses directly attributable to the acquisition of assets. Maintenance and repair costs are booked in the statement of profit or loss. Any material improvement and renovation is capitalized solely when it is probable that there will be future economic benefits exceeding the return originally evaluated for the asset.

Depreciation was calculated based proportionately to the estimated months of useful life. The assets were fully depreciated in the month of addition, but were not depreciated in the month of retirement. Additionally, at least as of each year-end, the estimated useful lives of the assets are reviewed to detect significant changes therein, which, upon occurrence, will be adjusted through the related adjustment to the depreciation charge. The depreciation charge is recognized in "Depreciation and impairment in value of assets".

The residual value of these assets, taken as a whole, does not exceed their recoverable value.

Intangible assets

Intangible assets purchased separately are initially valued at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization (if finite useful lives are assigned) and accumulated impairment losses, if any.

Impairment in value of nonfinancial assets:

At least as of each year-end, the Bank and its subsidiaries evaluate whether there are events or changes in circumstances that indicate that the value of nonfinancial assets can be impaired or whether there are hints that a nonfinancial asset can be impaired. If there is any hint or when an annual impairment test is required for an asset, the Bank estimates the recoverable value thereof. If the carrying amount of an asset (or cash generating unit) exceeds its recoverable value, the asset (or cash generating unit) is considered impaired and the amount decreases to the recoverable value of the asset.

As of the date of presentation of the financial statements, nonfinancial assets are evaluated as to whether there are any hints that the loss for impairment in value previously recognized may no longer exist or may have decreased. A loss for impairment in value previously recognized is reversed solely if there has been a change in the estimates used to determine the recoverable value of the asset from the recognition of the latter loss for impairment in value. In such a case, the carrying amount of the asset increases to its recoverable value.

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Since the Bank has assessed and concluded that there are indications of impairment, it estimated the recoverable value of assets (value in use), which exceeds their carrying amount; therefore, it does not have to recognize any adjustment whatsoever for impairment in value.

Provisions:

The Bank and its subsidiaries recognize a provision when and only when: (a) the Bank has a current obligation, as a result of a past event; (b) it is probable (i.e. more likely than not) that an outflow of resources will be required by the Bank and its subsidiaries to settle the obligation; and (c) a reliable estimate can be made of the amount of the related payable.

In order to assess the provisions, the existing risks and uncertainties were considered taking into account the opinion of the Bank's external and internal legal counsel. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When the discount is recognized, the increase in the provision as time elapses is recognized in "Interest expense" in the statement of comprehensive income.

The provisions booked by the Bank and its subsidiaries are reviewed as of each year-end and adjusted to reflect the best estimate available at all times. Additionally, provisions are allocated to a specific item in order to be used only to cover the disbursements for which they were originally recognized.

In the event that: (a) it is a possible obligation, (b) it is probable that a disbursement of resources will be required to settle the obligation, or (c) its present value can be reliably estimated, the contingent liability is not recognized and it is disclosed in the notes. However, when the disbursement requirement is considered to be remote, no disclosure is made.

As of December 31, 2023 and 2022, the Bank and its subsidiaries estimated that no disbursements are likely to be needed to settle other current obligations for these items.

Recognition of profit and expenses:

Interest income and expense:

Interest income and expense are accounted for based on their accrual period, applying the effective interest method, which is explained in "Financial assets measured at amortized cost – Effective interest method".

Interest income includes yields on fixed-income investments and securities, as well as the discount and premium on financial instruments.

Dividends are recognized when they are reported.

Borrowing commissions:

Commissions collected and direct incremental costs related to financing granted are deferred and recognized adjusting the effective interest rate thereof.

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Commissions on services:

These profits are recognized when (or as) the Bank and its subsidiaries fulfill each performance obligation through the transfer of the services committed in exchange for an amount reflecting the consideration to which the Bank and its subsidiaries expect to be entitled in exchange for such services.

At the beginning of each agreement, the Bank and its subsidiaries assess the services committed and identify as a performance obligation each commitment to transfer a different service or a series of different services that are substantially the same and share the same transfer pattern.

Nonfinance income and expense:

They are booked based on the recognition conditions established in the conceptual framework, such as the requirement that profit (losses) be accrued.

Income tax

Income tax is calculated based on the stand-alone financial statements of Banco CMF S.A. and each of its subsidiaries.

The income tax charge comprises current and deferred income tax. Income tax is recognized in the statement of profit or loss, except for items to be recognized directly in other comprehensive income. In this case, each item is disclosed before calculating its income tax impact, which is detailed in the related item.

The current income tax charge is related to the addition of charges of the different Group companies, which were determined by applying the tax rate over taxable profit pursuant to Income Tax Law, or an equivalent regulation, of the countries in which any subsidiary operates.

Deferred income tax reflects the effects of temporary differences between book and tax amounts of assets and liabilities. Assets and liabilities are measured using the tax rate expected to be applied to taxable profit in the years when these differences are recovered or eliminated. The measurement of deferred assets and liabilities reflects the tax consequences derived from the way in which the Bank and its subsidiaries expect to recover or calculate the value of their assets and liabilities as of each year-end.

Deferred income tax assets and liabilities are measured by their nominal amounts without discounting, at the tax rates expected to be applied during the year in which the asset is realized or the liability is settled.

Deferred assets are recognized when future tax benefits sufficient for the deferred asset to be applied are likely to exist.

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Investment management and trust activities

The Bank and its subsidiaries provide custody, administration, investment management and advisory services to third parties that give rise to the holding or placement of assets in their name. These assets and profit (losses) therefrom are not included in these financial statements because they are not the Bank's and subsidiaries' assets. Fees arising from these activities are included in the account "Commission income" in the statement of profit or loss.

Accounting judgments, estimates and assumptions

Preparing the consolidated financial statements in accordance with IFRS requires that the Bank's Management, together with its subsidiaries, make and consider the significant accounting judgments, estimates and assumptions that affect the reported figures for assets and liabilities, revenues and expenses, as well as the assessment and disclosure of contingent assets and liabilities as of the reporting year-end. The bookings made by the Company are based on the best estimate of the likelihood of different future events occurring. In this sense, the uncertainties related to the estimates and assumptions adopted could result in outcomes that could differ from those estimates and require material adjustments to the reported figures of the assets and liabilities affected.

The most significant estimates included in the accompanying financial statements are related to the loan loss allowance, the measurement of financial instruments at fair value, the provisions, the estimated useful life of fixed assets, the expected recovery amount at the end of its useful life and the income tax charge.

In certain cases, the financial statements prepared in agreement with BCRA Comunicado "A" 6114 require that the assets or liabilities be booked and/or presented at fair value. Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties at arm's length between market participants on the principal (or most advantageous) market in an orderly and current transaction. When market prices on active markets are available, they were used as valuation basis. When the market prices on active markets are not available, the Bank and its subsidiaries estimate these values as values based on the best information available, including the use of models and other assessment techniques.

Fair value measurement of financial instruments

In the cases when the fair value of the financial assets and liabilities booked in the statement of financial position cannot be measured based on the market prices of these assets, the fair value is assessed by using valuation techniques that include a discounted cash flow model.

When possible, the input data used by these models are taken from observable markets; otherwise, discretionary judgment is required to determine the fair value. Such judgment includes considering input data such as liquidity risk, credit risk and volatility.

The changes in the assumptions related to these factors could affect the fair value of the financial instruments.

The fair value assessment method is explained in detail in note 19.

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Loan loss allowance and provision for contingent commitments

The loan loss allowance was booked based on the estimated uncollectibility risk of the Bank's credit assistance, which results from assessing borrowers' compliance and the guarantees supporting the related transactions in conformity with BCRA Comunicado "A" 2,950, as supplemented, and the Bank's provision-setting policies.

In the case of loans with specific allowances that are settled or generate the reversal of allowances booked this year, and if the allowances booked in prior years exceeded those deemed necessary, the surplus in the allowance is reversed with an impact on profit or loss for the current year.

Impairment losses are included in the statement of profit or loss and the reversals are disclosed in "Other operating profit." The changes in these losses are disclosed in Exhibit R "Loan loss allowance."

As of December 31, 2023 and 2022, the Bank has no provisions for contingent commitments.

Figures stated in thousands of Argentine pesos

These consolidated financial statements disclose figures stated in thousands of Argentine pesos in terms of purchasing power as of December 31, 2023, and are rounded up to the nearest amount in thousands of Argentine pesos, except when otherwise noted (see "Measurement unit" in this note).

Presentation of the consolidated statement of financial position

The Bank files the consolidated statement of financial position in order of liquidity pursuant to the model established in BCRA Comunicado "A" 6324. The analysis referring to the recovery of assets and settlement of liabilities within the 12 months subsequent to the reporting date and over 12 months subsequent to the reporting date is disclosed in note 12.

Financial assets and liabilities are usually informed using gross amounts in the consolidated statement of financial position. These amounts are only offset and reported on a net basis when holding the legal and unconditional right to offset them, and Management intends to settle those amounts on a net basis or to realize assets and settle liabilities simultaneously.

The accompanying consolidated financial statements were prepared on the basis of their historical amounts, except for the assets disclosed in note 19, which were stated at fair value, considering the comments made in "Measurement unit" in this note.

Comparative information

The consolidated statement of financial position, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year ended December 31, 2023, are presented comparatively with those of the prior year.

The amounts related to the comparative information were restated to consider the changes in the general purchasing power of the Argentine peso so that they are restated into the current measurement unit as of the end of the reporting year (see section "Measurement unit" below).

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(Figures stated in thousands of Argentine pesos)

Measurement unit

These consolidated financial statements as of December 31, 2023, were restated into the purchasing power as of that date pursuant to IAS 29 and considering specific BCRA regulations established through Communiqués "A" 6651 and 6849, as amended and supplemented, introducing the mandatory adoption of such method for the financial statements for years beginning as from January 1, 2020, and set December 31, 2018, as the transition date.

IFRS require the restatement in functional currency of an entity's financial statements when the functional currency used is that of a hyperinflationary economy. To ensure consistency in identifying such an economic context, IAS 29 establishes (i) certain nonexclusive qualitative indicators, such as analyzing the behavior of the population, prices, interest rates and salaries considering the changes in the price indexes and the loss in the purchasing power of the currency, and (ii) a quantitative indicator –which is the condition mostly used in actual facts–, which consists in checking whether the cumulative inflation rate over three years approaches or exceeds 100%. Due to different macroeconomic factors, the three-year inflation rate stood above 100%. Moreover, the Argentine government targets and other available projections show that this trend will not be reversed in the short term.

This restatement should be made as if the economy had always been hyperinflationary using a general price index that reflects the changes in the purchasing power of the currency. To make such restatement, a series of indexes prepared and published monthly by the FACPCE are used, which combine the Argentine consumer price index published by the INDEC (Argentine Institute of Statistics and Censuses) as from January 2017 (base month: December 2016) with the wholesale domestic price index published by the INDEC until that date, computing the changes in the consumer price index for the City of Buenos Aires for November and December 2015 since the INDEC published no information concerning the domestic wholesale price index for these months.

Considering this index, inflation stood at 211.41% and 94.79% for the years ended December 31, 2023, and 2022, respectively.

Below we include a description of the main impacts of using IAS 29 and the process for restating the financial statements established by BCRA Communiqué "A" 6849, as amended and supplemented:

a) Description of the main aspects of the restatement process in the statement of financial position:

- i. Monetary items (those with a fixed nominal value in local currency) will not be restated, as they are no longer stated in the constant currency as of the end of the reporting year. In an inflationary period, maintaining monetary assets will lose purchasing power and maintaining monetary liabilities will gain purchasing power, provided that these items are not subject to an adjustment mechanism that somehow offsets these effects. Net monetary gains or losses are included in profit or loss for the reporting period.
- ii. The assets and liabilities subject to adjustment based on specific agreements are adjusted based on such arrangements.
- iii. Nonmonetary items measured at their current values as of the end of the reporting year are not restated to be disclosed in the statement of financial position, but the adjustment process should be completed to determine the profit or loss generated by holding these nonmonetary items in constant pesos.

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- iv. The nonmonetary items measured at a historical cost or current cost of a date prior to the end of the reporting year are restated by coefficients that reflect the changes in the general level of prices from the date of acquisition or revaluation until the closing date, and the restated amounts of these assets are then compared to the recoverable values. The charges to profit or loss for the year for the depreciation of bank premises and equipment and the amortization of intangible assets or any other consumption of nonmonetary assets are determined based on the new restated amounts.
- v. When finance costs are capitalized under nonmonetary assets, the portion of these costs used to offset the creditor for inflation purposes are not capitalized.
- vi. The restatement of nonmonetary assets in the current unit of measure as of the end of the reporting year with no equivalent adjustment for tax purposes gives rise to a taxable temporary difference and the recognition of a deferred tax liability which contra account is recognized in profit or loss for the year. If, in addition to the restatement, nonmonetary assets are restated, the deferred tax amount related to the restatement is recognized in profit or loss for the year and the deferred tax amount related to the revaluation (excess of value restated over the restated value) is recognized in other comprehensive income.

b) Description of the main aspects of the process to restate the statement of profit or loss and other comprehensive income:

- i. Expenses and revenues are restated as from their booking, except for (1) the accounts in the statement of profit or loss that reflect or include in their assessment the consumption of assets measured in the currency of purchasing power of a date prior to booking the consumption, which will be restated based on the date of origin of the asset related to the item, and (2) profit or loss that arises from comparing two measurements stated in the currency of purchasing power of different dates, which requires identifying the amounts compared, restating them and comparing them separately using the restated amounts.
- ii. Profit or loss from the monetary position will be classified based on the item giving rise to it and is presented in a separate line showing the effect of inflation on monetary items.

c) Description of the main aspects for the restatement process in the statement of changes in equity:

- (i) As of transition date (December 31, 2018), the Bank applied the following procedures:
 - (a) Equity components, except for those indicated in the previous items, are restated as from the date of their subscription or payment as established by Communiqué "A" 6849 for each item.
 - (b) Appropriated retained earnings and the reserve for the initial application of IFRS were held at nominal value (unrestated legal amount) as of the transition date.
 - (c) Other accumulated comprehensive income was recalculated in real terms as of the transition date.
 - (d) Restated unappropriated retained earnings were assessed as the difference between net assets restated as of the transition date and the rest of equity components at the beginning of the year restated as indicated in the previous paragraphs.

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- (ii) Upon the restatement as of the date of transition stated in (i) above, all equity items are restated using the general price index as from the beginning of the year, and each variation in those components is restated as from the contribution date or as from the moment it arose by any other means, reassessing other accumulated comprehensive income amounts based on the items giving rise to it.

d) Description of the main features of the process for restating the statement of cash flows:

- (i) All items are restated into the current unit of measure as of the end of the reporting year.
- (ii) Gain (loss) on cash and cash equivalents is disclosed in the statement of cash flows in a separate line under "Effect of monetary gains (losses) provided by cash" after operating, investing and financing activities.

During the fiscal year beginning January 1, 2023, the following amendments to IFRS became effective:

Amendment to IAS 1 and IFRS Practice Statement 2 Disclosure of Accounting Policies:

These amendments require an entity to disclose its material accounting policies instead of its significant accounting policies. In addition, paragraphs were added to explain how an entity can identify a material accounting policy and to give examples of when an accounting policy is likely to be material. For this purpose, the Board developed a guide with explanations and examples called the 'four-step materiality process', described in Practice Statement 2. This amendment had no significant effects on the disclosures of the accompanying financial statements.

Amendment to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". Definition of accounting estimates:

These amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. They also clarify how an entity uses valuation techniques and inputs to develop accounting estimates. The amendment to this standard clarifies that the effect on an accounting estimate of a change in an input or in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of changes in accounting estimates specified that these changes could result from new information or new developments. Therefore, these changes are not error corrections. This amendment had no significant effects on the accompanying financial statements.

Amendment to IAS 12. Deferred tax related to assets and liabilities arising from a single transaction:

In May 2021, the IASB issued amendments to IAS 12, which restrict the scope of the initial recognition exemption under IAS 12, so as to prevent the application to transactions giving rise to equal deductible and taxable temporary differences. The amendments clarify that when payments settling a liability are deductible for tax purposes, judgement is used to determine whether those deductions may be attributed for tax purposes to the liability recognized in the financial statements or to the related asset component. This judgement is important to determine whether there are any temporary differences in the initial recognition of assets and liabilities. This amendment had no significant effects on the accompanying financial statements.

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New resolutions

A. Adoption of new IFRS:

As established in BCRA Communiqué "A" 6114, as the new IFRS measures are approved, either by amending or repealing former ones, and once all these changes are adopted through the adoption circulars published by the FACPCE (Argentine Federation of Professional Councils in Economic Sciences, the BCRA will issue an opinion regarding its approval for financial institutions. In general, the early adoption of IFRS will not be allowed, unless it is specifically mentioned upon adoption.

The standards and interpretations issued but not yet in effect as of the date of issuance of these financial statements are disclosed below. The Bank will adopt these standards, if applicable, as they become effective:

Amendment to IFRS 16 – Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 particularly on the requirements used by a seller-lessee to measure the lease liability arising from a sale and leaseback transaction to guarantee that the seller-lessee does not recognize any gain or loss arising from the right of use. The application of these requirements will not prevent the seller-lessee from recognizing in profit or loss any gain or loss related to the partial or full termination of a lease. The amendment does not provide specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of lease liabilities arising from a leaseback may cause the seller-lessee to assess leaseback payments which are different from the general definition of lease payments. The seller-lessee will be required to develop and apply an accounting policy giving rise to relevant and reliable information in accordance with IAS 8. These amendments are effective as from January 1, 2024. The Bank does not expect it to have a material impact on its financial statements.

Amendments to IAS 7 and IFRS 7. Disclosures: Supplier Finance Arrangements

In May 2023, the IASB issued amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures", which specify the information requirements to be disclosed to enhance the current requirements, the purpose of which is helping financial statement users to understand the effects of supplier finance agreements on the entity's liabilities, cash flows and exposure to liquidity risk.

The amendments require an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows, including the terms and conditions of those arrangements, the quantitative information on liabilities related to those arrangements at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those arrangements. The information on those arrangements is required to be aggregated unless the individual arrangements have dissimilar or unique terms and conditions. In the context of the quantitative liquidity risk disclosures required by IFRS 7, supplier finance arrangements are included as an example of other factors that might be relevant to disclose. These amendments are effective as from January 1, 2024. The Bank does not expect it to have a material impact on its financial statements.

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JOSÉ A. BENEGAS LYNCH
Chairperson

GABRIEL GAMBACORTA
On behalf of Statutory Audit
Committee

SEBASTIAN OSEROFF
Partner
Public Accountant (U.B.A.)
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ALEJANDRO VICENTE
Accounting and Reporting System
Manager

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Amendments to IAS 21: Lack of Exchangeability

In August 2023, the IASB issued amendments to IAS 21 related to the "Lack of Exchangeability". The amendment to IAS 21 specifies how an entity should evaluate whether a currency is exchangeable and how to determine a spot exchange rate when exchangeability is lacking. A currency is deemed exchangeable by another currency when the entity may obtain the other currency within a term allowing a normal administrative delay and through a foreign exchange mechanism or market in which the foreign exchange transaction would give rise to enforceable rights and obligations. If a certain currency is not exchangeable for other currency, the entity should estimate the spot foreign exchange rate on the date of the measurement. The goal of an entity upon estimating the spot exchange rate is disclosing the rate at which an exchange transaction would take place indicated on the date of measurement between market participants under the prevailing market conditions. The amendments show that an entity may use an observable exchange rate without any adjustment or other estimation technique.

When an entity estimates a spot exchange rate because a currency is not exchangeable for another currency, it will disclose information allowing the users of the financial statements to understand how the fact that the currency is not exchangeable for another currency affects, or is expected to affect, the entity's profits, its financial position and cash flows. These amendments are effective as from January 1, 2025. The Bank is currently evaluating the effects that this amendment could have on the financial statements.

B. Amendments to BCRA accounting information framework:

Impairment of financial assets according to section 5(5), IFRS 9 (Communiqués "A" 6778, 6847, 7181, 7427, 7659, and 7928, as amended and supplemented):

Considering Communiqué "A" No. 7427, 7659 and 7928, the Bank chose to start applying the expected credit loss methodology for the years beginning on or after January 1, 2025, as mentioned in section 5.5. of IFRS 9, to determine the impairment of financial assets, except in the case of financing to the public sector. There is also an option to use a methodology to prorate the negative impact caused by starting to use the impairment calculation as mentioned in section 5(5) of IFRS 9, which must be made in 5 years. The Bank expects this amendment to have a material impact on its financial statements.

3. REPO TRANSACTIONS

In the regular course of business, the Bank enters into repo transactions. Under IFRS 9, the securities involved in reverse repo transactions received from do not meet the requirements for recognition or derecognition.

As of December 31, 2022, and 2023, the Bank and its subsidiaries have entered into reverse repo transactions involving government and private securities standing at 142,823,382 and 44,173,514, respectively, the expiration dates of which were the immediately following business day of each fiscal year. As of the same dates, the securities received which guarantee reverse repo transactions stand at 176,390,733 and 51,605,967. The assets received in guarantee are booked under off-balance items.

In addition, as of December 31, 2023, the Bank and its subsidiaries had repo transactions for 584,518, maturing on the business day immediately following year-end. In addition, as of December 31, 2023, the securities delivered guaranteeing repurchase agreements stand at 961,715, which are booked under "Financial assets delivered in guarantee". As of December 31, 2022, the Bank and its subsidiaries had no repo transactions.

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Chairperson

GABRIEL GAMBACORTA
On behalf of Statutory Audit
Committee

SEBASTIAN OSEROFF
Partner
Public Accountant (U.B.A.)
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The profit generated by the Bank and its subsidiaries as a result of the repo transactions carried out over the fiscal years ended December 31, 2023, and 2022, stand at 38,186,914 and 3,007,355 (restated amounts), respectively, and they are booked under "Interest income". Moreover, the losses generated by the Bank and its subsidiaries as a result of the repo transactions carried out over the fiscal years ended December 31, 2023 and 2022, stand at 56,170 and 420,503, respectively, and they are booked under "Interest expense".

4. OTHER FINANCIAL ASSETS

	12/31/2023	12/31/2022
Receivables from spot sales pending settlement	25,076,863	6,296,812
Receivables from the spot sales of government securities pending settlement	27,283,636	8,550,201
Private securities and mutual funds. Measurement at fair value through profit or loss	3,022,069	2,528,088
Other	859,959	911,917
	56,242,527	18,287,018

5. FINANCIAL ASSETS DELIVERED IN GUARANTEE AND RESTRICTED ASSETS

As of December 31, 2023 and 2022, the Bank and its subsidiaries delivered as guarantee the financial assets detailed below:

Description	Carrying amount	
	12/31/2023	12/31/2022
Banco CMF S.A.		
From transactions with the BCRA	893,396	2,149,401
From transactions with the MAE	994,483	1,409,244
From transactions with ROFEX	23,446	8,411
From transactions with Bolsas y Mercados Argentinos S.A.	2,500	-
Metrocorp Valores S.A.		
From transactions with ROFEX	2,830	1,380
From transactions with Bolsas y Mercados Argentinos S.A.	8,749	45,129
From transactions with the MAE	12,127	8,274
Eurobanco Bank Ltd		
Forward purchases from repos	961,715	-
Total	2,899,246	3,621,839

The Bank carries 23,446 in custody account No. 33,976 created as an initial guarantee on Mercado a Término de Rosario S.A. (ROFEX). Its subsidiary Metrocorp Valores S.A. carries 2,830 in custody account No. 16,170. These guarantees were created as an initial guarantee to operate on the market and for future transactions.

Besides, as of December 31, 2023, the Bank has in custody account No. 33,976 opened by Banco CMF S.A. with Mercado a Término de Rosario S.A. (ROFEX) –booked in “Other debt securities”– Argentine discount bonds maturing on December 31, 2033, (DICP) for 782,497 and CER-adjustable Treasury bonds in Argentine pesos, maturing on November 30, 2031, (TX31) for 232,656 created as guarantee for futures transactions in foreign currency carried out on such market effective as of year-end.

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Partner
Public Accountant (U.B.A.)
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As of December 31, 2023, the Bank has 994,483 in account No. 273 on the MAE in guarantee of transactions to guarantee futures trading with central counterparty on the MAE, trading session CPC2, made up of Argentine discount bonds maturing on December 31, 2033 (DICP) for 312,999 and BCRA liquidity bills maturing on January 9, 2024 (Y09E4) for 681,484.

In addition, as of December 31, 2023, under "Other debt securities", in account No. 273 on the MAE, the Bank has CER-adjustable Argentine Treasury bonds maturing on February 14, 2025 (T2X5) for 8,656,596 and CER-adjustable Treasury bonds maturing on October 14, 2024 (T4X4) for 742,000, as surety bonds carried out at such market as of year-end.

Also, as of December 31, 2023, under "Debt securities at fair value through profit or loss", in account No. 273 on the MAE, the Bank has Argentine Treasury bonds maturing on November 9, 2026 (TX26) for 868,788 and Argentine global bonds maturing on July 9, 2035 (GD35) for 638,936, as surety bonds related to transactions carried out at such market as of period-end.

As of December 31, 2023, the Bank also has in the account held on Bolsas y Mercados Argentinos S.A. ARS 2,500 s security to operate on such market.

In addition, as of December 31, 2023, its subsidiary Metrocorp Valores S.A., has in account No. 9080, held by the Bank at Caja de Valores S.A., US Treasury Bill USA maturing on January 16, 2024, for 5,256,839 and US Treasury bill USA maturing on January 30, 2024, for 161,697 as surety bonds with BYMA (Bolsas y Mercados Argentinos S.A.), effective as of year-end.

Besides, as of 31.12.23, its subsidiary Metrocorp Valores S.A., pursuant to section 45, Law No. 26,831, and its administrative order, established in CNV regulations (as revised in 2013, as amended), has 8,749 in Argentine pesos on BYMA as a contribution for the creation of CNV guarantee fund II.

As of 31.12.23, the subsidiary Metrocorp Valores S.A. the Bank has USD 12,127 in account No. 14 on the MAE to guarantee futures trading with central counterparty on the MAE, trading session CPC2.

The Bank's Management believes that there will be no losses for the restrictions on the abovementioned assets.

6. LOAN LOSS ALLOWANCE. ALLOWANCE FOR LOSSES FROM LOANS AND OTHER FINANCING FACILITIES

The changes in provisions from loans and other financing facilities are disclosed in exhibit R in these consolidated financial statements.

The net loan losses arising from loans and other financing break down below:

	12/31/2023	12/31/2022
Loan loss allowance	1,449,900	543,877
Provisions reversed and receivables recovered (Other operating profit)	(18,306)	(298,397)
Loan losses from loans and other financing, net of recoverable amounts	1,431,594	245,480

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Committee

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Partner
Public Accountant (U.B.A.)
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7. CONTINGENT TRANSACTIONS

To meet customers' specific financial needs, the credit policy adopted by the Bank and its subsidiaries also includes granting sureties, guarantees, letters of credit and documentary credits. Although these transactions are not recognized in the statement of financial position because they entail an additional responsibility for the Bank and its subsidiaries, they expose it to credit risks additional to those recognized in the statement of financial position and therefore, they are an integral part of the total risk assumed by the Bank and its subsidiaries.

As of December 31, 2023, and 2022, the contingent transactions carried out by the Bank and its subsidiaries were as follows:

	12/31/2023	12/31/2022
Guarantees provided	20,528,151	9,011,835
Obligations arising from for foreign-trade transactions – Letters of credit	3,463,587	3,036,760
Total	23,991,738	12,048,595

These credit facilities are initially recognized at the fair value of the proportion received in "Other financial liabilities". The risks related to the aforementioned contingent transactions are valued and monitored under the Bank's and its subsidiaries' credit risk policy mentioned in note 35.

8. DERIVATIVE FINANCIAL INSTRUMENTS

The Bank and its subsidiaries enter into derivative transactions for trading purposes.

At the beginning, derivatives only imply a mutual exchange of promises and little or no investments. However, these instruments usually entail high leverage and they are highly volatile. A relatively small change in the value of the underlying asset may have a significant impact on profit (loss). Likewise, over-the-counter derivatives may expose the Bank and its subsidiaries to risks associated to the lack of an exchange market where an open position may be closed. The exposure of the Bank and its subsidiaries resulting from derivative agreements is regularly monitored as part of its general risk framework. The information on the Bank's and subsidiaries' objectives and credit risk management policies is included in note 35.

The chart below shows the notional values of these instruments stated in thousands at the currency of origin. Notional values state the volume of outstanding transactions at the end of the twelve months or year, as applicable; they are not indicative of the market risk or the credit risk, and they are booked as off-balance items. It also includes the fair value consisting in the value in Argentine pesos of the underlying asset (US dollar). The "Derivatives" account in the statement of financial position discloses the amounts pending settlement arising from the related derivatives. The changes in fair values were charged to profit or loss; a breakdown is provided in note 19.

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Derivatives financial assets (amounts in thousands of ARS)	12/31/2023		12/31/2022	
	Notional value	Fair value	Notional value	Fair value
Forward foreign currency purchase transactions without delivery of the underlying asset - MAE	-	-	5,600	3,088,908
Forward foreign currency purchase transactions without delivery of the underlying asset - Private	-	-	1,200	661,909
Forward foreign currency purchase transactions without delivery of the underlying asset - ROFEX	3,000	2,425,450	-	-
Forward foreign currency sales transactions without delivery of the underlying asset - MAE	-	-	(10,630)	(5,863,410)
Forward foreign currency sale transactions without delivery of the underlying asset - Private	(2,000)	(1,616,967)	(6,170)	(3,403,318)
Total derivatives	1,000	808,483	(10,000)	(5,515,911)

In the case of the Bank and its subsidiaries, forwards and futures are defined as contractual agreements for buying or selling a specific financial instrument at a specific price on a certain future date. Forward contracts are customized agreements traded at an over-the-counter market. Futures contracts are related to transactions involving standardized amounts and performed on a regulated market with central counterparty clearing (secured). The Bank and its subsidiaries, in general, are subject to daily cash margin requirements and guarantees for the transactions conducted through the Mercado Abierto Electrónico (MAE) and Mercado a Término de Rosario (ROFEX). The main differences in the risks associated to forward and future contracts are credit risk and liquidity risk. Forward contracts carry counterparty risk; the Bank has credit exposure to the counterparties of the contracts entered into privately and those carried out on the MAE. Credit risk related to futures contracts is considered to be lower because the cash margin requirements and guarantees help guarantee that these contracts are always honored. In addition, forward contracts entered into on the MAE involve daily price differences. Private contracts have higher liquidity risk and expose the Bank to market risk, but the Bank and its subsidiaries are subject to credit risk.

The derivatives held by the Bank are futures or forwards conducted at the MAE and/or ROFEX and are generally related to natural hedges of borrowing positions with foreign financing lines and international institutions. The Bank does not apply hedge accounting because transactions carried out on local markets do not involve terms that meet with the Bank's needs. Moreover, the Bank and its subsidiaries maintain positions related to the products offered to their customers. The Bank and its subsidiaries only operate with forward currency derivatives without the delivery of the underlying asset within internal and regulatory limits.

Moreover, as of December 31, 2023, and 2022, the Bank subscribed options representing dual bonds and Argentine Treasury bills amounting to 39,569,415 and 32,228,172, respectively, giving rise to premiums accrued for 302,911 and 61,677, respectively, in accordance with BCRA Comunicado "A" 7546. These amounts are booked under "Net gain on financial instruments at fair value through profit or loss".

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SEBASTIAN OSEROFF
Partner
Public Accountant (U.B.A.)
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9. RELATED PARTIES

A related party is any person or entity that is related to the entity:

- has control or joint control over the entity;
- has significant influence over the entity;
- is a member of the key management personnel of the entity or of a parent of the entity;
- is a member of the same group;
- is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. The Bank regards the members of the Board of Directors, top management and management as key personnel under IAS 24.

As of December 31, 2023 and 2022, the transactions performed with related parties break down as follows:

	Amount as of 12/31/2023	Amount as of 12/31/2022
Loans	6,684,457	6,370,304
Notes	6,683,957	3,581,418
Overdrafts	-	293,041
Other loans	-	2,494,288
Guarantees provided	500	1,557
Deposits	30,836,286	21,543,464

As of December 31, 2023 and 2022, loans to employees, including those granted to managers, stand at 20,244 and 11,746, respectively.

Loans granted to and deposits with related parties are in line with market conditions for other customers.

The Group has granted no share-backed loans to directors or other key management personnel.

The compensation of key management personnel comprising salaries, wages and bonuses, stands at 980,042 and 1,482,185 as of December 31, 2023, and 2022, respectively. It should be noted that there are no other benefits available to key management personnel.

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In addition, as required by Law No. 19,550, as of 31.12.23, and 2022, the equity amounts related to the transactions performed with companies under section 33 of the abovementioned law are as follows:

	<u>12/31/2023</u>	<u>12/31/2022</u>
Assets - Cash and deposits with banks		
CMF Asset Management S.A.U. Sociedad Gerente de Fondos Comunes de Inversión	4,352	514
Metrocorp Valores S.A.	4,826,597	15,655,484
Assets - Loans and other financing		
CMF Asset Management S.A.U. Sociedad Gerente de Fondos Comunes de Inversión	1,497,123	703,099
Eurobanco Bank Ltd	-	823,312
Metrocorp Valores S.A.	-	2,480,670
Assets - Other financial assets		
CMF Asset Management S.A.U. Sociedad Gerente de Fondos Comunes de Inversión	198,974	554,798
Eurobanco Bank Ltd	-	1,030,924
Metrocorp Valores S.A.	10,969,613	7,582,452
Liabilities - Deposits		
CMF Asset Management S.A.U. Sociedad Gerente de Fondos Comunes de Inversión	10,564	315
Metrocorp Valores S.A.	1,434,611	641,484
Liabilities - Liabilities at fair value through profit or loss		
Eurobanco Bank Ltd	1,604,298	1,019,966
Liabilities - Other financial liabilities		
Metrocorp Valores S.A.	1,161,019	-

In addition, profit (loss) arising from the fiscal years ended as of December 31, 2023 and 2022, regarding the transactions carried out with these companies are as follows:

	<u>31/12/2023</u>	<u>31/12/2022</u>
Profit - Interest income		
Metrocorp Valores S.A.	4,108	61,132
Eurobanco Bank Ltd	11,954	30,780
CMF Asset Management S.A.U. Sociedad Gerente de Fondos Comunes de Inversión	31,540	-
Profit (loss) - Foreign exchange difference		
Metrocorp Valores S.A.	-	(208,709)
Profit - Other operating profit		
Metrocorp Valores S.A.	7,003	5,646
CMF Asset Management S.A.U. Sociedad Gerente de Fondos Comunes de Inversión	6,885	6,004
Profit - Commission income		
Metrocorp Valores S.A.	-	1,769
Profit - Commission expenses		
Metrocorp Valores S.A.	6,884	-

Off-balance items are related to transactions carried out with Metrocorp Valores S.A. as of December 31, 2023, and 2022, and stood at 847,630 and 8,570, respectively.

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10. BANK PREMISES AND EQUIPMENT

The account includes the tangible assets (premises and equipment) owned by the Bank, used for its specific activity.

The changes in these assets as of December 31, 2023, and 2022, are disclosed under Exhibit F "Changes in bank premises and equipment".

11. EMPLOYEE BENEFITS

The following chart summarizes the items making up the net expenses related to employee benefits recognized in the statement of profit and loss.

Short-term benefits

	<u>12/31/2023</u>	<u>12/31/2022</u>
Salaries & wages, annual statutory bonus and payroll taxes	11,006,371	9,724,311
Vacation accrual	33,256	305,027
Severance pay, bonuses and other employee benefits	360,691	367,290
	<u>11,400,318</u>	<u>10,396,628</u>

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12. ANALYSIS OF FINANCIAL ASSETS TO BE RECOVERED AND FINANCIAL LIABILITIES TO BE SETTLED

The following tables show an analysis of the amounts of financial assets and liabilities which are expected to be recovered and settled as of December 31, 2023, and 2022:

Item	Without due date	Reduction in assets and liabilities as of December 31, 2023						Total
		Up to 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	Over 12 months		
ASSETS								
Cash and deposits with banks	119,443,742	-	-	-	-	-	-	119,443,742
Debt securities at fair value through profit or loss	-	8,858,655	(2,020,463)	1,020,343	8,162,000	27,023,543	-	43,044,078
Derivatives	-	417,929	-	-	-	-	-	417,929
Reverse repo transactions	-	142,823,382	-	-	-	-	-	142,823,382
Other financial assets	-	56,242,527	-	-	-	-	-	56,242,527
Loans and other financing	-	46,455,037	14,298,158	13,969,881	5,111,673	4,917,134	-	84,751,883
Other debt securities	-	27,949,500	13,283,898	440,407	(7,140,429)	33,745,103	-	68,278,479
Financial assets delivered in guarantee	2,899,246	-	-	-	-	-	-	2,899,246
Investments in equity instruments	567,895	-	-	-	-	-	-	567,895
TOTAL	122,910,883	282,747,030	25,561,593	15,430,631	6,133,244	65,685,780	-	518,469,161
LIABILITIES								
Deposits	161,344,523	158,765,194	3,020,924	5,381,041	2,752,946	1,860,320	-	333,124,948
Liabilities at fair value through profit or loss	10,945,508	-	-	-	-	-	-	10,945,508
Repurchase agreements	-	584,518	-	-	-	-	-	584,518
Other financial liabilities	-	91,901,222	-	34,699	-	-	-	91,935,921
Financing received from the BCRA and other financial institutions	-	352,508	13,580	23,453	804,392	1,004,784	-	2,198,717
TOTAL	172,290,031	251,603,442	3,034,504	5,439,193	3,557,338	2,865,104	-	438,789,612

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Chairperson

GABRIEL GAMBACORTA
On behalf of Statutory Audit
Committee

SEBASTIAN OSEROFF
Partner
Public Accountant (U.B.A.)
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Item	Without due date	Reduction in assets and liabilities as of December 31, 2022					
		Up to 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	Over 12 months	Total
ASSETS							
Cash and deposits with banks	70,297,112	-	-	-	-	-	70,297,112
Debt securities at fair value through profit or loss	-	143,008	3,537,504	-	112	7,746,436	11,427,060
Derivatives	-	312,367	-	-	-	-	312,367
Repo transactions	-	44,173,514	-	-	-	-	44,173,514
Other financial assets	-	18,287,018	-	-	-	-	18,287,018
Loans and other financing	-	69,675,072	12,348,303	7,344,702	10,505,228	3,713,975	103,587,280
Other debt securities	-	47,420,001	38,586,907	22,173,467	9,070,669	11,921,616	129,172,660
Financial assets delivered in guarantee	3,621,839	-	-	-	-	-	3,621,839
Investments in equity instruments	1,778	-	-	-	-	-	1,778
TOTAL	73,920,729	180,010,980	54,472,714	29,518,169	19,576,009	23,382,027	380,880,628
LIABILITIES							
Deposits	119,956,202	119,158,746	423,315	1,553,270	4,916,230	1,491,621	247,499,384
Liabilities at fair value through profit or loss	-	7,062,962	-	-	-	-	7,062,962
Derivatives	-	-	-	34,214	-	-	34,214
Other financial liabilities	-	51,586,221	2,420	38,755	57,031	-	51,684,427
Financing received from the BCRA and other financial institutions	-	-	153,197	180,825	632,285	1,014,928	1,981,235
Corporate bonds issued	-	-	1,341,223	-	7,780,140	-	9,121,363
TOTAL	119,956,202	177,807,929	1,920,155	1,807,064	13,385,686	2,506,549	317,383,585

13. SEGMENT REPORTING

For management purposes, the management of the Bank and its subsidiaries determined that it has only one segment related to the banking business. In this regard, management oversees the profit (loss) of the segment to make decisions in connection with resource allocation and performance assessment, which is measured based on the profits or losses arising from the financial statements.

14. INCOME TAX

a) Tax adjustment for inflation:

Tax Reform Law No. 27,430, amended by Laws No. 27,468 and 27,541, effective for fiscal years beginning January 1, 2018, establishes the following provisions for the tax adjustment for inflation:

- i. This variation will apply to the year in which the variation in the general consumer price index exceeds 100% during the 36 months prior to the end of the year calculated;

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- ii. in the first, second and third year beginning as from January 1, 2018, the procedure will apply if the variation of this index calculated from the first of those years through the closing of each year exceeds 55%, 30% and 15% for the first, second and third year of application, respectively;
- iii. the effect of the positive or negative tax adjustment for inflation, as the case may be, for the first, second and third years beginning as from January 1, 2018, is charged one third in that fiscal period and the remaining two thirds should be assigned in equal parts to the immediate tax periods;
- iv. the effect of the positive or negative tax adjustment for inflation for the first and second years beginning as from January 1, 2019, is charged one sixth in the fiscal year in which the adjustment is determined and the remaining five sixths should be assigned to the immediate tax periods; and
- v. For the years beginning as from January 1, 2021, 100% of the adjustment may be deducted in the year in which it is determined.

As of December 31, 2023, the parameters set forth by Income Tax Law to make the tax adjustment for inflation and the effects from the application of this adjustment were considered upon booking current and deferred income tax according to law.

b) Income tax corporate rate:

Law No. 27,630, enacted on June 16, 2021, by virtue of Presidential Decree No. 387/2021, established for the tax years beginning on or after January 1, 2021, a plan of staggered tax rates of 25%, 30% and 35% to be applied progressively according to the level of net taxable income accumulated at each year-end.

c) The deferred tax assets and liabilities in the statement of financial position are as follows:

	12/31/2023	12/31/2022
<u>Deferred tax assets:</u>		
Securities	2,107,116	-
Loans and other financing	798,168	578,789
Quebrantos	409,360	-
Accrued expenses	104,368	32,564
Deferral of the tax adjustment for inflation	109,055	563,962
Total deferred assets (a)	3,528,067	1,175,315
<u>Deferred tax liabilities:</u>		
Securities	-	501,594
Currency valuation adjustment	150,844	18,747
Bank premises and equipment	2,900,177	2,910,431
Total deferred liabilities (b)	3,051,021	(2,255,457)
Deferred tax assets (liabilities), net (a-b)	477,046	(2,255,457)

The changes in deferred tax assets/(liabilities), net, as of December 31, 2023, and 2022 is summarized as follows:

	12/31/2023	12/31/2022
Deferred tax liabilities at beginning of year	(2,255,457)	(1,461,009)
Deferred tax variation	2,732,503	(794,448)
Deferred tax assets (liabilities) at end of year	477,046	(2,255,457)

The income tax charge shown in the statement of profit or loss differs from the income tax charge that would result if all profits had been subject to the current tax rate.

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The following table shows a reconciliation between the income tax charge and the amounts arising from the effective tax rate in Argentina to taxable profit.

	<u>12/31/2023</u>	<u>12/31/2022</u>
Accounting profit before income tax	12,717,616	3,413,233
Statutory income tax rate	43.30%	48.21%
Tax on accounting profit	5,506,748	1,645,518
Long-term differences	614,516	464,041
Income tax charge as of year-end	<u>6,121,264</u>	<u>2,109,559</u>

As of December 31, 2023, and 2022, the effective income tax rate is 43.30% and 48.21%, respectively.

As of December 31, 2023, the Bank carried ARS 5,620,965 as current income tax liabilities, and as of December 31, 2022, the Bank and its subsidiaries carried ARS 114,872 as current income tax assets.

In the consolidated financial statements, the tax asset (current and deferred) of a Group entity may not be offset with the tax liability (current and deferred) of another Group entity because they are related by income tax borne by different taxpayers who do not hold the legal right before tax authorities to pay or receive any amounts to settle the net position.

15. FOREIGN EXCHANGE DIFFERENCE

	<u>12/31/2023</u>	<u>12/31/2022</u>
Foreign exchange difference arising from assets and liabilities in foreign currency	186,127	84,485
Gain from forward purchases and sales of foreign currency	778,934	913,399
Gain from the purchase and sale of foreign currency	4,247,076	1,257,062
	<u>5,212,137</u>	<u>2,254,946</u>

16. OTHER OPERATING PROFIT

	<u>12/31/2023</u>	<u>12/31/2022</u>
Profit on other receivables from financial intermediation	1,673,156	578,016
Commissions on services	1,439,556	1,705,648
Rentals	62,073	68,837
Lease of safe-deposit boxes	37,013	39,807
Provisions reversed and receivables recovered	18,306	298,397
Commission on investments in mutual guarantee companies	6,851	220,455
Punitive interest	4,562	10,320
Profit from investment properties and other nonfinancial assets	-	17,414
	<u>3,241,517</u>	<u>2,938,894</u>

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17. ADMINISTRATIVE EXPENSES

	12/31/2023	12/31/2022
Directors' and statutory auditor's fees	3,753,601	2,463,979
Other fees	2,134,180	2,440,598
Impuestos`	1,477,915	1,019,502
Administrative services hired	709,899	705,438
Software	727,017	604,048
Traveling expenses	492,484	259,204
Maintenance, conservation and repair expenses	189,221	167,145
Security services	177,531	157,918
Entertainment, traveling and living expenses	169,770	134,656
Electric power and communications	107,797	115,713
Insurance	48,168	55,234
Advertising	42,368	49,514
Stationery and office supplies	35,886	35,793
Rentals	26,999	9,180
Other	1,013,770	1,032,364
	11,106,606	9,250,286

18. OTHER OPERATING EXPENSES

	12/31/2023	12/31/2022
Turnover tax	9,712,949	6,356,244
Market fees	200,982	169,832
Contribution to the deposit guarantee fund	175,749	233,973
Donations	66,341	88,240
For-profit agreement charges	27,665	54,833
Interest on lease liabilities	13,983	2,959
Other	9,903	1,689,857
	10,207,572	8,595,938

19. QUANTITATIVE AND QUALITATIVE INFORMATION ON FAIR VALUES AND CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

The fair value is defined as the amount for which an asset could be exchanged or a liability settled under mutually independence conditions between participants to the principal (or most advantageous) market, adequately informed and willing to do so in an orderly and current transaction, as of the measurement date under current market conditions, regardless if the price is directly observable or estimated using a valuation technique, under the assumption that the Bank is a going concern.

When a financial instrument is sold on a liquid and active market, its price on the market in an actual transaction provides the best evidence of its fair value. However, when there is no agreed-upon price on the market or it cannot indicate the fair value of the instrument, to determine such fair value the market value of another instrument of similar characteristics, the analysis of discounted flows or other applicable techniques can be used, which may be significantly affected by the assumptions used.

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Although Management has used its best judgment in estimating the fair values of its financial instruments, any technique to make such estimate implies certain inherent fragility.

Fair value hierarchy

The Bank uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: Observable listed (unadjusted) prices on active markets, to which the Bank accesses as of the measurement date, for identical assets or liabilities.
- Level 2: valuation techniques for which data and variables which have a significant effect on the recorded or disclosed fair value are observable, either directly or indirectly. These data include listed prices for similar assets or liabilities on active markets, listed prices for identical instruments on inactive markets and observable data other than listed prices.
- Level 3: valuation techniques for which the data and variables that have a significant effect on the recorded or disclosed fair value are not based on observable market data.

Exhibit P, "Categories of financial assets and liabilities" shows the fair value hierarchy for financial assets and liabilities measured at fair value in the statement of financial position.

Description of the measurement process

The fair value of these instruments classified as level 1 was calculated using the listed prices as of the end of the period or year, as the case may be, on active markets, if representative. At present, the two main markets on which the bank operates for government and private securities are the BYMA and the MAE. Furthermore, both the MAE and the ROFEX are considered active markets for derivatives.

In addition, for certain instruments classified as L2 that do not have an active market, certain valuation techniques were used, including the use of market transactions performed under mutually independence conditions between duly informed and interested parties, provided that they are available, as well as references to the current fair value of another instrument that is substantially similar or the analysis of discounted cash flows.

Moreover, certain assets and liabilities included in this classification were valued using the listed prices identified for identical instruments on "less active markets".

As of December 31, 2023 and 2022, the Bank did not change the techniques adopted or assumptions used in estimating the fair values of the financial instruments.

Changes in fair value levels

The Bank monitors the availability of market information to assess the classification of the different fair value hierarchies of the financial instruments and the subsequent assessment of transfers between L1, 2 and 3 as of each year-end.

As of December 31, 2023, and 2022, the Bank has booked no transfers between L1, L2 or L3.

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Financial assets and liabilities not booked at fair value in the statement of financial position

Below is a description of the methodologies and assumptions used in determining the fair value of the financial instruments not booked at fair value in the accompanying financial statements.

- *Assets which fair value is similar to the carrying amount:* For financial assets and liabilities that are liquid or have short-term maturities (less than six months), it is considered that the carrying amount is similar to the fair value. It also applies to deposits in savings and checking accounts.
- *Financial Instruments:* The fair value of financial assets was determined by discounting future cash flows at the current market rates offered for each year for financial instruments of similar characteristics and no estimates on the future variable component were made. The estimated fair value of fixed-interest rate deposits was determined discounting future cash flows by using market interest rates for deposits with similar maturities to those of the Bank's portfolio.
- *Other financial instruments:* In the case of financial assets and liabilities that are liquid and with short-term maturity, it is estimated that their fair value is similar to their carrying amount. It also applies to deposits in savings and checking accounts, among others.

The following tables show a comparison between the carrying amount and the fair value of financial instruments not booked at fair value as of December 31, 2023 and 2022:

	12/31/2023				
	Carrying amount	Fair value			
Financial assets		Level 1	Level 2	Level 3	Total fair value
Cash and deposits with banks	119,443,742	119,443,742	-	-	119,443,742
Reverse repo transactions	99,589,907	99,589,907	-	-	99,589,907
Other financial assets	56,242,527	56,242,527	-	-	56,242,527
Loans and other financing	84,751,883	-	-	85,929,514	85,929,514
Other debt securities	68,278,479	-	77,311,992	-	77,311,992
TOTAL ASSETS	428,306,538	275,276,176	77,311,992	85,929,514	438,517,682
Financial liabilities					
Deposits	333,124,948	-	333,124,948	-	333,124,948
Repo transactions	584,518	584,518	-	-	584,518
Other financial liabilities	91,935,921	-	91,500,833	-	91,500,833
Financing received from financial institutions	2,198,717	-	1,802,673	-	1,802,673
TOTAL LIABILITIES	427,844,104	-	426,428,454	-	427,012,972

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		12/31/2022			
Financial assets	Carrying amount	Fair value			Total fair value
		Level 1	Level 2	Level 3	
Cash and deposits with banks	70,297,112	70,297,112	-	-	70,297,112
Reverse repo transactions	11,520,766	11,520,766	-	-	11,520,766
Other financial assets	18,287,018	18,287,018	-	-	18,287,018
Loans and other financing	103,587,280	-	-	103,796,509	103,796,509
Other debt securities	129,172,660	-	128,751,419	-	128,751,419
TOTAL ASSETS	332,864,836	100,104,896	128,751,419	103,796,509	332,652,824
Financial liabilities					
Deposits	247,499,384	-	247,104,818	-	247,104,818
Other financial liabilities	51,684,427	-	51,898,802	-	51,898,802
Financing received from financial institutions	1,981,235	-	1,800,394	-	1,800,394
Corporate bonds issued	9,121,363	-	8,414,683	-	8,414,683
TOTAL LIABILITIES	310,286,409	-	309,218,697	-	309,218,697

20. LEASES

The Bank, in its capacity as lessor, entered into finance lease agreements under the usual characteristics for this type of transactions, and there are no differences from the general agreements signed on the Argentine financial market. Effective lease agreements do not account for significant amounts of all the financing granted to the Bank.

As of December 31, 2023 and 2022, finance lease transactions amount to 1,893,790 and 2,300,278, respectively.

On January 13, 2016, the IASB issued IFRS 16 that replaces IAS 17 "Leases" for fiscal years beginning January 1, 2019. This standard was adopted by the BCRA through Communiqué "A" 6560. The new standard introduces a single lessee accounting model requiring lessees to recognize assets and liabilities for all leases. A lessee is required to recognize a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

The standard mainly affects operating lease accounting in which the Bank participates as a lessee. Regarding lessor accounting, IFRS 16 maintains substantially all the accounting requirements established in IAS 17. Consequently, lessors continue classifying leases into operating and finance leases, and book each type differently.

Operating lease commitments. Bank as lessee:

The Bank entered into a commercial lease agreement involving multifunctional equipment. This lease option agreement has an average life of one to five years and contains no restrictions for the Bank. According to the exemptions allowed by IFRS 16, the Bank opted not to apply the recognition and measurement standards related to short-term lease contracts and those in which underlying assets have a low value.

As of December 31, 2023, and 2022, the Bank's recognized right-of-use assets identified in lease agreements amount to 210,140 and 315,207, respectively. These assets were charged in "Bank premises and equipment."

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Liabilities from lease agreements generated by the Bank as of December 31, 2023, and 2022, amount to 229,742 and 242,509. These liabilities were measured at the present value of lease payments discounted at their imputed interest rate, increased by interest accrued less payments made, and were charged to "Other financial liabilities." Interest accrued for such liabilities are recognized in "Other operating expenses."

	12/31/2023	12/31/2022
Up to 1 year	105,069	105,069
From 1 to 5 years	96,315	210,138
Total	201,384	315,207

In addition, Eurobanco Bank Ltd. entered into two commercial lease agreements involving real property. These lease agreements have been executed for a two-year average term and the Bank is subject to no restrictions arising therefrom.

As of December 31, 2023, the amount of recognized right-of-use assets recognized by Eurobanco Bank Ltd. and identified in lease agreements amount to 115,162,000 and 25,096,000, respectively. These assets were charged in "Bank premises and equipment."

Liabilities from lease agreements entered into with Eurobanco Bank Ltd. as of December 31, 2023, and 2022, amount to 116,421 and 25,862, respectively. These liabilities were measured at the present value of lease payments discounted at their imputed interest rate, increased by interest accrued less payments made, and were charged to "Other financial liabilities." Interest accrued for such liabilities are recognized in "Other operating expenses."

21. ADDITIONAL INFORMATION ABOUT THE STATEMENT OF CASH FLOWS

The statement of cash flows shows the changes in cash and cash equivalents arising from operating, investing and financing activities over the fiscal year. In preparing this statement, the Bank used the indirect method in the case of operating activities, and the direct method for investing and financing activities.

The Bank considers cash and cash equivalents as part of the "Cash and deposits with banks" account. In preparing the statement of cash flows, the following items are considered:

- Operating activities: They are related to the normal activities conducted by the Bank and its subsidiaries, as well as other activities that may not be classified as investing or financing activities.
- Investing activities: They are related to the acquisition, sale or disposal by other means of long-terms assets and other investments not included in cash and cash equivalents.
- Financing activities: They are related to the activities that bring about changes in the size and breakdown of equity and the liabilities that do not comprise operating or investing activities.

22. CAPITAL STOCK

The Bank's issued, registered and paid-in capital stock as of December 31, 2023 and 2022 stands at 323,900 ordinary shares with 5 votes each.

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23. DEPOSIT GUARANTEE INSURANCE

Law No. 24,485 and Presidential Decree No. 540/1995 created a limited and mandatory Deposit Guarantee Insurance System for valuable consideration designed to provide coverage for risks inherent in bank deposits, as a subsidiary and supplementary protection to the one offered by the system of bank deposit privileges and protection created by Financial Institutions Law.

Such law created the company "Seguro de Depósitos Sociedad Anónima" (SEDESA) for the exclusive purpose of managing the deposit guarantee fund, the shareholders of which, as amended by Presidential Decree No. 1,292/96, shall be the BCRA with at least one share, and the trustees of the trust agreement created by financial institutions in the proportion established by the BCRA based on their contributions to the deposit guarantee fund. Such company was organized in August 1985, where the Bank holds 0.2720% equity interest in agreement with the percentages disclosed by BCRA Communiqué "B" No. 12,305 on 03/17/22.

This system will comprise the deposits made in Argentine pesos and foreign currency with the institutions involved in checking accounts, savings accounts, certificates of deposit or other types determined by the BCRA, and meeting the requirements of Presidential Decree No. 540/1995 and further requirements established by the enforcement authority.

The system will not include: a) financial institutions' deposits with other intermediaries, including the certificates of deposit acquired through secondary negotiation; b) deposits made by persons related, either directly or indirectly, to the Bank, according to BCRA current or future regulations; c) time deposits of securities, acceptances or guarantees; d) deposits made after July 1, 1995, for which the interest rate agreed upon exceeded by two annual percentage points the BCRA deposit rate for equivalent certificates of deposit, effective on the date before the day the deposit was made (the BCRA may change the benchmark rate established in this section), and e) other deposits to be excluded by applicable authorities.

24. TRUST BUSINESS

On July 6, 2017, through Resolution No. 18,837, the CNV (Argentine Securities Commission) established the Bank's registration as financial trustee No. 64 in the registry kept by the former regulated by section 7, Chapter IV, Title V of CNV standards (as revised in 2013, as amended).

In no case shall the trustee be liable with its own assets or for an obligation deriving from the performance as trustee. Such obligations do not imply any type of indebtedness or commitment for the trustee and they will be fulfilled only through trust assets. Moreover, the trustee will not charge the corpus assets or dispose of them beyond the limits established in the related trust agreements. The commissions earned by the Bank due to its performance as trust agent are calculated under the terms and conditions of the agreements.

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Chairperson

GABRIEL GAMBACORTA
On behalf of Statutory Audit
Committee

SEBASTIAN OSEROFF
Partner
Public Accountant (U.B.A.)
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Manager

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As of December 31, 2023, the Bank and its subsidiaries also act as trust agents of the following financial trusts:

Financial trust	Contract date	CNV approval	Issuance date	Assets under custody as of 12/31/2023
Red Surcos XXX	May 2, 2023	July 7, 2023	July 14, 23	916,561
Red Surcos XXXI	May 18, 2023	July 27, 2023	August 4, 2023	930,323
ALZ Agrocap Serie I	July 14, 2023	October 30, 2023	November 10, 2023	3,727,042

In addition, as of December 31, 2022, the Bank also acted as trust agent of the following trusts:

Financial trust	Contract date	CNV approval	Issuance date	Assets under custody as of 12/31/2022
Red Surcos XXIII (*)	December 1, 2021	April 21, 2022	April 29, 2022	292,194
Red Surcos XXIV (*)	February 1, 2022	May 24, 2022	May 31, 2022	622,161
Red Surcos XXV (*)	March 17, 2022	June 24, 2022	June 30, 2022	891,190
Red Surcos XXVI (*)	March 17, 2022	July 22, 2022	August 9, 2022	1,368,397
Red Surcos XXVII (*)	May 9, 2022	August 23, 2022	August 31, 2022	1,647,356
Red Surcos XXVIII (*)	13.06.22	30.09.22	06.10.22	1,731,184
Diesel Large Serie I (*)	October 15, 2022	November 24, 2022	December 1, 2022	726,913
Pelayo Serie I (*)	March 17, 2022	July 18, 2022	July 26, 2022	573,741
Bond Backed Securities 2023 (*)	June 28, 2021	July 22, 2021	August 10, 2021	2,841,090

(*) Trusts settled as of the date of issuance of the accompanying financial statements.

Besides, Eurobanco Bank Ltd. acted as a trust agent by placing funds received from third parties. According to each trust agreement, such parties appoint the Bank as their trust agent and instruct it to deliver and pay the related amounts to money related to the deposits made to the lender. They also require such delivery and payments to be made to the lender or that the Bank place funds in its own name but on the exclusive account of depositors at their own risk.

As of December 31, 2023, and 2022, Eurobanco Bank Ltd. performed trust transactions amounting to USD 172,266 and USD 399, respectively.

25. MUTUAL FUNDS

On May 24, 2017, through Resolution No. 18,707, the CNV established the Bank's registration in the registry kept by the former as a custody agent of mutual funds collective investment products (AC PIC FCI) No. 25.

On August 1, 2017, the first two mutual funds started operating.

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As of December 31, 2023, the Bank, in its capacity as depositary company, held membership interests of the Performance, Performance Plus, Long Performance, Long Performance Plus, Fundcorp Liquidez, Fundcorp Liquidez Plus and Fundcorp Capital Fondo Común de Inversión Abierto Pymes funds in custody as per the following breakdown:

Fund	Equity	Number of mutual fund shares
Fundcorp Performance	8,827,936	461,292
Fundcorp Performance Plus (*)	331	1,040
Fundcorp Long Performance	11,909,023	516,085
Fundcorp Long Performance Plus (*)	324	663
Fundcorp Liquidez	39,955,017	5,606,358
Fundcorp Liquidez Plus (*)	-	-
Fundcorp Capital Fondo Común de Inversión Abierto Pymes	1,044,812	157,411

(*) The information related to equity is stated in thousands of US dollars.

(**) The Bank is analyzing potential investment assets to continue with the fund's operations.

26. COMPLIANCE WITH CNV REGULATIONS

In compliance with the provisions to act in the different agent categories defined by the CNV:

For the transactions conducted by Banco CMF S.A.

Considering the transaction currently conducted by Banco CMF S.A., and according to the different agent categories established by CNV regulations (as revised according to General Resolution No. 622/2013, as amended), the Bank is registered with the CNV as a financial trust agent ("FF"); as a comprehensive settlement and clearing agent and negotiation agent No. 63 ("ALyC y AN – Integral"), and as a custody agent of mutual funds collective investment products ("AC PIC FCI"). CNV General Resolution No. 821/2019 establishes for settlement and clearing agent and negotiation agents a minimum equity of 470,350 (four hundred seventy thousand and three hundred fifty) purchasing value units adjusted by the CER () under Law No. 25,827, and for financial trust agents a minimum equity of 950,000 (nine hundred and fifty thousand) purchasing value units adjusted by the CER under Law No. 25,827. As of December 31, 2023, the purchasing value unit stood 463.40 (source: BCRA).

Moreover, the equity of Banco CMF S.A. exceeds the minimum equity required by such regulation, which amounts to 658,190 as of December 31, 2023, as well as the minimum statutory equity of 50% of the minimum equity, which stands at 329,095 and is made up by assets available in BCRA checking account No. 319 in Argentine pesos booked under "Financial institutions and BCRA correspondents - Checking account denominated in Argentine pesos.

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For the transactions conducted by Metrocorp Valores S.A.

CNV General Resolution No. 821/2019 introduced changes in the minimum requirement for settlement and clearing agent and negotiation agents, establishing a minimum equity equal to 470,350 (four hundred seventy thousand and three hundred and fifty) purchasing value units adjusted by CER under Law No. 25,827. As of December 31, the purchasing value unit stood 463.40 (source: BCRA).

The Bank carries equity that exceeds the minimum requirements pursuant to the aforementioned standard, amounting to 217,960. Moreover, the Bank has a liquid contra account that exceeds the requirement comprising 50% of the minimum equity in eligible assets set forth by the CNV, made up of 349,365 available in checking account in Argentine pesos No. 10554/5, an account owned by Metrocorp Valores S.A. at Banco CMF S.A.

For the transactions conducted by CMF Asset Management S.A.U. Sociedad Gerente de Fondos Comunes de Inversión

Considering the transaction currently made by CMF Asset Management S.A.U. Sociedad Gerente de Fondos Comunes de Inversión, and according to the different agent categories established by CNV regulations (as revised in General Resolution No. 622/2013, as amended), this bank is registered with the CNV as a managing agent in charge of mutual funds collective investment products ("AD PIC FCI").

CNV General Resolution No. 792/2019 introduced changes in the minimum equity requirement, establishing a minimum equity equal to 150,000 (one hundred and fifty thousand) purchasing value units adjusted by the CEL under Law No. 25,827, to be increased in an amount equal to 20,000 (twenty thousand) purchasing value units per additional fund managed. The liquid contra account in eligible assets remains at 50% of the net equity required. As of December 31, 2023, the purchasing value unit stood 463.40 (source: BCRA).

In addition, this bank's shareholders' equity exceeds the minimum shareholders' equity required by such regulation, which stands at 134,386 as of December 31, 2023, and the minimum statutory guarantee amounts to 67,193 is made up of mutual fund shares of "Fundcorp Performance", "Fundcorp Liquidez" and "Fundcorp Capital".

27. SAFEKEEPING OF DOCUMENTATION, ISSUER COMPANIES - CNV GENERAL RESOLUTION NO. 629/2014 AND CNV GENERAL RESOLUTION NO. 632/2014

On August 14, 2014, and September 18, 2014, the CNV issued General Resolutions No. 629/14 and 632/14 (the "Resolutions"), respectively, which establish that issuer companies should archive the documentary support for their management and accounting transactions in appropriate spaces ensuring their preservation and inalterability.

The Bank's criterion is to deliver to third parties for safekeeping certain documentary support regarding its management and accounting transactions of a certain age, understood to be of dates prior to the last completed fiscal year. To comply with the requirements established in the Resolutions, the Bank entrusts Iron Mountain S.A., domiciled in Av. Amancio Alcorta 2482, Buenos Aires City, with the abovementioned documentation for safekeeping. Based on the information provided by the hired company, the documentation received was deposited in its warehouses located in: (I) Parque Patricios plant: (Av. Amancio Alcorta 2482, Buenos Aires City), (II) Barracas plant: (Azara 1245, Buenos Aires City), and (III) Ezeiza plant: (San Miguel de Tucumán 601 – Ezeiza).

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Furthermore, the Bank entrusts the archiving of certain management and accounting records and documents of a certain age, as indicated previously, to ADDOC Administración de Documentos S.A., domiciled at Avenida Del Libertador 5.936, Piso 5° "B", Buenos Aires City, which has a warehouse located in Av. Luis Lagomarsino 1750 (former RN 8 Km 51,200), Pilar, Buenos Aires Province.

The Bank keeps the documentation given for safekeeping to the abovementioned companies available to the CNV at all times and in its registered place of business.

28. ACCOUNTS THAT IDENTIFY COMPLIANCE WITH MINIMUM CASH AND CAPITAL REQUIREMENTS

Minimum cash

The items computable by Banco CMF S.A. (the requirement is only for the Argentine financial institution under BCRA requirements) to fulfill the minimum cash requirement in effect for December 2023 are broken down below; the closing amounts of the related accounts are as follows:

<u>Item</u>	<u>BANCO CMF S.A.</u>	
	<u>In Argentine pesos</u>	<u>In foreign currency</u>
Cash and deposits with banks		
– Amounts held in BCRA accounts	1,000	66,783,851
Financial assets delivered in guarantee:		
– BCRA special guarantee accounts	540,250	353,146

Minimum capital requirement

Below is a summary of the minimum capital requirements broken down by credit risk, market risk and operational risk measured on consolidated basis together with the payment thereof (computable equity) in accordance with BCRA applicable standards for December 2023.

<u>Item</u>	<u>Banco CMF and subsidiaries</u>
Computable equity	69,172,563
Minimum capital requirement	
Market risk	9,872,318
Operational risk	407,937
Credit risk	15,436,347
Total requirement	25,716,602
Requirement surplus	43,455,961

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29. PENALTIES APPLIED TO THE FINANCIAL INSTITUTION AND SUMMARY PROCEEDINGS INITIATED BY THE BCRA AND THE CNV

On January 8, 2015, the BCRA issued Communiqué "A" 6324 requesting that a note to the financial statement should detail all administrative and/or disciplinary penalties and all criminal penalties ordered by a trial court ruling that were imposed or initiated by the BCRA, the UFI (Financial Information Unit), the CNV and the SSN (Argentine insurance regulatory agency), as well as provide information on the summary proceedings initiated by the BCRA, regardless of its significance.

To date, the Bank does not have administrative and/or disciplinary penalties or criminal penalties ordered by a trial court.

Consequently, to meet the BCRA's information requirements, we detail below the summary proceedings initiated as of the date of issuance of these financial statements:

Summary proceedings No. RRFCO-2020-126-APN-DIR. Date of notification of the summary proceedings: 07/17/2020. Imputed charge: potential failure to comply with sections 117(b), Law No. 26,831; section 2(a) and (b), Chapter III, Title XII, CNV Regulations (as revised in 2013, as amended); section 4 and 16(1), MAE Program Rules, and section 59, Law No. 19,550, related to transactions with securities.

The Bank and its legal counsel estimate that the applicable regulations in force were interpreted reasonably and expect that the impact of the abovementioned summary proceedings will not be significant.

30. OTHER FINANCIAL LIABILITIES

As of December 31, 2023 and 2022, the Bank and its subsidiaries held the following items:

	12/31/2023	12/31/2022
Payables from spot purchases pending settlement	53,082,003	27,042,780
Miscellaneous not subject to minimum cash amount	18,722,368	2,429,067
Stock-exchange regulated repurchase agreements (*)	14,136,143	3,718,961
Collections and other transactions on account and behalf of others	3,357,279	17,231,954
Financial leases payable	346,163	268,371
Miscellaneous subject to minimum cash amount	283,092	276,611
Nonfinancial payables from other purchases of government securities pending settlement	82,125	-
Other	1,926,748	716,683
	91,935,921	51,684,427

(*) This repurchase agreement was settled on January 2, 2024.

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31. OTHER NONFINANCIAL LIABILITIES

As of December 31, 2023 and 2022, the Bank and its subsidiaries held the following items:

	12/31/2023	12/31/2022
Salaries and payroll taxes payable	2,704,880	2,221,212
Withholdings payable	1,346,467	1,189,518
Other taxes payable	1,647,998	1,136,666
Other	2,056,827	2,604,196
	7,756,172	7,151,592

32. ISSUANCE OF CORPORATE BONDS

On September 1, 2012, the Bank's Special General Shareholders' Meeting approved a global program for the issuance of nonconvertible corporate bonds pursuant to Law No. 23,576, as supplemented, and the CNV regulations for a maximum outstanding amount at any time of up to a face value of ARS 500,000,000 or its equivalent in other currencies.

On September 28, 2012, through Resolution No. 16,923, the CNV authorized the Bank to join the public offering system and create a program to list publicly nonconvertible corporate bonds, the main terms and conditions of which are included in the Program's offering circular dated October 3, 2012. Its summarized version was published in the Daily Bulletin of the Buenos Aires Stock Exchange on the same date.

Subsequent to the CNV's approval, the Bank's Special Shareholders' Meeting approved the following amendments to the global program for corporate bonds not convertible into shares:

Date	Changes
September 8, 2015	<ul style="list-style-type: none"> • Increase in the maximum outstanding amount of ARS 500,000,000 (or the equivalent amount in other currencies) to ARS 1,000,000,000 (or the equivalent amount in other currencies). • Extension of the term of the program for five more years or the longer term provided for by applicable regulations.
June 8, 2018	<ul style="list-style-type: none"> • Increase in the maximum outstanding amount of ARS 1,500,000,000 (or the equivalent amount in other currencies).
April 30, 2020	<ul style="list-style-type: none"> • Increase in the maximum amount of ARS 1,500,000,000 (ARS 1.5 billion) to U\$S 25.000.000 (twenty-five million US dollars) (or the equivalent amount in other currencies). • The term of the program was extended for another 5 (five) years.

As part of the abovementioned program, the Bank issued corporate bond classes No. 1 through 13.

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On September 26, 2022, the CNV approved the price supplements for class 14 corporate bonds for nonconvertible corporate bonds (not convertible into shares) at variable rate (simple mathematical average of the interest rate for certificates of deposit equal to or higher than ARS 20 million for periods ranging between 30 and 35 days for Argentine private banks published by the BCRA during the period that begins on the seventh business day prior to the beginning of each interest accrual period and ends on the seventh business day prior to the date of payment of the related interest, including the first day but excluding the last) plus a cutoff margin of 1.5% for a maximum nominal amount in Argentine pesos of up to 300,000,000 (three hundred million), which may be increased up to a maximum amount of 2,500,000,000 (2.5 billion Argentine pesos).

On October 3, 2022, Class 14 was issued for a nominal amount of ARS 2,500,000,000 maturing on October 3, 2023. Class 14 corporate bonds' principal will be amortized in two equal installments, each of them equivalent to 50% (fifty percent) of the issued amount, on July 3, 2023, and October 3, 2023, with interest payable quarterly in arrears as from the issuance date. The abovementioned funds, net of issuance expenses, were used to grant loans pursuant to BCRA regulations. The terms and conditions for corporate bonds were approved by the Board of Directors in the meeting held on September 20, 2022. The corporate bond supplement was published in the Buenos Aires stock exchange bulletin on September 29, 2022.

On January 3, 2023, April 3, 2023, and July 3, 2023, the first, second and third periods of interest amounting to 445,215, 439,294 and 530,077, respectively, were paid. Finally, on October 3, 2023, the final principal amortization and fourth period of interest of Class 14 for 1,250,000 and 324,018, respectively, were paid.

As of December 31, 2023, the Bank has no unsubordinated corporate bonds issued. As of December 31, 2022, unsubordinated corporate bonds issued stood at 2,500,000 as principal and 1,341,223 as interest.

Subsequent to year end, on March 4, 2024, Class 15 was issued for a nominal amount of ARS 10,024,000,000 maturing on September 4, 2024. Class 15 corporate bonds' principal will be amortized in full on the due date with interest payable in arrears, and with a single payment on the due date. The abovementioned funds, net of issuance expenses, were used to grant loans pursuant to BCRA regulations. The terms and conditions for corporate bonds were approved by the Board of Directors in the meeting held on February 22, 2024. The corporate bond supplement was published in the Buenos Aires stock exchange bulletin on February 28, 2024.

33. OFF-BALANCE AMOUNTS

In addition to that mentioned in note 7 and the amounts disclosed in exhibit B, the Bank books different transactions in off-balance accounts according to BCRA regulations.

The main off-balance accounts are made up as follows:

	<u>12/31/2023</u>	<u>12/31/2022</u>
Custody of government securities and other assets owned by third parties	1,281,181,344	609,900,907
Reverse repo transactions involving government securities and monetary regulation instruments	176,390,733	51,605,967
Trust activity	147,664,512	10,187,648
Guarantees received from customers	143,410,821	120,892,471
Futures and call options purchased and put options sold	77,301,704	56,762,327
Deposits involving government securities and monetary regulation instruments	20,039,421	6,984,622
Checks to be debited	5,935,049	3,147,385

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34. RESTRICTION ON DISTRIBUTION OF EARNINGS

For the transactions conducted by Banco CMF S.A.

- a) Pursuant to BCRA regulations, 20% of profit or loss for the year, plus/less prior-year profit (loss) adjustments, the transfers of other comprehensive income to unappropriated retained earnings (accumulated losses) less accumulated losses as of the previous year-end, if any, should be allocated to legal reserve. Consequently, the following Shareholders' Meeting shall allocate 1,313,091 of unappropriated retained earnings to that reserve.
- b) BCRA Comunicado "A" 6464, as amended and supplemented, established the general procedure to distribute earnings. This procedure establishes that earnings may only be distributed provided that certain situations take place, such as requesting financial aid from such agency related to illiquidity, presenting outstanding amounts related to capital or minimum cash requirements and being subject to the provisions of sections 34 and 35 bis of Financial Institutions Law (sections related to plans for redressing, remediating and restructuring the Bank), among other conditions detailed in the comunicado that should be met. The distribution of earnings approved by the Bank's Shareholders' Meeting may only be carried out once authorized by BCRA Financial Institutions and Foreign Exchange Regulatory Agency.

In addition, earnings may only be distributed provided that there is profit after deducting on a nonaccounting basis from the unappropriated retained earnings and from the optional reserve for future distribution of earnings: (i) the amounts related to the legal and statutory reserves that should be set, (ii) the total debit balances of each of the items included in "Other comprehensive income", (iii) the amount arising from the revaluation of property and bank premises, intangible assets and investment property, (iv) with respect to the instruments valued at amortized cost, the net positive difference between the value at amortized cost and the fair value of the BCRA's government debt and/or regulation instruments, (v) the adjustments identified by the BCRA's SEFyC or by the external auditor which have not been booked, and (vi) certain deductibles granted by the BCRA. In addition, distributions of earnings may not include profit arising from the first-time application of IFRS, which should be included in a special reserve, which amounts to 4,429,659 as of 31.12.23 and is booked under "Unappropriated retained earnings (accumulated losses)."

In addition, the Bank should verify that, after earnings are distributed, a capital conservation margin equal to 2.5% of risk-weighted assets is maintained, which is additional to the minimal capital requirement, and that it should be paid in with Tier 1 common capital (COn1), net of deductible items (CDCon1).

In addition, according to BCRA Comunicado "A" 7312, the distribution of earnings was suspended until December 31, 2021. As established in BCRA Comunicado "A" 7421, effective from January 1 through December 31, 2022, financial institutions may distribute up to 20% of the earnings to which they would have been entitled. As from January 1, 2022, the institutions that are authorized by the BCRA to distribute their earnings should do so in 12 equal, monthly and consecutive installments.

Although through Comunicado "A" 7659, the BCRA had suspended the distribution of earnings as from January 1, 2023, afterwards, BCRA Comunicado 7719 established that as from April 1, 2023, through December 31, 2023, the financial institutions authorized by the BCRA may distribute earnings in six equal, monthly and consecutive installments for up to 40% of the amount to which they would have been entitled under the standards on "distribution of earnings".

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- c) According to the provisions in CNV General Resolution No. 622, the Shareholders' Meeting analyzing the annual financial statements shall decide on a specific use for the Bank's retained earnings, whether through the actual distribution of dividends, their capitalization with the delivery of bonus shares, the creation of voluntary reserves additional to the legal reserve or a combination of one of these.

In compliance with the above and based on the distribution approved by the Regular and Special Shareholders' Meeting held on April 17, 2023, with respect to the use of the earnings for the year ended December 31, 2022, amounting to ARS 413,693, resolved to: (i) create a legal reserve for ARS 82,739, and (ii) earmark ARS 330,954 to absorb losses under "Other accumulated comprehensive loss", which stood at ARS 691,820. It also resolved to earmark prior-year retained earnings standing at ARS 153,627 to partially absorb losses under "Other accumulated comprehensive loss". In addition, as regards the optional reserve, which stood at ARS 3,276,013 as of December 31, 2022, it decided that it be reversed in the following amounts: (i) ARS 207,238 to absorb the remaining losses under the "Other comprehensive loss" account, and (ii) ARS 1,093,416 to distribute cash dividends among shareholders in compliance with BCRA Communiqué "A" 7719 and referendum of the BCRA approval, and in conformity with the applicable standards. Note that figures are stated in Argentine pesos as of the December 31, 2022 year-end.

On May 4, 2023, the Special Shareholders' Meeting approved the allocation of the amount approved by the General Regular and Special Shareholders' Meeting dated April 17, 2023, to the payment of cash dividends in cash or in kind (subject to BCRA's authorization) and delegated the power to determine the timing, currency, security, and other terms of conditions in the Board of Directors.

In this regard, on May 12, 2023, the Board of Directors approved the payment of dividends in kind, selecting 1.25% CER-adjusted Argentine Treasury bonds in Argentine pesos maturing on March 25, 2024 (BYMA securities: TX24) amounting to 258,338,098 in nominal values equivalent to 1,093,416. On June 2, 2023, the BCRA authorized the Bank to distribute earnings totaling 1,093,416, in six equal, monthly and consecutive installments. Note that figures are stated in Argentine pesos as of the December 31, 2022 prior year-end.

For the transactions conducted by Metrocorp Valores S.A. and CMF Asset Management S.A.U. Sociedad Gerente de Fondos Comunes de Inversión

- a) According to IGJ General Resolution No. 7/2015, the Shareholders' Meeting in charge of analyzing the annual financial statements will be required to establish a specific use for the Bank's retained earnings, whether through the actual distribution of dividends, their capitalization through the delivery of bonus shares, the creation of voluntary reserves apart from the legal reserve or a combination of any of these applications.
- b) According to section 70, Law No. 19,550, at least 5% of profit for the year, plus/less prior-year profit (loss) adjustments and less accumulated losses as of the previous year-end, if any, should be allocated to the creation of the legal reserve until this reserve amounts to 20% of the capital stock. As of December 31, 2023, the 20% has been reached and therefore, the earnings are not restricted to such reserve.

On February 17, 2023, Metrocorp Valores S.A. held the General Regular Shareholders' Meeting that approved dividends in cash for a total amount of ARS 363,301. Note that figures are stated in Argentine pesos as of the December 31, 2022 prior year-end.

On April 17, 2023, CMF Asset Management SAU Sociedad Gerente de Fondos Comunes de Inversión held a Regular Shareholders' Meeting that approved, among other items, to reverse the optional reserve and to earmark ARS 163,452 to pay dividends in cash. Note that figures are stated in Argentine pesos as of the December 31, 2022 prior year-end.

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SEBASTIAN OSEROFF
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Public Accountant (U.B.A.)
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Accounting and Reporting System
Manager

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35. RISK MANAGEMENT AND CORPORATE GOVERNANCE

Risks are inherent in the Bank's and its subsidiaries' activities and are managed through a process for the continuous identification, measurement and control thereof, subject to limits and other risk controls. This risk management process is critical for the Bank's profitability.

The Board of Directors is made up of four members, as set forth by the shareholders' meeting, who are chosen for three-year periods with the possibility of being reelected. This number of directors is proportional to the Bank's size, complexity, economic importance and risk profile. They promote and guarantee an objective and independent judgment for making decisions in the Bank's and its subsidiaries' financial institution's best interest and in line with corporate objectives, avoiding and preventing potential conflicts of interest or decisions contrary to the Bank's interests.

Individuals falling under the disqualifications and incompatibilities set forth in Law No. 19,550 on Argentine Business Associations and in Law No. 21,526 on Financial Institutions may not form part of the Board of Directors either. The background information of the selected Directors is submitted to the BCRA for its respective approval. In addition, according to Communiqué "A" 6304, credit background checks are performed on an annual basis, and sworn statements are signed in relation to the compliance by Banco CMF S.A.'s directors, statutory auditors, general manager and line managers with suitability and experience requirements to carry out financial activities. It is important to point that, among other matters, they make reference to the disqualifications under section 10, Financial Institutions Law, asset laundering or terrorism financing crimes, the suspension, prohibition or revocation by the BCRA, the CNV or the SSN (Argentine insurance regulatory agency). Finally, they state that they hold no executive positions and have no direct or indirect interests in companies engaged in gambling and betting activities and that they have no criminal records.

The Board of Directors is in charge of managing the Bank and make the related decisions to such end. It is also responsible for implementing the decisions reached by shareholders' meetings, conducting the tasks especially delegated by shareholders and adopting the business strategy to approve the general and specific policies to ensure proper business management. It is in charge of coordinating and overseeing, among others, that proper operation meets the institutional objectives and facilitating business development in an efficiency, controlled and productive manner to foster a culture of ongoing improvement of the administrative and business processes.

Risk management structure:

Additionally, the Bank has structured its risk control based on the Board of Directors' supervision. The Board of Directors is in charge of approving the Bank's effective strategies and policies, provides the general risk management principles and approves the risk control policies for specific areas such as operating, market, liquidity and credit risk, among others. The Board of Director's involvement in the issues addressed by the different committees entail a decrease in the risks that may arise in the course of business.

The abovementioned structure comprises different separate and independent committees. The committees and a description of their functions are as follows:

- Audit Committee: Its role is to support the Board of Director's management in implementing and supervising the Bank's and its subsidiaries' internal control. It has its own set of regulations which form part of the Bank's Corporate Governance System.

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- Information Asset Protection Committee: This is a multidisciplinary formal body for the protection of information assets, with the purpose of establishing mechanisms to be used by the Information Assets Protection Department's management and control with a comprehensive approach of the security required (physical and logical) and appropriate for each technological environment and information resources. Its mission is to determine the procedure for addressing incidents, policy exceptions and promote awareness and training throughout the organization, pursuant to the guidelines set forth in BCRA Communiqué "A" 7724, and 7777 "Minimum requirements for IT and information security risks management and control", as supplemented.
- IT and Systems Committee: This formal body makes decisions on the different issues that contribute towards the support behind the Bank's and its subsidiaries' business regarding IT, in accordance with the guidelines established by BCRA Communiqué "A" 7724, and 7777 "Minimum requirements for IT and information security risks management and control" as supplemented.
- Human Capital Committee: it plans and consolidates the potential development of human resources, assesses the evolution and adjustment of the structure in terms of its strategic plans, analyzes the promotion of its employees, its compensation policy and accompanies the organization through its change processes.
- Corporate Governance and Compliance Committee: It ensures the actions of its administrators and personnel abide by and are in compliance with the management strategies duly approved by the Board of Directors. It also makes sure the Bank and its subsidiaries have the proper means with which to comply with internal and external regulations, and with business ethics.
- Financial Committee: Its purpose is to be the formal decision-making body regarding financial matters and on the different supporting issues of the Bank and its subsidiaries.
- Credit Committee: This is the formal decision-making body regarding credit policies.
- Money Laundering and Terrorism Financing Control and Prevention Committee: It is aimed at supporting the Compliance Officer in adopting the policies and procedures required for the proper operation of the money laundering and terrorism financing prevention system.
- Comprehensive Risk Management Committee: This committee focuses on the comprehensive management process of all significant risks and ensures that current policies and strategies on this matter which have been approved and set by the Board of Directors are complied with.
- Foreign Trade and Exchange Committee: This is the formal body for defining the policies and guidelines for foreign trade processes under BCRA regulations. It controls and reviews SWIFT code submission requests to and from other countries.

The Bank has implemented an overall risk management process pursuant to Communiqué "A" 6639 as amended, which is also in line with the good banking practices recommended by the Basel Committee.

Compliance and Risk Management is in charge of the comprehensive management of the risks faced by the Bank and its subsidiaries, acting independently from the business areas.

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It is mainly in charge of following up risks, assisting in designing and enforcing policies and procedures, and advising the Comprehensive Risk Management Committee or the liable parties of the risks that may require additional controls. It also gathers information related to the level of exposure of the different types of risks and reports to General Management and the Comprehensive Risk Management Committee, proposing and monitoring related actions plans. It also conducts annual stress simulation tests according to the methodology formally approved and documents the contingency plants to cover the risks that exceed the caps defined by the Board. It also issues the Capital Self-Assessment Report every year.

The main goal of the Comprehensive Risk Management Committee is to propose to the Board the strategy for managing market, rate, liquidity and credit risks, among others, as well as the global limits of exposure to these risks. Also, learning about each risk position and compliance with the policies set. The scope of its functions comprises the Bank and its subsidiaries.

The Bank's risk management function is undergoing a permanent adaptation process to the regulatory requirements set by Basel III and by the BCRA, which are dynamic and are updated on an ongoing basis. Based on these guiding principles, a series of procedures and processes that allow identifying, measuring and valuing the risks to which the Bank is exposed have been defined, always seeking consistency with the Bank's business model.

Risk management processes are communicated to the whole entity. They are in line with the guidelines set by the Board of Directors and top management of the Bank and its subsidiaries, which, through various committees, define the general objectives expressed in goals and limits to the business units in charge of managing risks.

The risk management information system entitled "Risk Management Panel" provides the Board of Directors and top management with relevant information on the risk profile and the capital requirements of the Bank and its subsidiaries in a clear, accurate and timely manner. This information includes the exposure to all risks, including those arising from off-balance sheet transactions; that is to say, transactions not booked in the statement of financial position. In addition, the management function includes the assumptions and limits inherent in specific risk measures.

Based on the previous paragraph, the main aspects of the Bank's and its subsidiaries' risk management process are:

- Updating minimum annual credit risk management frameworks and processes (including securitization risk, country risk, counterparty risk and residual risk), liquidity risk, market risk, operational risk, interest rate risk, foreign exchange settlement risk, concentration risk, strategic risk and reputational risk.
- Reviewing the existing risk tolerance limits based on the assessment of the main risks faced by the Bank and its subsidiaries. The limits are monitored periodically and the results are informed to the Bank's and its subsidiaries' Comprehensive Risk Management Committee and Board of Directors.
- Generating periodic reports (Risk Management Panel) to identify, measure, monitor and mitigate the most significant risks assumed by the Bank, and reporting the results to the Bank's Board of Directors and top management.
- Preparing an annual capital self-assessment report using methods in line with the guidelines set out by Basel III and other specific guidelines issued by the BCRA to estimate the economic capital required by the Bank and its subsidiaries for each of the significant risks identified.
- Preparing and executing sensitivity tests (stress tests) to measure scenarios of various degrees of severity, for the purpose of assessing the potential impact of stress situations and preparing contingency actions to manage the various risks.

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Risk measurement and reporting systems:

Risks are supervised and controlled primarily based on the limits established by the Bank. These limits reflect the Bank's business strategy and market environment, as well as the risk level the Bank is ready to accept, with further focus on the industries selected. In addition, the Bank and its subsidiaries control and measure the full risk it bears as regards the full risk exposure as to all types of risks and activities.

The different committees document their meetings in formal minutes transcribed into officially-stamped books that are submitted to the Board according to the frequency established, including the significant risk identified, if applicable.

The Bank and its subsidiaries actively use guarantees to mitigate its credit risk.

To avoid excessive risk concentrations, the Bank's and its subsidiaries' policies and procedures include specific guidelines to focus on keeping a diversified portfolio. The identified credit risk concentrations are controlled and managed accordingly. The selective coverage is used at the Bank and its subsidiaries to manage risk concentrations both in terms of products and industry branches.

In addition, it should be noted that the Bank complies with the provisions established by the BCRA regarding the maximum limits to the financing granted to specific debtor groups in order to atomize the portfolio, thus reducing credit risk concentration.

The following are the policies and processes aimed at identifying, assessing, controlling and mitigating each one of the main risks:

Credit risk

The credit risk is the existing risk regarding the possibility for the Bank and its subsidiaries to incur a loss because one or several customers or counterparties fail to meet their contractual obligations.

To manage and control credit risk, the Bank and its subsidiaries establish limits on the risk amount it is willing to accept in order to monitor the related indicators.

In addition, the Board of Directors approves the Bank's and its subsidiaries' credit policy and credit assessment in order to provide a framework for the creation of businesses to attain an adequate relationship between the risk assumed and profitability. The Bank and its subsidiaries have procedure manuals containing guidelines in the matter in compliance with current regulations and the limits established. Below are the objectives of those manuals:

- Achieving proper portfolio segmentation by type of client and economic sector.
- Boosting the use of the risk analysis and assessment tools that best adjust to the customer's profile.
- Setting consistent standards for granting loans, following conservative parameters based on the customer's solvency, cash flows and profitability.
- Setting limits to individual powers for granting loans depending on the amount, promoting the existence of specific committees that, according to their sphere of competence, will be in charge of defining assistance levels.
- Optimizing the quality of risks assumed, having appropriate guarantees according to the loan term and the level for the risk involved.
- Monitoring the loan portfolio and the level of customers' compliance permanently.

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Credit risk is monitored by the Risk Management area. Such area is in charge of reviewing and managing credit risk, including environmental and social risks for all types of counterparties. The Bank employs specialized analysts who base their work on tools, such as credit risk systems, policies, processes and reports.

To evaluate the credit risk, based on the credit analysis and proposal prepared by the business officer, the Bank has established a credit quality review process aimed at the early identification of potential changes in the debtors' credit solvency. Debtors' limits are established using a credit risk classification method, which assigns a risk classification to each of them (rating). Such classifications are subject to periodic reviews.

Based on the above, the area in charge analyzes the customer's credit and repayment capacity and issues a report in which, among other aspects, mentions the main risks to which the company is exposed and that may affect its payment capacity and findings regarding any litigation deriving from the legal regulations of the financial system or from commercial activities, such as disqualifications, requests for bankruptcy, and litigation in progress. The purpose of the credit quality review process is to allow the Bank and its subsidiaries to evaluate the potential loss resulting from the risks to which it is exposed and to take corrective measures.

Based on the risk report, the business officer prepares a customer credit rating proposal, including the analysis of loans, other receivables, contingent obligations and guarantees granted, which is sent to the Credit Risk Committee in charge of analyzing and approving the related financing.

The Bank does not generate consumer credit portfolios directly; instead, it purchases consumer portfolios to leading companies in the retail sector. At the negotiation stage of the transaction, in addition to the general conditions related to the rate, amount, duration, guarantees, total term and types of credits to be assigned (among others), the specific conditions of the credits are defined to reduce its level of risk: relationship between installments and profits, payment method, review against the database of documents challenged, comparison to the debtor classification on the financial system, number of installments paid, maximum and minimum age and country, among others. Based on these parameters, a credit scoring is performed to choose the credits to be acquired. The assignor's risk is also analyzed. All the information is submitted to the Credit Risk Committee for its analysis and approval. The classification is related to the customers' quality and BCRA provisions on debtor classification and minimum provisions for loan losses. This segment experienced a significant decrease in volumes over the last few fiscal years due to the risk appetite undertaken by the Board of Directors.

It is noteworthy that the Bank and its subsidiaries use the request for guarantees for its financing facilities to mitigate the credit risk. The main guarantees received are works certificates, joint and several sureties, bills of exchange and invoices. The Bank has the obligation to return the guarantees received to their holders at the end of the guaranteed financing.

The Bank's Operations Management monitors the market value of guarantees and requests appraisal revaluations frequently.

The classification and periodical monitoring of customers permit to protect the quality of assets and to take corrective actions in advance in order to maintain the Bank's and its subsidiaries' equity.

The main considerations to assess the impairment in value of loans include if there are principal or interest payments past due over 90 days or if there is any known difficulty in the counterparties' cash flows, reduced credit ratings or breach of the original terms of the agreement. The Bank assesses the impairment in value in two areas: provisions individually evaluated and provisions collectively evaluated.

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The guarantees granted, letters of credit and obligations for foreign trade transactions are assessed and a provision is booked in the same manner as that of the loan portfolio. The credit risk in these transactions is defined as the likelihood of occurrence of a loss because one of the parties to a contingent transaction does not comply with the terms set out in the agreement. The risk for credit losses is represented by the amounts established in the respective instrument agreements.

The financing facilities granted to the nonfinancial government sector and financing facilities with a term of less than 30 days granted to financial sector customers are excluded from the analyses of provisions.

The Bank and its subsidiaries classify all its financing facilities into five risk categories, depending on the degree of the risk of default in payment of each loan.

The classification of the Bank's debtors is made up of 5 categories which entail different provision levels, also considering the guarantees supporting the various transactions. Those classifications are assigned by the Bank based on objective or subjective assessments, based on the portfolio of each debtor.

The criterion used in classifying debtors related to the portfolio of consumer loans and commercial loans similar to consumer loans is based on an objective assessment on the debtor's current compliance based on the days in arrears according to the BCRA's objective segmentation defined in section 7(2) of the regulations on the classification of debtors of the consumer and home-mortgage portfolio, as revised.

As required by BCRA in section 6(5) of the regulations on debtor classification of the commercial portfolio, as revised, the classification is based on a subjective assessment that analyzes the debtor's current and future equity and financial position by conducting a comprehensive analysis of its cash flows, financial statements, post-balance sales and compliance with the BCRA and other financial institutions, among others.

The percentages per debtor classification level for each type of portfolio are disclosed below on a consolidated basis according to BCRA regulations as of December 31, 2023:

Portfolio/Status	1-Performing	2-Low risk	3-Moderate risk	4-High risk	5-Irrecoverable	6-Irrecoverable by virtue of a technical provision
Commercial	100%	-	-	-	-	-
Consumer	99.97%	-	0.01%	0.01%	0.01%	-

The percentages per debtor classification level for each type of portfolio are disclosed below on an individual basis according to BCRA regulations as of December 31, 2023:

Portfolio/Status	1-Performing	2-Low risk	3-Moderate risk	4-High risk	5-Irrecoverable	6-Irrecoverable by virtue of a technical provision
Commercial	100%	-	-	-	-	-
Consumer	99.97%	-	0.01%	0.01%	0.01%	-

Management is confident about its capacity to continue controlling and maintaining minimum credit risk exposure as a result of its portfolio of credits and financial assets because 99.97% of its loan portfolios are classified in the two higher levels of the internal classification system.

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The Bank decided to create additional provisions to the minimum provisions required by the BCRA (global provisions) to be able to bear potential deterioration of the portfolio.

The changes in the global provision are based on the disclosures made in point 5(2)4(iii) of the Bank's policy for classifying debtors and setting up provisions. This limit is monitored by the Board. This policy establishes that "Periodically, at least at the end of every six months, jointly with the General Management, it will be analyzed whether provision levels range between 1% and 4% of the total portfolio, based on an analysis of the economic and financial situation of the different sectors of the economy and the macroeconomic and microeconomic variables that may affect the loan portfolio. This policy should consider in advance the potential future deterioration in solvency levels and changes in the economic variables that may affect the Bank's credit portfolio. The Bank should frequently review its risk assets to ensure proper management, especially when the economic conditions or variables get worse, including the possibility of absorbing these global provisions to reflect the potential deterioration of the portfolio.

The Bank has completed the convergence process towards expected losses (IFRS). During 2019-2021, the Bank worked with an interdisciplinary team that included a specialized consulting company and Comprehensive Risk Management, Accounting Management and Credit Risk Management personnel. The estimates were made monthly according to the Bank's effective methodology, which is consistent with Communiqué "A" 6590, as amended and supplemented. In addition, the implementation of a system allowing to make such calculation automatically has been completed. Note that on December 28, 2023, the Bank was informed of Communiqué "A" 7928 point 3 "Delay of expected losses", and as a financial institution belonging to group B –according to section 4 of the standards on "Financial institutions' authorities"– that is not a branch or a subsidiary of foreign banks qualified as systemically important (G-SIB), it opted in an irrevocable manner to postpone until January 1, 2025, the application of item 5.5, IFRS 9 established as per Communiqué "A" 6430 and, consequently, the prorating methodology generated by the application of that item established by Communiqué "A" 6847.

Credit risk management in investments in financial assets:

The Bank and its subsidiaries assess credit risk by identifying each financial asset invested and the credit rating defined by the credit rating agency. These financial instruments are mainly concentrated on the amounts deposited in first-level financial institutions, government securities granted by the Argentine government and BCRA bills. The carrying amount of financial assets is the best way of representing the gross maximum exposure to credit risk.

As of December 31, 2023, risk is concentrated in Argentina or in countries rated in investment grades.

Collateral and other credit enhancements

The amount and type of guarantee required for financing facilities granted depend on an assessment of the counterparty's credit risk. The guidelines are implemented according to the capacity of acceptance of the types of guarantee and valuation metrics.

In addition, the Bank and its subsidiaries disclose in exhibit B "Classification of loans and other financing facilities and guarantees received" herein the breakdown of loans and other financing facilities per status and guarantees received.

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Below we analyze the Bank's financial assets per activity branch (considering BRCA classification of economic activities) before and after considering the guarantees received, on a consolidated basis:

Activity branch/period	Gross exposure as of 12/31/2023	Gross exposure as of 12/31/2023	Gross exposure as of 12/31/2022	Gross exposure as of 12/31/2023
A-AGRICULTURE, LOVESTOCK, HUNTING, FORESTRY AND FISHING	6.11%	2.51%	1.8%	1.95%
B-MINE AND QUARRY EXPLOITATION	6.03%	8.31%	8.51%	13.81%
C-MANUFACTURING INDUSTRY	20.62%	22.82%	17.13%	13.5%
D-SUPPLY OF POWER, GAS, STEAM AND COOLING	17.53%	12.36%	2.88%	5.24%
E-WATER SUPPLY; SEWAGE; WASTE MANAGEMENT, MATERIAL RECOVERY AND PUBLIC SANITATION	3.03%	0%	3.23%	0%
F-CONSTRUCTION	9.41%	8.02%	12.08%	7.2%
G-WHOLESALE AND RETAIL; REPAIR OR MOTOR VEHICLES AND MOTORCYCLES	11.12%	14.45%	11.73%	10.45%
H-TRANSPORTATION AND STORAGE SERVICE	0%	0%	3.38%	2.13%
R-ARTISTIC, CULTURAL, SPORT AND LEISURE SERVICES	0%	0%	3.76%	0.56%
J-INFORMATION AND COMMUNICATIONS	5.21%	5.18%	1.63%	1.88%
K-FINANCIAL INTERMEDIATION AND INSURANCE SERVICES	10.90%	14.04%	27.96%	33.91%
N-ADMINISTRATIVE ACTIVITIES AND SUPPORT SERVICES	2.48%	3.17%	2.61%	4.26%
Natural persons	5.57%	8.12%	2.33%	4.36%
Other	1.99%	1.02%	0.97%	0.75%
TOTAL	100%	100%	100%	100%

Notes:

- The activity branches that do not exceed individually 1% of the portfolio are disclosed under "Other".
- "NET exposure" is the amounts of guarantees received net of "GROSS exposure".

Below we analyze the Bank's financial assets per activity branch (considering BRCA classification of economic activities) before and after considering the guarantees received, on an individual basis:

Activity branch/period	Gross exposure as of 12/31/2023	Gross exposure as of 12/31/2023	Gross exposure as of 12/31/2022	Gross exposure as of 12/31/2022
A-AGRICULTURE, LOVESTOCK, HUNTING, FORESTRY AND FISHING	8.68%	2.17%	2.26%	2.72%
B-MINE AND QUARRY EXPLOITATION	2.61%	5.56%	9.7%	18.44%
C-MANUFACTURING INDUSTRY	22.92%	20.63%	15.82%	14.19%
D-SUPPLY OF POWER, GAS, STEAM AND COOLING	7.95%	0.49%	1.08%	2.04%
E-WATER SUPPLY; SEWAGE; WASTE	4.83%	0%	4.06%	0.01%

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Chairperson

GABRIEL GAMBACORTA
On behalf of Statutory Audit
Committee

SEBASTIAN OSEROFF
Partner
Public Accountant (U.B.A.)
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Accounting and Reporting System
Manager

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Activity branch/period	Gross exposure as of 12/31/2023	Gross exposure as of 12/31/2023	Gross exposure as of 12/31/2022	Gross exposure as of 12/31/2022
MANAGEMENT, MATERIAL RECOVERY AND PUBLIC SANITATION				
F-CONSTRUCTION	13.63%	16.19%	15.21%	10.07%
G-WHOLESALE AND RETAIL; REPAIR OR MOTOR VEHICLES AND MOTORCYCLES	16.71%	27.67%	14.64%	14.51%
H-TRANSPORTATION AND STORAGE SERVICE	1.57%	0.18%	4.25%	2.97%
J-INFORMATION AND COMMUNICATIONS	6.20%	10.28%	1.47%	2.62%
K-FINANCIAL INTERMEDIATION AND INSURANCE SERVICES	9.96%	10.26%	21.87%	23.84%
N-ADMINISTRATIVE ACTIVITIES AND SUPPORT SERVICES	3.95%	6.41%	3.29%	5.96%
R-ARTISTIC, CULTURAL, SPORT AND LEISURE SERVICES	0%	0%	4.74%	0.78%
NATURAL PERSON	0%	0%	0.39%	0.8%
OTHER	0.99%	0.16%	1.22%	1.05%
TOTAL	100%	100%	100%	100%

Liquidity risk

The liquidity risk is the risk that the Bank and its subsidiaries will not be able to meet its payment obligations efficiently at maturity under regular and stress circumstances without affecting its daily transactions or its financial position. To limit this risk, the Board of Directors has agreed on the diversity of financing sources. Apart from its deposits base, Management manages assets considering liquidity and it controls expected cash flows and the availability of first guarantees which could be used to secure additional financing, if necessary.

The Bank and its subsidiaries have liquidity policies in place, the purpose of which is managing such liquidity effectively, optimizing costs and diversifying funding sources, in addition to maximizing the return on placements by managing liquidity in a prudent manner, ensuring sufficient funds for business continuity and complying with effective regulations.

The Bank's funds have historically been made up of deposits and, to a lesser extent, repo transactions and interbank loans, as well as funds from correspondents and multilateral financial institutions.

Although the deposits made by natural persons involve significant amounts, the most important sources of financing are corporate and institutional deposits.

The Bank has a sundry assets portfolio with high level of sale that are readily available should flows be interrupted suddenly. Also, the Bank obtained credit lines to which it accesses to meet its liquidity needs.

Concentration is inherent in the type of business conducted by the Bank and its subsidiaries, which is mitigated with the increase in the portion of resources allocated to liquid assets and the short-term collection of its assets. In addition, as from 2012, the Bank started issuing corporate bonds to diversify and stabilize its sources of financing.

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The Bank uses the liquidity gap tool to monitor the maturities of its performing and nonperforming portfolio. The liquidity gap is a method consisting of projecting and allocating funds to assets, liabilities, equity accounts –such as dividends– and off-balance sheet transactions –such as derivatives– to various horizons or time bands. On the basis of that projection, the fund flow gap between the various assets, liabilities and off-balance sheet accounts may be determined for each band. The gap analysis between inflows and outflows in the different time bands allows calculating the amount of funds required for each period. To such end, the gap to be analyzed may be a single gap, that is, that related to a specific band, or the accumulated gap, which considers the aggregate of the previous gaps, whether positive or negative. It is calculated by significant currency; in this case, in Argentine pesos and US dollars.

In addition, liquid cash levels with respect to total deposits, the volatility and concentration of deposits and leverage levels are analyzed based on the following caps defined by the Bank's Board:

- Disponibilidades + Overnight + LETRAS +Títulos Públicos y Privados con cotización sobre Depósitos Totales. Lower limit: 20%. Threshold: 10%.
- Deposit concentration: Ten first depositors over total deposits. Cap: 65%. Threshold 5%.
- Leverage. Cap: 7,50. Threshold: 20%.
- Leverage coefficient. Lower limit: 3%. Threshold: 10%
- Gap acumulado a tres meses. Limit: +/- computable equity * 1.5. Threshold 10%

The changes in the liquidity ratio (cash + overnight + BILLS + listed government and private securities over total deposits) over the past few years are disclosed below:

	2023	2022	2021
12/31	58.33%	73%	67%
Average	58%	69%	83%
Maximum	73%	79%	93%
Minimum	32%	58%	67%

The Financial Committee makes liquidity decisions pursuant to the guidelines defined by the Board of the Bank and its subsidiaries.

To closely follow up the strategy, Finance Management uses reports prepared by Management Control based on proprietary and third-party information used to implement the portfolio and fund management decisions made by the Financial Committee, making adjustment, if needed, depending on the context or business. Management Control prepares a monthly management report that includes the due dates and an analysis of the residual term and rate breakdown.

Liquidity risk is followed up by the Compliance and Risk Management area reporting to the Bank's General Management, which gathers and handles objective information and prepares indicators to be subsequently submitted to the Comprehensive Risk Management Committee at least every quarter.

Liquidity risk is managed through the centralized IBS (Interbanksys) tool; the Risk Management Panel is prepared every quarter based on the information stored in such application.

Liquidity risk management is a mature discipline within the structure of the Bank and its subsidiaries.

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In the event of a liquidity crisis, the Bank contemplates the following mitigation measures within its contingency plan:

- Low level of leverage with respect to the Argentine financial system.
- The Bank's assets are structured in products which terms (which assets fall due within 90 days) are sufficient to settle a considerable portion of the payable and its deposits.
- Financing structure, including the corporate bond program.
- To a lesser extent, the Bank and its subsidiaries obtain financing from repo and call transactions conducted on the market at competitive rates, which are generally underused.
- Position of government securities and Argentine Treasury bills with high liquidity on the market, which are available as a liquidity cushion.
- Contingent line of international institutions.
- Paid-in capital surplus with respect to BCRA minimum capital requirement.

The Bank discloses its financial assets and liabilities broken down by due dates in exhibit D "Breakdown of financial liabilities by terms" and exhibit I "Breakdown of financial liabilities by remaining terms", respectively.

Concentration risk of funding sources

As regards liabilities concentration, the concentration of the Bank's depositors and their financing sources could also adversely affect the Bank's liquidity in the event of a trust crisis related to the financial system which may give rise to a bank run or a lack of credit.

We believe that the concentration of deposits and financing mainly affects the Bank's and its subsidiaries' liquidity. Deposit concentration is a characteristic inherent of Banco CMF S.A.'s business and of the wholesale financial institutions having similar characteristics, so it was included in the "Liquidity risk management framework". Both CMF S.A.'s Board of Directors and Management has always closely assessed or controlled the concentration risk by developing and implementing permanent mitigation strategies.

The Bank analyzes the concentration of deposits per customer with respect to total deposits, as well as with respect to total liabilities. Furthermore, concentration is analyzed per type of product or instrument in relation to total financing and total liabilities. Finally, the Bank analyzes the breakdown of assets and liabilities per significant currency to identify whether the Bank is able to bear a potential reimbursement of financings concentrated in certain currency.

In this regard, the main mitigating factor for returning deposits when and as due in the event that customers decided to make a significant withdrawal is the type of guaranteed assets. Banco CMF S.A. creates performing portfolios over very-short periods with identified and mostly self-liquidating flows.

Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments on or off the balance sheet fluctuate owing to changes in market variables related to interest rates, exchange rates and the prices of bonds and shares. The Bank and its subsidiaries have a framework for managing and mitigating this risk.

As part of market risk, the foreign exchange risk is the risk that the value of a financial instrument will fluctuate owing to changes in the foreign currency exchange rate. The Board of Directors established limits on the currency's position. Positions are controlled on a daily basis by Finance Management and the natural hedging strategy (match of loans and deposits) guarantee that the positions are maintained within the limits established.

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These risks arise from the size of the Bank's net positions and/or the volatility of the risk factors involved in each financial instrument.

The Bank and its subsidiaries defined a policy and process for managing the trading portfolio. The trading portfolio management was designed based on the profile of risk, dimension, economic relevance and the nature and complexity of the related transactions.

The trading portfolio is made up of positions in financial instruments that are part of the Bank's and its subsidiaries' equity for the purpose of trading them or hedging other items in that portfolio.

A financial instrument may be charged to the trading portfolio if its trading is not subject to any restriction or if it is possible to obtain a full hedging of the instrument.

The trading portfolio is managed actively by the Bank's Financial Management in agreement with the Financial Committee's guidelines and the investment strategy defined annually by the Board in the business plan approved by such management body.

The different positions are valued on a daily basis with proper accuracy at fair market values.

As a general principle, all the financial instruments acquired will be added to the trading portfolio.

The Board has defined that it is not possible to transfer risks from the trading portfolio to the investment portfolio. Besides, risk transfers from the investment portfolio to the trading portfolio should be treated as exceptions (for example, due to changes in market conditions or the structure of the Bank's financial statements) by the Financial Committee, which should disclose the reasons for such decision and be challenged by the Board in the next meeting.

In line with the principles defined, the Bank and its subsidiaries assume a global risk strategy adequate to its specific business structure. The Bank and its subsidiaries keep a conservative policy within its global risk strategy, with proper efficiency levels recorded on a historical basis. It has a low debt-to-capital ratio, maintains good liquidity indicators, a good performance and appropriate profitability levels.

The main tool used by the Bank and its subsidiaries to calculate market risk capital (mainly resulting from its position in foreign currency and securities, in case of having position) is VaR (value at risk). VaR is defined as the maximum change that may be expected statistically in a specific term given a certain level of trust. The parameters used to calculate VaR are: trust level of 99% and 10 days to earmarking capital for the credit rather than investing in BCRA instruments. VaR is also used for comparison purposes with computable equity.

Below is the VaR as of the related cut-off dates:

VaR of trading portfolio	12/31/2023	12/31/2022	12/31/2021	12/31/2020
Portfolio VaR/computable equity	0.69%	3.96%	0.93%	3.83%
Securities trading portfolio VaR/computable equity	0.30%	3.87%	0.79%	1.54%
Foreign currency portfolio VaR/computable equity	0.40%	0.08%	0.14%	2.28%

Market risk management is a mature discipline within the structure of the Bank and its subsidiaries.

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Sensitivity to interest rate changes:

The interest rate risk is defined as the potential occurrence of changes in the Bank's and its subsidiaries' financial condition as a result of interest rate fluctuations with adverse consequences in net finance income and its economic value. The Board of Directors established limits on the exchange rate gaps for the periods considered. Positions are monitored on a daily basis.

The Bank and its subsidiaries have a framework and process for determining the controls to be adopted to follow up interest rate risk.

As from 2013, the minimum capital requirement related to the interest rate risk is no longer considered for the calculation of the minimum cash requirements, in accordance with Communiqué "A" 5,369. However, Banco CMF S.A. keeps calculating the capital requirement for this type of risk, and also keeps managing it in accordance with the policy, framework and process approved by the Board of Directors.

The minimum capital requirement related to interest rate risk decreased drastically due to the issuance of corporate bonds and other funding sources, positively increasing the accumulated gaps to one year and changing the funding terms and structure. Moreover, this situation improved coverage of the liquidity gap between assets and liabilities, decreasing the minimum capital requirement related to the interest rate risk.

The BCRA updated the guidelines for managing risks in financial institutions. This was based on the resolutions disclosed through Communiqué "A" 6397 (which replaced section 5 on interest rate risk management in investment portfolios and adjusted section 1 on the process for managing risks), Communiqué "A" 6459 (which added new sections to point 1(3)2 "Assessment" and incorporated considerations related to point 1(3)3 "Simplified methodology") and Communiqué "A" 6475 (which established the terms for enforcing these regulations, among other points). These regulations set forth that for measuring the interest rate risk in investment portfolios based on the economic value, financial institutions should use the standardized methodology described in point 5(4) (Δ EVE).

Under this regulation, the Bank calculates such risk pursuant to the standardized framework described in point 5(4) "Guidelines for managing risks in financial institutions", as revised.

The following six cases of perturbation of interest rates are used to capture parallel and nonparallel gap risk in the EVE:

- Parallel upward movement
- Parallel downward movement; slope steepening; decrease in short-term interest rates and increase in long-term interest rates
- Slope flattening; increase in short-term interest rates and decrease in long-term interest rates
- Increase in short-term rates
- Decrease in short-term rates

The maximum loss obtained comparing all these cases is EVE risk calculated based on its economic value.

In addition, atypical financial institutions are those which EVE risk exceeds 15% of Tier 1 capital calculated pursuant to the standardized framework of interest rate risk of the investment portfolio. Banco CMF is not an atypical financial institution.

In addition, Banco CMF S.A. makes its own capital requirement calculation related to the interest rate risk based on the impact that a change in this calculation may have on the Entity's equity.

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The main risk indicators are based on the assessment of interest rate gaps, which is a simple and basic method focused on the impact analysis of the potential changes in market interest rate levels on net finance income and expense during one year. The impact of interest rate changes (considering +/- 400 basis points) on the Bank's economic assets (assets less liabilities subject to interest rate changes) may also be analyzed. This analysis is performed by significant currency; in this case, in Argentine pesos and US dollars.

Interest rate risk is followed up by the Compliance and Risk Management area reporting to the Bank's General Management, which gathers and handles objective information and prepares indicators to be subsequently submitted to the Comprehensive Risk Management Committee in the Risk Management Panel at least every quarter.

Foreign currency exchange rate risk:

The Bank understands that in the process for settling foreign exchange transactions there is an inherent risk in the method chosen for their delivery.

The Bank, due to the volumes traded on the market, carries out most transactions by delivering a currency and receiving another one without simultaneity. Therefore, when it delivers a currency before receiving the other currency, it assumes a settlement risk that is accepted and monitored by the Board through the related management areas.

Financial Management, upon carrying out transactions under this method, verifies the quality of the counter party, whether it is a customer or market, and the amounts involved, and conducts the transaction if it meets the normal, habitual and approved management parameters. Otherwise, the transaction is contingent upon the special Board's approval.

The Bank adopts different processes for settling foreign exchange transactions involving a payment exchange to ensure the proper reimbursement and reception of the currencies involved.

To carry out these transactions, the Bank checks whether the counter party is authorized to perform the related transaction, and that the amount is contemplated in the credit rating.

The related settlements are made following the instructions received by customers or counter parties and there is a reconciliation process to ensure that abnormalities or differences, if any, are detected and redressed immediately.

The Bank and its subsidiaries consider the risk factors in the system for measuring foreign exchange settlement risk arising from:

- Principal risk
- Replacement cost risk
- Liquidity risk
- Operating risk
- Legal risk

The larger proportion of assets and liabilities kept are related to US dollars.

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Operational risk

Operational risk is the loss risk resulting from failures in internal processes, human error or errors in the information systems or external events. This definition includes the legal risk but excludes the strategic and reputational risks. Within this framework, the legal risk -which may be verified at the Bank both endogenously and exogenously- covers, among other aspects, the exposure to fines, penalties or other economic and other consequences based on the failure to comply with regulations and meet contractual obligations.

On the other hand, the Bank and its subsidiaries have implemented an operational risk management system adjusting to BCRA guidelines established in Communiqué "A" 5398, as amended, and Communiqué "A" 5272 established minimum capital requirement under this provision effective February 1, 2012.

When controls fail, operational risks may have legal or regulatory impacts or lead to a financial loss. The Bank and its subsidiaries cannot expect to eliminate all operational risks but rather to be in a position to manage risks through a risk identification and control framework and to respond to those possible risks through the appropriate mitigating factors. Controls include effective function segregation, reconciliation procedures, appropriate authorization and access, staff evaluation and training procedures, including the involvement of the internal audit sector. Identification is based on process self-evaluation tasks, in which the individuals in charge evaluating the different activities contemplate their likelihood of generating losses.

The risk associated with information systems, information technology and the related resources is part of the operational risk whereby the IT Risk Management will be part of the Comprehensive Operational Risk Management.

Additionally, in compliance with BCRA requirements, the Bank reported the "Operational risk events database" and carried out tasks related to the follow-up of mitigation plans.

The risk is inherent to the Bank's and its subsidiaries' activities but it is managed through an identification, measurement, and control process in progress subject to risk limits and other controls. This risk management process is fundamental for the Bank's ongoing profitability and each of the persons working at the Bank and its subsidiaries is accountable for mitigating the risks related to their functions.

Operational risk indicators were defined for aspects related to accounting, asset laundering prevention, operations, audit, customer care, information assets protection, IT and HR.

Operational risk management, including monitoring the risk on a quarterly basis, is managed by the Compliance and Risk Management area reporting to the Bank's General Management. The Bank's process risks self-assessment is carried out on an annual basis, as well as the compilation, analysis, and reporting of the operations risk event base. Comprehensive Risk Management compiles and manages objective information, submitting it in the form of indicators to the Comprehensive Risk Management Committee at the Risk Management Panel on a quarterly basis.

Operational risk management is a mature discipline within the structure of Banco CMF S.A. Based on the incorporation of operational risk management as a function of Compliance & Risk Management, the Bank assessed and updated the management of such risk. The Bank developed and implemented a methodology for managing technological risk based on IT assets management and its subsequent integration with operational risk whereby the residual risk of assets is transferred to the business processes it supports. Both methodologies are periodically updated in order to reflect enforcement agency suggestions and process maturity aspects.

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The operating risk management system is formed by:

- a) Organizational structure: the Bank and its subsidiaries have a staff area within General Management in charge of comprehensively managing all risks, including operational and IT risk, and a Comprehensive Risk Management Committee formed by 2 Directors, the General Manager, the Head of Compliance and Risk Management, the Credit Risk Manager, the Finance Manager, the Accounting and Information System Manager, the Commercial Manager, the Operations Manager and the Financial Institutions Manager. In special occasions, and depending on the issues to be addressed, the Systems Manager, the Information Asset Protection Area head and/or the Internal Auditor may be called.
- b) Frameworks and processes: The Bank and its subsidiaries have an operational Risk Management Framework and Process and Operational Risk Management Methodology approved by the Board of Directors and defining the main concepts, roles and responsibilities of the Board of Directors, the Comprehensive Risk Management Committee of the Compliance and Risk Management area and of all the areas involved in managing such risk. Similar documentation was prepared to manage IT risk.
- c) Loss events booking: the Bank has in place a procedure to report loss events setting forth the guidelines for the booking thereof based on opening specific accounts thus associating the operational losses booked in such account to the related database.

The Bank also has a procedure establishing the guidelines to prepare risk self-assessments and in the cases of risks exceeding the admitted tolerance levels, guidelines to establish risk indicators and action plans.

- d) IT systems: The Bank has a comprehensive system to manage all the tasks involved in operating and IT risk management: risk self-assessments and action plans, as well as the administration of the operational losses database in a fully integrated manner.
- e) Database: the Bank has an operational events database prepared in conformity with the guidelines under Communiqué "A" 6677 and 7633, as amended and supplemented.

Especially regarding IT risk management, the IT Risk Management Methodology developed by Banco CMF was boosted, reviewed and approved by Management, which has demanded the joint involvement of the Compliance & Risk Management Unit, the IT Management and the Information Asset Protection sector to obtain the diagnosis (or IT systems risk situations) and the subsequent analysis thereof and it is formally the party in charge of making decisions on the treatment of the risks identified to protect Banco CMF's business goals compliance.

IT Risks Management Methodology considers the concepts defines in the MAGERIT methodology adapting to the actual status of the Bank.

MAGERIT considers the risk as the "estimate of the degree of exposure to a threat that may occur on one or more assets causing damage to the Organization." Risk analysis is "a systematic process for estimating the magnitude of the risks to which an organization is exposed." And, finally, the management process per se will focus on resolving the risks identified. The structure of the methodology developed by Banco CMF is made up by two stages: Risk Diagnosis, and Simulation and Mitigation Plans. The IT risk assessment process is undertaken by Compliance and Risk Management.

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Corporate governance transparency policy

The Bank and its subsidiaries understand that transparency is a pillar for good corporate governance and good management; therefore, it clearly, accurately, completely and sufficiently shares the information on policies, decisions, and activities for which it is accountable, including any known and probable impacts on society.

This policy is based on the following principles:

- Maximum access to information: aiming at maximizing access to all the information it generates or keeps, and which is key to the decisions made by the shareholders, the Board, Top Management, customers, and third parties in general. It provides the adequate means to establish a conversation between the interested parties, and the Bank and its subsidiaries.
- Simple and wide access to information: enable access to information through the use of different dissemination channels (web site, notes to the financial statements, letter to the shareholders, intranet, etc.). The published information should be presented clearly and objectively.
- Clear and justified exceptions: Any dissemination exceptions will be based on applicable legal and contractual restrictions that are duly justified.
- Accountability and good corporate governance: it proposes strengthening its responsibility in the light of the shareholders, the Board of Directors, Top Management, customers and third parties in general, as well as applying specific standards in order to achieve good corporate governance and adequate risk management.
- Professionalism: it is indispensable to treat confidential information professionally in order to avoid any potential conflicts of interest.

The Bank and its subsidiaries shall provide access to any information deemed key for decision making and which may guarantee the transparency while conducting its operations.

The process whereby the Bank and its subsidiaries will release information will be carried out observing information confidentiality and criticality levels, and in order to grant access to information to the following parties:

- Shareholders and authorities
- Investors
- Enforcement agencies
- Clients
- Suppliers
- Employees
- the public in general

It shall use the channels allowing all market participants mentioned above to access the necessary information in conformity with the role they have in connection with the Bank and its subsidiaries.

The main channels to disseminate information will be:

- Website (www.bancocmf.com.ar)
- Intranet;
- Notes to the annual financial statements
- Letter to the shareholders

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C.P.C.E.C.A.B.A. Vol. 1 – Fo. 13

JOSÉ A. BENEGAS LYNCH
Chairperson

GABRIEL GAMBACORTA
On behalf of Statutory Audit
Committee

SEBASTIAN OSEROFF
Partner
Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. Vol. 296 – Fo. 157

ALEJANDRO VICENTE
Accounting and Reporting System
Manager

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023

(Figures stated in thousands of Argentine pesos)

The dissemination of information, as well as the channels whereby it is published will be managed by the Corporate Governance and Compliance Committee and will be approved by the Board of Directors of the Bank and its subsidiaries.

36. CHANGES IN THE ARGENTINE MACROECONOMIC ENVIRONMENT, AND THE SITUATIONS OF THE FINANCIAL AND CAPITAL SYSTEM

Over the past few years, the Argentine financial market has been subject to a prolonged volatility period in the market value of government and private financial instruments including a high country risk premium, an increase in the official exchange rate of the Argentine peso to the US dollar, an increase in interest rates and a significant acceleration of the pace of inflation (see note 2).

Particularly, in connection with the exchange rate of the US dollar, as from 2019 the gap between the official rate - used mainly for foreign trade – and the alternative exchange rates of the market widened with peaks of about 200%. As of the date of issuance of these financial statements, the abovementioned gap amounts to about 25%.

As to the management of the federal public debt, a restructuring process has taken place including different voluntary swaps and agreements reached with the so-called Paris Club and the International Monetary Fund.

In this context, on December 10, 2023, the new Administration took office and issued a series of emergency measures. Some of the main goals entail, among other relevant issues, softening economic regulations, reducing fiscal deficit mainly through the decrease in expenditure, including lowering different types of subsidies. Likewise, the Argentine peso devalued by about 55% with respect to the US dollar, which has sped up the pace of inflation, being the interannual inflation measured based on the INDEC's IPC 254% as of the date of issuance of these financial statements.

The comprehensive program pursued by the new Administration includes economic, justice, foreign relations, infrastructure and other reforms. On December 20, 2023, Emergency Decree No. 70/2023 was issued establishing a significant number of reforms regarding which different players filed constitutional protection actions in Court in order to stop them from being implemented.

In addition, the domestic and international macroeconomic context gives rise to a certain degree of uncertainty regarding the future as regards global economic recovery.

Due to all of the above, the Company's Management monitors the evolution of the situations mentioned above constantly, to determine potential actions to be taken and identify possible impacts on its financial position and cash flows, which should be reflected in the financial statements of future periods.

37. SUBSEQUENT EVENTS

No events took place between the fiscal year-end and the date of issuance of these consolidated financial statements that could materially affect the financial position or results of operations of the fiscal year which have not been disclosed in the notes to these financial statements.

MARCOS PRIETO
General Manager

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EXHIBIT "A"

CONSOLIDATED BREAKDOWN OF GOVERNMENT AND PRIVATE SECURITIES
AS OF DECEMBER 31, 2023, AND 2022
(Figures stated in thousands of Argentine pesos)

Item	Identification	HOLDINGS			POSITION		
		Fair value	Fair value level	Carrying amounts as of 12/31/2023	Position without options	Options	Final position
DEBT SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS							
In Argentina							
Government securities							
CER-adjustable Argentine Treasury bond maturing 10/14/2024 (T4X4)	9,179	-	1	8,162,000	8,162,000	(8,904,000)	(742,000)
Argentine Discount Treasury bill in ARS maturing on 01/18/2023 (S18E4)	9,232	-	1	3,092,800	3,092,800	-	3,092,800
New York Law global Argentine bond maturing July 9, 2030 (GD30)	81,086	-	1	2,298,172	2,298,172	-	2,298,172
US-linked Treasury bond maturing on 04/30/2024 CG (TV24)	9,120	-	1	1,020,343	1,020,343	-	1,020,343
2% CER-adjustable Argentine Treasury bond in Argentine pesos maturing on 11/09/2026 (TX26)	5,925	-	1	868,788	868,788	-	868,788
New York Law global Argentine bond maturing 07/09/2035 (GD35)	81,088	-	1	843,016	843,016	-	843,016
1.5% CER-adjustable Argentine Treasury bond in Argentine pesos maturing on 03/25/2024 (TX24)	5,493	-	1	324,423	324,423	-	324,423
Buenos Aires City bond 7.50% maturing on 06/01/2027 (BUEAIR27)	91,709	-	1	86,877	86,877	-	86,877
Argentine bond in dual currency maturing on 02/28/2024 (TDF24)	9,156	-	1	1,935	1,935	-	1,935
Buenos Aires Province bond REGS. New Euro maturing on 2037 (BA37)	81,150	-	1	50	50	-	50
Global Argentine bond maturing 07/09/2030 (AL30)	5,921	-	1	(1,922,764)	(1,922,764)	-	(1,922,764)
CER-adjustable bills maturing 02/20/2024 (X20F4)	9,209	-	1	(2,346,821)	(2,346,821)	-	(2,346,821)
Private securities							
JP Morgan 5.717% corporate bonds maturing on 09/14/2033	US46647PDK93	-	1	5,778,233	5,778,233	-	5,778,233
Capex S.A. 9.25% corporate bonds maturing on 08/25/2028	83,286	-	1	5,489,053	5,489,053	-	5,489,053
Banco Macro S.A. 6.75% corporate bonds in USD maturing on 11/04/2026	91,452	-	1	4,094,067	4,094,067	-	4,094,067
YPF S.A. 8.50% corporate bonds in USD maturing on 06/27/2029	80,534	-	1	3,776,695	3,776,695	-	3,776,695
AES Argentina Generación S.A. 9.50% corporate bonds maturing on 08/16/2027	96,816	-	1	1,523,052	1,523,052	-	1,523,052
Aeropuertos Argentina 2000 6.875% corporate bonds in USD maturing on 02/01/2027	94,811	-	1	312,733	312,733	-	312,733
Boldt 10% corporate bonds in USD 03/07/2026	57,320	-	1	220,374	220,374	-	220,374
Compañía General de Combustibles 9.50% corporate bonds maturing on 03/08/2025	81,397	-	1	203,891	203,891	-	203,891
Class 2 Pelayo Agronomía corporate bonds maturing on 03/30/2026	56,945	-	1	198,143	198,143	-	198,143
YPF S.A. 2.50% corporate bonds in USD maturing on 06/30/2029	81,663	-	1	50,524	50,524	-	50,524

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Accounting and Reporting System
Manager

CONSOLIDATED BREAKDOWN OF GOVERNMENT AND PRIVATE SECURITIES
AS OF DECEMBER 31, 2023, AND 2022

(Figures stated in thousands of Argentine pesos)

Item	Identification	HOLDINGS			POSITION		
		Fair level	Fair value level	Carrying amount as of 12/31/2023	Position without options	Options	Final position
DEBT SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS							
Abroad							
Government securities							
US Treasury Bill maturing on 01/16/2024	83,330	-	1	5,604,158	5,604,158	-	5,604,158
Brazil government bond 4.75% maturing on 01/14/2050	81,514	-	1	3,202,639	3,202,639	-	3,202,639
US Treasury Bill maturing on 01/30/2024	83,380	-	1	161,697	161,697	-	161,697
TOTAL DEBT SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-		43,044,078	43,044,078	(8,904,000)	34,140,078
OTHER DEBT SECURITIES							
Measured at amortized cost							
In Argentina							
Government securities							
CER-adjustable Argentine Treasury bond maturing on 02/14/2025 (T2X5)	9,180	-	-	23,436,165	23,436,165	(23,436,165)	-
2% CER-adjustable Argentine Treasury bond in Argentine pesos maturing on 11/09/2026 (TX26)	5,925	-	-	5,038,970	5,038,970	-	5,038,970
Argentine discount government bonds maturing on 12/31/2033 (DICP)	45,696	-	-	782,497	782,497	-	782,497
CER-adjustable Argentine Treasury bond in Argentine pesos maturing on 05/23/2027 (TY27P)	9,132	-	-	636,128	636,128	-	636,128
2.50% CER-adjustable Argentine Treasury bond in Argentine pesos maturing on 11/30/2031 (TX31)	9,157	-	-	232,656	232,656	-	232,656
Argentine Treasury bond at 0.7% BADLAR maturing on 11/23/2027 (TB27)	9,166	-	-	163,134	163,134	-	163,134
Argentine bond in dual currency maturing on 06/30/2024 (PDJ24)	48,712	-	-	-	-	(7,229,250)	(7,229,250)
CER-adjustable Argentine Treasury bond maturing 10/14/2024 (T4X4) (*)	9,179	-	-	(8,162,000)	(8,162,000)	-	(8,162,000)
Private securities							
Class 1 Edesa corporate bonds maturing on 05/11/2025 (DEC1O)	57,030	-	-	1,517,264	1,517,264	-	1,517,264
Class 16 TGLT S.A. corporate bonds in USD maturing on 02/11/2023	54,609	-	-	1,110,139	1,110,139	-	1,110,139

(*) Related to the holding disclosed under "Debt securities at fair value through profit or loss".

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Accounting and Reporting System
Manager

**CONSOLIDATED BREAKDOWN OF GOVERNMENT AND PRIVATE SECURITIES
AS OF DECEMBER 31, 2023, AND 2022**

(Figures stated in thousands of Argentine pesos)

Item	Identification	HOLDINGS			POSITION		
		Fair level	Fair value level	Carrying amount as of 12/31/2023	Position without options	options	Final position
Private securities							
Class 19 YPF corporate bonds maturing on 08/26/2024 (YMCKO)	55,218	-	-	1,021,571	1,021,571	-	1,021,571
Class 10 Telecom corporate bonds maturing on 06/10/2025 purchasing value units C.G (TLCAO)	55,827	-	-	781,559	781,559	-	781,559
Class 2 CT Barragan corporate bonds maturing on 06/04/2024 purchasing value units CG (TLCAO)	55,396	-	-	238,781	238,781	-	238,781
Unión Solidaria mutual-aid organization	10,001	-	-	48,507	48,507	-	48,507
Credito Directo 26 corporate bonds maturing on 06/08/2024	57,334	-	-	42,579	42,579	-	42,579
Pyme Meridiano Norte Series I corporate bonds maturing 08/11/2025 (NOS1P)	57,294	-	-	41,117	41,117	-	41,117
Class A debt securities – Red Surcos XXX private trust (RS30A)	57,198	-	-	33,067	33,067	-	33,067
Class 12 Pan American Energy 9.125% corporate bonds maturing on 04/30/2027	81,775	-	-	5,474	5,474	-	5,474
Provisions	-	-	-	(21,646)	(21,646)	-	(21,646)
BCRA liquidity bills							
Liquidity bills maturing on 01/11/2024 (Y11E4)	14,085	-	-	553,084	553,084	-	553,084
Liquidity bills maturing on 01/09/2024 (Y09E4)	14,084	-	-	97,355	97,355	-	97,355
Abroad							
Government securities							
US Treasury Bill maturing 02/20/2024	83,324	-	-	10,275,387	10,275,387	-	10,275,387
US Treasury Bill maturing 01/04/2024	82,264	-	-	8,099,479	8,099,479	-	8,099,479
US Treasury Bill maturing 01/23/2024	82,417	-	-	7,590,877	7,590,877	-	7,590,877
US Treasury Bill maturing 01/25/2024	81,045	-	-	4,516,298	4,516,298	-	4,516,298
US Treasury Bill maturing 01/30/2024	82,402	-	-	3,059,590	3,059,590	-	3,059,590
US Treasury Bill maturing 01/16/2024	82,583	-	-	2,861,045	2,861,045	-	2,861,045
US Treasury Bill maturing 02/29/2024	83,304	-	-	1,192,420	1,192,420	-	1,192,420
US Treasury Bill maturing 02/15/2024	83,266	-	-	1,168,006	1,168,006	-	1,168,006
US Treasury Bill maturing 01/18/2024	82,464	-	-	1,145,358	1,145,358	-	1,145,358
US Treasury Bill maturing 03/21/2024	82,989	-	-	407,235	407,235	-	407,235
US Treasury Bill maturing 04/25/2024	83,379	-	-	159,047	159,047	-	159,047
US Treasury Bill maturing 03/28/2024	82,848	-	-	102,442	102,442	-	102,442
US Treasury Bill maturing 01/11/2024	82,215	-	-	48,060	48,060	-	48,060
US Treasury Bill maturing 03/14/2024	83,324	-	-	48,007	48,007	-	48,007
US Treasury Bill maturing 02/22/2024	96,620	-	-	8,827	8,827	-	8,827
TOTAL OTHER DEBT SECURITIES				68,278,479	68,278,479	(30,665,415)	37,613,064

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General Manager

SEBASTIAN OSEROFF
Partner
Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. Vol. 296 – Fo. 157

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Accounting and Reporting System
Manager

GABRIEL GAMBACORTA
On behalf of Statutory Audit
Committee

CONSOLIDATED BREAKDOWN OF GOVERNMENT AND PRIVATE SECURITIES
AS OF DECEMBER 31, 2023, AND 2022

(Figures stated in thousands of Argentine pesos)

Item	Identification	HOLDINGS			POSITION		
		Fair level	Fair value level	Carrying amount as of 12/31/2023	Position without options	options	Final position
EQUITY INSTRUMENTS							
Measured at fair value through profit or loss							
Share traded at the MAE	-	-	2	567,324	567,324	-	567,324
Unipar Indupa book-entry share in ARS Esc.	571	-	2	569	569	-	569
Sedesa	1130682415513	-	2	2	2	-	2
TOTAL EQUITY INSTRUMENTS		-		567,895	567,895	-	567,895

Consolidated holding for comparative purposes:

	12/31/2022
Government securities at fair value through profit or loss	9,094,290
Private securities and corporate bonds at fair value through profit or loss	577,119
Private securities at fair value through profit or loss	1,755,651
DEBT SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	11,427,060
Government securities at amortized cost	34,246,327
BCRA liquidity bills at amortized cost	42,750,322
Private securities and corporate bonds at amortized cost	3,962,198
Foreign private securities at amortized cost	48,244,185
Provision	(30,372)
OTHER DEBT SECURITIES	129,172,660
Private securities and shares of other unrelated companies at fair value through profit or loss	1,778
INVESTMENTS IN EQUITY INSTRUMENTS	1,778

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**CLASSIFICATION OF CONSOLIDATED LOANS AND OTHER FINANCING
FACILITIES PER SITUATION AND GUARANTEES RECEIVED
AS OF DECEMBER 31, 2023, AND 2022**

(Figures stated in thousands of Argentine pesos)

	<u>12/31/2023</u>	<u>12/31/2022</u>
CORPORATE PORTFOLIO		
Performing	107,123,875	98,152,462
With "A" preferred guarantees and counter-guarantees	19,300,011	7,849,730
With "B" preferred guarantees and counter-guarantees	1,580,337	1,906,652
Without preferred guarantees or counter-guarantees	86,243,527	88,396,080
Subject to special monitoring	-	-
<i>In observation</i>	-	-
With "A" preferred guarantees and counter-guarantees	-	-
With "B" preferred guarantees and counter-guarantees	-	-
Without preferred guarantees or counter-guarantees	-	-
<i>In negotiation or under refinancing agreements</i>	-	-
With "A" preferred guarantees and counter-guarantees	-	-
With "B" preferred guarantees and counter-guarantees	-	-
Without preferred guarantees or counter-guarantees	-	-
Troubled	-	-
With "A" preferred guarantees and counter-guarantees	-	-
With "B" preferred guarantees and counter-guarantees	-	-
Without preferred guarantees or counter-guarantees	-	-
With high risk of insolvency	-	-
With "A" preferred guarantees and counter-guarantees	-	-
With "B" preferred guarantees and counter-guarantees	-	-
Without preferred guarantees or counter-guarantees	-	-
Irrecoverable	-	-
With "A" preferred guarantees and counter-guarantees	-	-
With "B" preferred guarantees and counter-guarantees	-	-
Without preferred guarantees or counter-guarantees	-	-
Irrecoverable according to BCRA regulations	-	-
With "A" preferred guarantees and counter-guarantees	-	-
With "B" preferred guarantees and counter-guarantees	-	-
Without preferred guarantees or counter-guarantees	-	-
TOTAL	107,123,875	98,152,462

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EXHIBIT "B"
(contd.)

**CONSOLIDATED CLASSIFICATION OF LOANS AND OTHER FINANCING FACILITIES
PER STATUS AND GUARANTEES RECEIVED
AS OF DECEMBER 31, 2023, AND 2022**
(Figures stated in thousands of Argentine pesos)

	12/31/2023	12/31/2022
CONSUMER AND HOME-MORTGAGE PORTFOLIO		
Performing	8,943,184	24,189,704
With "A" preferred guarantees and counter-guarantees	129,592	682,883
With "B" preferred guarantees and counter-guarantees	149,856	970,658
Without preferred guarantees or counter-guarantees	8,663,736	22,536,163
Low risk	-	-
With "A" preferred guarantees and counter-guarantees	-	-
With "B" preferred guarantees and counter-guarantees	-	-
Without preferred guarantees or counter-guarantees	-	-
Medium risk	402	-
With "A" preferred guarantees and counter-guarantees	-	-
With "B" preferred guarantees and counter-guarantees	-	-
Without preferred guarantees or counter-guarantees	402	-
High risk	7	-
With "A" preferred guarantees and counter-guarantees	-	-
With "B" preferred guarantees and counter-guarantees	-	-
Without preferred guarantees or counter-guarantees	7	-
Irrecoverable	9	7,975
With "A" preferred guarantees and counter-guarantees	-	-
With "B" preferred guarantees and counter-guarantees	-	-
Without preferred guarantees or counter-guarantees	9	7,975
Irrecoverable according to BCRA regulations	-	-
With "A" preferred guarantees and counter-guarantees	-	-
With "B" preferred guarantees and counter-guarantees	-	-
Without preferred guarantees or counter-guarantees	-	-
TOTAL	8,943,602	24,197,679
GRAND TOTAL (1)	116,067,477	122,350,141

(1) This exhibit discloses the contractual amounts in accordance with BCRA regulations. The reconciliation with the interim consolidated statement of financial position is broken down below:

- Loans and other financing	84,751,883	103,587,280
- BCRA and other not covered	(4,023)	6,518
- Provisions	2,364,813	2,876,413
- Adjustment to IFRS	123,008	180,545
- Corporate bonds and debt securities from financial trusts at amortized cost	4,840,058	3,650,790
- Contingent - Other guarantees provided	20,528,151	9,011,835
- Contingent - Other covered by debtor classification standards	3,463,587	3,036,760
	116,067,477	122,350,141

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EXHIBIT “C”

**CONSOLIDATED CONCENTRATION OF LOANS AND OTHER FINANCING
AS OF DECEMBER 31, 2023, AND 2022**

(Figures stated in thousands of Argentine pesos)

Number of customers	12/31/2023		12/31/2022	
	Outstanding balance	% of total portfolio	Outstanding balance	% of total portfolio
10 largest customers	42,079,416	36%	46,125,358	38%
50 next largest customers	53,170,560	46%	49,927,405	41%
100 next largest customers	19,817,697	17%	23,245,708	19%
Rest of customers	999,804	1%	3,051,670	2%
Total (1)	116,067,477	100%	122,350,141	100%

(1) See (1) in exhibit B.

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EXHIBIT “D”

**CONSOLIDATED FINANCING BREAKDOWN BY TERM
AS OF DECEMBER 31, 2023, AND 2022**

(Figures stated in thousands of Argentine pesos)

		12/31/2023						
		Terms remaining to maturity						
Item	Matured	Up to 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	From 12 to 24 months	Over 24 months	Total as of 12/31/2023
Financial sector	-	-	-	-	-	-	-	-
Nonfinancial private sector and foreign residents	29,250	51,747,026	19,179,265	21,073,560	16,882,550	12,722,237	6,908,171	128,542,059
TOTAL	29,250	51,747,026	19,179,265	21,073,560	17,123,020	12,719,911	6,908,171	128,542,059

		12/31/2022						
		Terms remaining to maturity						
Item	Matured	Up to 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	From 12 to 24 months	Over 24 months	Total as of 12/31/2022
Financial sector	-	436	11,771	11,223	22,372	1,301,295	-	1,347,097
Nonfinancial private sector and foreign residents	63,057	69,428,116	16,596,296	14,153,378	16,163,679	9,078,785	3,101,511	128,584,822
TOTAL	63,057	69,428,552	16,608,067	14,164,601	16,186,051	10,380,080	3,101,511	129,931,919

This exhibit discloses the reduction in certain contractual flows, including interest and related charges to be accrued upon the maturity thereof.

MARCOS PRIETO
General Manager

Signed for identification purposes with
our report dated March 11, 2024
PISTRELLI, HENRY MARTIN Y ASOCIADOS S.R.L.
C.P.C.E.C.A.B.A. Vol. 1 – Fo. 13

JOSÉ A. BENEGAS LYNCH
Chairperson

GABRIEL GAMBACORTA
On behalf of Statutory Audit
Committee

SEBASTIAN OSEROFF
Partner
Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. Vol. 296 – Fo. 157

ALEJANDRO VICENTE
Accounting and Reporting System
Manager

EXHIBIT “F”

**CHANGES IN BANK PREMISES AND EQUIPMENT
AS OF December 31, 2023, AND 2022**

(Figures stated in thousands of Argentine pesos)

Item	Residual value at beginning of year 12/31/2023	Additions	Retirem ents	Depreciation for the year		Residual value at the end of the useful life	Residual value at end of year 12/31/2023
				Years of useful life assigned	Amount		
Real property	10,818,691	5,029	-	50	- (147,304)	-	10,676,416
Furniture and fixtures	88,601	-	-	10	- (12,109)	-	76,492
Machinery and equipment	212,907	48,525	-	5	- (90,833)	-	170,599
Vehicles	3,089	-	-	5	- (3,089)	-	-
Rights to use leased real property	25,096	140,831	-	1	- (50,765)	-	115,162
Rights to use leased personal property	315,207	-	-	5	- (105,067)	-	210,140
Total	11,463,591	194,385	-		(409,167)		11,248,809

Item	Residual value at beginning of year 31.12.22	Additions	Retirem ents	Depreciation for the year		Residual value at the end of the useful life	Residual value at end of year 12/31/2022
				Years of useful life assigned	Amount		
Real property	10,746,479	215,843	-	50	- (143,631)	-	10,818,691
Furniture and fixtures	100,712	-	-	10	- (12,111)	-	88,601
Machinery and equipment	259,241	41,268	-	5	- (87,602)	-	212,907
Vehicles	6,982	-	-	5	- (3,893)	-	3,089
Rights to use leased real property	-	101,002	-	1	- (75,906)	-	25,096
Rights to use leased personal property	420,276	-	-	5	- (105,069)	-	315,207
Total	11,533,690	358,113	-		(428,212)		11,463,591

MARCOS PRIETO
General Manager

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Manager

EXHIBIT “H”

**CONSOLIDATED DEPOSIT CONCENTRATION
AS OF DECEMBER 31, 2023, AND 2022**

(Figures stated in thousands of Argentine pesos)

Number of customers	12/31/2023		12/31/2022	
	Outstanding balance	% over total portfolio	Outstanding balance	% over total portfolio
10 largest customers	132,526,597	40%	81,471,689	33%
50 next largest customers	118,418,736	36%	100,626,233	41%
100 next largest customers	44,260,419	13%	37,502,009	15%
Rest of customers	37,919,196	11%	27,899,453	11%
Total	333,124,948	100%	247,499,384	100%

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EXHIBIT "I"

**CONSOLIDATED RECEIVABLES AND PAYABLES BROKEN DOWN
BY THE REMAINING TERMS
AS OF DECEMBER 31, 2023, AND 2022**

(Figures stated in thousands of Argentine pesos)

Item	Terms remaining to maturity						Total as of 12/31/2023
	Up to 1 month	From 1 Up to 3 months	From 3 up to 6 months	From 6 up to 12 months	From 12 Up to 24 months	Over 24 months	
Deposits	320,193,020	3,061,365	5,482,749	2,801,048	161,697	2,068,332	333,768,211
- Financial sector	1,388	-	-	-	-	-	1,388
- Nonfinancial private sector	320,191,632	3,061,365	5,482,749	2,801,048	161,697	2,068,332	333,766,823
Liabilities at fair value through profit or loss	10,945,508	-	-	-	-	-	10,945,508
Repo transactions	584,518	-	-	-	-	-	584,518
Other financial liabilities	91,816,010	40,387	118,896	162,715	181,436	5,728	92,325,172
Financing received by the BCRA and other financial institutions	352,508	13,581	23,453	804,392	947,406	57,377	2,198,717
TOTAL	423,891,564	3,115,333	5,625,098	3,768,155	1,290,539	2,131,437	439,822,126

Item	Terms remaining to maturity						Total as of 12/31/2022
	Up to 1 month	From 1 Up to 3 months	From 3 up to 6 months	From 6 up to 12 months	From 12 Up to 24 months	Over 24 months	
Deposits	240,389,969	424,324	1,571,924	5,074,120	1,388,732	107,703	248,956,772
- Financial sector	30,652	-	-	-	-	-	30,652
- Nonfinancial private sector	240,359,317	424,324	1,571,924	5,074,120	1,388,732	107,703	248,926,120
Liabilities at fair value through profit or loss	7,062,962	-	-	-	-	-	7,062,962
Derivatives	-	-	34,214	-	-	-	34,214
Other financial liabilities	51,588,718	4,288	89,707	146,717	83,778	41,775	51,954,983
Financing received by the BCRA and other financial institutions	-	153,200	180,825	632,282	507,464	507,464	1,981,235
Corporate bonds issued	-	1,386,434	1,356,292	9,849,771	-	-	12,592,497
TOTAL	299,041,649	1,968,246	3,232,962	15,702,890	1,979,974	656,942	322,582,663

This exhibit discloses the reduction in certain contractual flows, including interest and related charges to be accrued upon the maturity thereof.

MARCOS PRIETO
General Manager

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GABRIEL GAMBACORTA
On behalf of Statutory Audit
Committee

SEBASTIAN OSEROFF
Partner
Public Accountant (U.B.A.)
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ALEJANDRO VICENTE
Accounting and Reporting System
Manager

EXHIBIT “K”

**CAPITAL STRUCTURE
AS OF December 31, 2023, AND 2022**

(Figures stated in thousands of Argentine pesos)

Class	Shares			Capital stock as of 12/31/2023		
	Number	Nominal value	Votes per share	Issued and outstanding	In portfolio	Paid-in
Common book-entry	323,900,000	1	5	323,900	-	323,900
Total	<u>323,900,000</u>			<u>323,900</u>		<u>323,900</u>

Class	Shares			Capital stock as of 31.12.22		
	Number	Nominal value	Votes per share	Issued and outstanding	In portfolio	Paid-in
Common book-entry	323,900,000	1	5	323,900	-	323,900
Total	<u>323,900,000</u>			<u>323,900</u>		<u>323,900</u>

MARCOS PRIETO
General Manager

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EXHIBIT "L"

**CONSOLIDATED FOREIGN CURRENCY BALANCES
AS OF DECEMBER 31, 2023, AND 2022**

(Figures stated in thousands of Argentine pesos)

ITEMS	Head Office and subsidiaries	Total as of 12/31/2023	US dollar	Euro	Other	Total as of 12/31/2022
ASSETS						
Cash and deposits with banks	119,379,192	119,379,192	119,042,486	294,292	42,414	62,026,150
Debt securities at fair value through profit or loss	34,547,186	34,547,186	34,547,186	-	-	15,814,460
Repo transactions	43,233,475	43,233,475	43,233,475	-	-	32,652,748
Other financial assets	28,537,358	28,537,358	28,537,358	-	-	8,632,799
Loans and other financing	43,721,627	43,721,627	43,721,627	-	-	30,604,576
Other debt securities	41,710,657	41,710,657	41,710,657	-	-	48,995,779
Financial assets delivered in guarantee	1,353,264	1,353,264	1,353,264	-	-	998,301
Derivatives	867	867	867	-	-	100,625
Investments in subsidiaries	151,690	151,690	151,690	-	-	101,899
Total assets	312,635,316	312,635,316	312,298,610	294,292	42,414	199,927,337
LIABILITIES						
Deposits	202,341,274	202,341,274	202,341,274	-	-	117,368,404
Repo transactions	584,518	584,518	584,518	-	-	-
Liabilities at fair value through profit or loss	10,945,508	10,945,508	10,945,508	-	-	7,062,962
Other financial liabilities	58,140,696	58,140,696	58,118,398	22,298	-	44,962,331
Financing received by the BCRA and other financial institutions	1,818,966	1,818,966	1,818,966	-	-	1,981,235
Other nonfinancial liabilities	578,732	578,732	578,732	-	-	45,864
Total liabilities	274,409,694	274,409,694	274,387,396	22,298	-	171,420,796

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EXHIBIT "N"

**CONSOLIDATED CREDIT ASSISTANCE TO RELATED PARTIES
AS OF DECEMBER 31, 2023, AND 2022**

(Figures stated in thousands of Argentine pesos)

Items	Status	Total	
	Normal	As of 12/31/2023	As of 12/31/2022
1. Loans and other financing	6,911,490	6,911,490	3,211,404
Overdrafts	-	-	3,930
Without preferred guarantees or counter-guarantees	-	-	3,930
Notes	409,122	409,122	681,637
Without preferred guarantees or counter-guarantees	409,122	409,122	681,637
Other	6,502,368	6,502,368	2,525,837
With "A" preferred guarantees and counter-guarantees	6,257,632	6,257,632	2,070,260
Without preferred guarantees or counter-guarantees	244,736	244,736	455,577
2. Contingent commitments	500	500	1,557
Total	6,911,990	6,911,990	3,212,961
Provisions	69,115	69,115	32,114

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EXHIBIT "P"

**CONSOLIDATED CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2023**

(Figures stated in thousands of Argentine pesos)

		Fair value through profit or loss		Fair value rank		
Items	Amortized cost	Initially measured at fair value or subsequently under IFRS 9, point 6(7)1	Mandatory measurement	Level 1	Level 2	Level 3
FINANCIAL ASSETS						
Cash and deposits with banks	119,443,742	-	-	-	-	-
On hand	21,174,562	-	-	-	-	-
Financial institutions and correspondents	98,269,180	-	-	-	-	-
Debt securities at fair value through profit or loss	-	43,044,078	-	43,044,078	-	-
Derivatives	-	417,929	-	417,929	-	-
Repo transactions	99,589,907	43,233,475	-	43,233,475	-	-
BCRA (Central Bank of Argentina)	99,589,907	-	-	-	-	-
Other financial institutions	-	43,233,475	-	43,233,475	-	-
Other financial assets	56,242,527	-	-	-	-	-
Loans and other financing	84,751,883	-	-	-	-	-
B.C.R.A	980	-	-	-	-	-
Nonfinancial private sector and residents abroad	84,750,903	-	-	-	-	-
Overdrafts	24,007,426	-	-	-	-	-
Notes	9,332,193	-	-	-	-	-
Mortgage loans	3,036	-	-	-	-	-
Collateral loans	119,061	-	-	-	-	-
Finance leases	1,874,678	-	-	-	-	-
Other	49,414,509 (*)	-	-	-	-	-
Other debt securities	68,278,479	-	-	-	-	-
Financial assets delivered in guarantee	-	2,899,246	-	2,899,246	-	-
Investments in equity instruments	-	567,895	-	-	567,895	-
Total financial assets	428,306,538	90,162,623	-	89,594,728	567,895	-

(*) Including, 29,426,233 signature loans granted by the subsidiary Eurobanco, among others.

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ALEJANDRO VICENTE
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EXHIBIT “P”
(contd.)

CONSOLIDATED CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2023

(Figures stated in thousands of Argentine pesos)

Items	Amortized cost	Fair value through profit or loss		Fair value rank		
		Initially measured at fair value or subsequently under IFRS 9, point 6(7)1	Mandatory measurement	Level 1	Level 2	Level 3
FINANCIAL LIABILITIES						
Deposits	333,124,948	-	-	-	-	-
Financial sector	1,388	-	-	-	-	-
Nonfinancial private sector and residents abroad						
Checking accounts	178,773,584	-	-	-	-	-
Savings accounts (*)	143,099,091	-	-	-	-	-
Certificates of deposit and term investments	4,968,473	-	-	-	-	-
Other	6,282,412	-	-	-	-	-
Liabilities at fair value through profit or loss	-	10,945,508	-	10,945,508	-	-
Repo transactions	-	584,518	-	584,518	-	-
Other financial liabilities	91,935,921	-	-	-	-	-
Financing received by the BCRA and other financial institutions	2,198,717	-	-	-	-	-
Total financial liabilities	427,259,586	11,530,026	-	11,530,026	-	-

(*) Including special checking-accounts aimed at artificial persons for 62,735,065.

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EXHIBIT "P"
(contd.)

CONSOLIDATED CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES
AS OF 31.12.22

(Figures stated in thousands of Argentine pesos)

Items	Amortized cost	Fair value through profit or loss		Fair value rank		
		Initially measured at fair value or subsequently under IFRS 9, point 6(7)1	Mandatory measurement	Level 1	Level 2	Level 3
FINANCIAL ASSETS						
Cash and deposits with banks	70,297,112	-	-	-	-	-
On hand	8,223,142	-	-	-	-	-
Financial institutions and correspondents	62,073,970	-	-	-	-	-
Debt securities at fair value through profit or loss	-	11,427,060	-	11,427,060	-	-
Derivatives	-	312,367	-	312,367	-	-
Repo transactions	11,520,766	32,652,748	-	32,652,748	-	-
BCRA (Central Bank of Argentina)	11,476,745	-	-	-	-	-
Other financial institutions	44,021	32,652,748	-	32,652,748	-	-
Other financial assets	18,287,018	-	-	-	-	-
Loans and other financing	103,587,280	-	-	-	-	-
Other financial institutions	39,191	-	-	-	-	-
Nonfinancial private sector and residents abroad	103,548,089	-	-	-	-	-
Overdrafts	40,929,459	-	-	-	-	-
Notes	18,010,635	-	-	-	-	-
Mortgage loans	131,121	-	-	-	-	-
Collateral loans	812,668	-	-	-	-	-
Finance leases	2,277,003	-	-	-	-	-
Other	41,387,203	-	-	-	-	-
Other debt securities	129,172,660	-	-	-	-	-
Financial assets delivered in guarantee	-	3,621,839	-	3,621,839	-	-
Investments in equity instruments	-	1,778	-	-	1,778	-
Total financial assets	332,864,836	48,015,792	-	48,014,014	1,778	-

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EXHIBIT "P"
(contd.)

**CONSOLIDATED CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2022**

(Figures stated in thousands of Argentine pesos)

Items	Amortized cost	Fair value through profit or loss		Fair value rank		
		Initially measured at fair value or subsequently under IFRS 9, point 6(7)1	Mandatory measurement	Level 1	Level 2	Level 3
FINANCIAL LIABILITIES						
Deposits	247,499,384	-	-	-	-	
Financial sector	30,652	-	-	-	-	
Nonfinancial private sector and residents abroad						
Checking accounts	106,639,914	-	-	-	-	
Savings accounts (*)	102,774,600	-	-	-	-	
Certificates of deposit and term investments	33,017,729	-	-	-	-	
Other	5,036,489	-	-	-	-	
Liabilities at fair value through profit or loss	-	7,062,962	-	7,062,962	-	
Derivatives	-	34,214	-	34,214	-	
Other financial liabilities	51,684,427	-	-	-	-	
Financing received by the BCRA and other financial institutions	1,981,235	-	-	-	-	
Corporate bonds issued	9,121,363	-	-	-	-	
Total financial liabilities	310,286,409	7,097,176	-	7,097,176	-	

(*) Including special checking-accounts aimed at artificial persons for 82,081,552.

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EXHIBIT “Q”

**CONSOLIDATED BREAKDOWN OF PROFIT OR LOSS
AS OF DECEMBER 31, 2023, AND 2022**

(Figures stated in thousands of Argentine pesos)

Items	12/31/2023	12/31/2022
Interest and adjustment from application of the effective interest rate on financial assets measured at amortized cost		
Interest income		
From government securities	27,871,633	42,500,230
From private securities	5,856,223	2,796,095
From loans and other financing		
Overdrafts	32,282,983	20,281,071
Notes	21,869,430	20,856,670
Mortgage loans	39,437	216,020
Collateral loans	395,090	282,702
Other	2,441,267	1,587,497
Finance leases	2,645,786	1,120,012
From repo transactions	38,186,914	3,077,355
Other	246,910	431,801
Total	131,835,673	93,149,453
Interest expense		
From deposits		
Checking accounts	(59,927,886)	(35,798,784)
Savings accounts (*)	(863,696)	(523,205)
Certificates of deposit and term investments	(12,640,398)	(12,562,857)
From repo transactions	(56,170)	(420,503)
Other financial institutions	(664,874)	(257,432)
From corporate bonds	(3,608,312)	(1,491,826)
From other financial liabilities	(2,533,256)	-
Total	(80,294,592)	(51,054,607)
Total interest and adjustments by application of rate measured at amortized cost	51,541,081	42,094,846
Arising from the measurement of financial instruments at fair value through profit or loss		
Profit from government securities	32,464,750	7,697,440
(Loss) from private securities	(6,411,962)	(1,366,824)
Profit (loss) from derivatives	(298,343)	(66,916)
Subtotal	25,754,445	6,263,700
Total arising from the measurement at fair value through profit or loss	25,754,445	6,263,700

(*) Including disbursements related to deposits in special checking-accounts aimed at artificial persons.

MARCOS PRIETO
General Manager

Signed for identification purposes with
our report dated March 11, 2024
PISTRELLI, HENRY MARTIN Y ASOCIADOS S.R.L.
C.P.C.E.C.A.B.A. Vol. 1 – Fo. 13

JOSÉ A. BENEGAS LYNCH
Chairperson

GABRIEL GAMBACORTA
On behalf of Statutory Audit
Committee

SEBASTIAN OSEROFF
Partner
Public Accountant (U.B.A.)
C.P.C.E.C.A.B.A. Vol. 296 – Fo. 157

ALEJANDRO VICENTE
Accounting and Reporting System
Manager

EXHIBIT "Q"
(contd.)

CONSOLIDATED BREAKDOWN OF PROFIT OR LOSS
AS OF DECEMBER 31, 2023, AND 2022

(Figures stated in thousands of Argentine pesos)

Items	2023	2022
Commission income		
Commission for guarantees granted	504,573	313,728
Commissions for collection management services	304,592	322,755
Commissions from receivables	757,931	637,202
Commissions from corporate bonds	355,717	310,377
Commissions from foreign exchange transactions	101,423	72,206
Commissions from securities	959,027	1,265,259
Total commission income	2,983,263	2,921,527

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EXHIBIT "R"

**ADJUSTMENT DUE TO LOSSES – CONSOLIDATED LOAN LOSS PROVISION
AS OF DECEMBER 31, 2023, AND 2022**

(Figures stated in thousands of Argentine pesos)

Items	Balances at beginning of year	Increases (1)	DECREASES		Monetary loss from the allowance	2023	2022
			Reversals	Uses			
Loans and other financing	2,853,138	1,762,719	2,777	5,586	(2,261,792)	2,345,702	2,853,138
Other financial institutions	1,423	-	457	-	(966)	-	1,423
Nonfinancial private sector and residents abroad	2,851,715	1,762,719	2,320	5,586	(2,260,826)	2,345,702	2,851,715
Overdrafts	1,503,314	864,844	-	5,586	(1,179,953)	1,182,619	1,503,314
Notes	835,961	570,806	-	-	(672,712)	734,055	835,961
Mortgage loans	4,758	-	1,378	-	(3,230)	150	4,758
Collateral loans	21,098	-	942	-	(14,323)	5,833	21,098
Other	486,584	327,069	-	-	(390,608)	423,045	486,584
Capital leases	23,275	14,267	-	-	(18,430)	19,112	23,275
Private securities	30,372	14,580	-	-	(23,306)	21,646	30,372
TOTAL PROVISIONS	2,906,785	1,791,566	2,777	5,586	(2,303,528)	2,386,460	2,906,785

(1) Including the loss from the revaluation of the loan loss allowances related to the financing portfolio in US dollars, which is disclosed under "Foreign exchange difference".

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