

**CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF 12-31-2022**

# **CONSOLIDATED FINANCIAL STATEMENTS AS OF 12-31-2022**

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Quantitative and qualitative information about “Market discipline” is available at  
[www.bice.com.ar](http://www.bice.com.ar)

Registered office: Bartolomé Mitre 836 - City of Buenos Aires

Expiration date of the articles of incorporation: See note 1.3.

Name of the undersigned auditors:	Claudio Sala and Patricia M Zeisel
External auditors	Auditoría General de la Nación and
Report on consolidated financial statements as of 12/31/2022	Code: 1

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2022 AND 2021**

Figures stated in thousands of Argentine pesos - in constant currency

ASSETS	Notes/exhibits	12/31/2022	12/31/2021
CASH AND DEPOSITS WITH BANKS		30.407.530	15.783.054
Cash		665	214
Financial institutions and correspondents			
- BCRA		13.358.199	6.540.998
- Other in Argentina and abroad		17.048.666	8.741.467
Other		-	500.375
SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	A	18.755.627	26.494.369
DERIVATIVES	8.1	700	1.247
REPO TRANSACTIONS	5	3.199.189	52.200.549
OTHER FINANCIAL ASSETS	14.1	8.869.373	2.594.034
LOANS AND OTHER FINANCING FACILITIES	B/C	79.804.190	108.594.708
- Nonfinancial government sector		1.982.227	936.566
- Other financial institutions		4.536.408	9.300.253
- Nonfinancial private sector and foreign residents		73.285.555	98.357.889
OTHER DEBT SECURITIES	A	54.254.727	23.562.296
FINANCIAL ASSETS DELIVERED IN GUARANTEE	4	1.518.940	2.638.955
CURRENT INCOME TAX ASSETS	17.1	17.490	312.900
INVESTMENTS IN EQUITY INSTRUMENTS	A	8.302.135	9.380.278
BANK PREMISES AND EQUIPMENT	13.1/F	1.343.309	1.594.556
INTANGIBLE ASSETS	13.3/G	428.870	262.982
DEFERRED INCOME TAX ASSETS	17.1	78.823	2.809.036
OTHER NONFINANCIAL ASSETS	14.3	1.291.550	1.410.161
<b>TOTAL ASSETS</b>		<b>208.272.453</b>	<b>247.639.125</b>

Notes 1 to 35 and Exhibits A to D, F to L and O to R to the accompanying consolidated financial statements are an integral part of these consolidated financial statements.

MARIA VICTORIA JARSUN  
ADMINISTRATION MANAGER

SIGNED FOR IDENTIFICATION  
PURPOSES  
DATED MARCH 9, 2023  
KPMG  
C.P.C.E.C.A.B.A. Vol. 2 Fo. 6

PATRICIA M. ZEISEL  
Partner  
PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. Vol. 288 Fo. 105

EDUARDO PRINA  
GENERAL MANAGER

SIGNED FOR IDENTIFICATION  
PURPOSES  
DATED MARCH 9, 2023

WALTER A. PARDI  
BY STATUTORY AUDIT COMMITTEE

MARIANO DE MIGUEL  
CHAIRPERSON

SIGNED FOR IDENTIFICATION  
PURPOSES  
DATED MARCH 9, 2023  
AUDITORIA GENERAL DE LA NACIÓN

CLAUDIO SALA  
PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. Vol. 138 Fo. 236

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2022 AND 2021**

Figures stated in thousands of Argentine pesos - in constant currency

LIABILITIES	Notes/exhibits	12/31/2022	12/31/2021
DEPOSITS	H	81.579.779	110.918.855
- Nonfinancial government sector		47.824.227	91.629.158
- Nonfinancial private sector and foreign residents		33.755.552	19.289.697
DERIVATIVES	8.1	-	448
OTHER FINANCIAL LIABILITIES	14.2	34.203.979	33.668.669
FINANCING OBTAINED FROM THE BCRA AND OTHER FINANCIAL INSTITUTIONS	15	22.989.762	34.564.792
CURRENT INCOME TAX LIABILITIES	17.1	160.846	-
PROVISIONS	16/J	770.873	775.369
DEFERRED INCOME TAX LIABILITIES	17.1	789.069	-
OTHER NONFINANCIAL LIABILITIES	14.4	4.338.461	4.982.738
<b>TOTAL LIABILITIES</b>		<b>144.832.769</b>	<b>184.910.871</b>

SHAREHOLDERS' EQUITY	Notes/exhibits	12/31/2022	12/31/2021
CAPITAL STOCK	K	11.880.229	11.880.229
CAPITAL ADJUSTMENT		48.750.052	48.750.052
RETAINED EARNINGS		2.267.132	-
OTHER ACCUMULATED COMPREHENSIVE INCOME (LOSS)		(614.745)	(192.174)
NET INCOME		1.130.554	2.267.132
<b>SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE PARENT COMPANY'S OWNERS</b>		<b>63.413.222</b>	<b>62.705.239</b>
<b>SHAREHOLDERS' EQUITY ATTRIBUTABLE TO NONCONTROLLING INTERESTS</b>		<b>26.462</b>	<b>23.015</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>63.439.684</b>	<b>62.728.254</b>

<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>208.272.453</b>	<b>247.639.125</b>
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**CONSOLIDATED STATEMENTS OF INCOME**  
for the years ended December 31, 2022 and 2021  
Figures stated in thousands of Argentine pesos - in constant currency

STATEMENTS OF INCOME	Notes/exhibits	Accumulated as of 12/31/2022	Accumulated as of 12/31/2021
- Interest income	Q	46.657.088	37.769.900
- Income from adjustments	Q	174.838	205.842
- Interest expense	Q	(25.675.693)	(22.777.343)
INTEREST INCOME (EXPENSE) NET		21.156.233	15.198.399
- Commission income	19.1 / Q	157.268	157.953
- Commission expense	Q	(133.111)	(562.222)
COMMISSION INCOME (LOSS) NET		24.157	(404.269)
- Net gain on financial instruments at fair value through profit or loss	Q	11.555.193	11.036.636
- Difference in quoted prices of foreign currency	19.2	6.186.681	11.463.717
- Other operating income	19.3	19.942.358	6.254.499
- Allowance for loan losses	R	(2.547.467)	(3.404.864)
NET OPERATING INCOME (EXPENSE)		56.317.155	40.144.118
- Employee benefits	19.4	(7.516.293)	(6.289.097)
- Administrative expenses	19.5	(2.609.339)	(2.648.016)
- Depreciation and impairment in value of assets	F/F BIS/G	(628.526)	(601.050)
- Other operating expenses	19.6	(6.156.381)	(5.004.263)
OPERATING PROFIT (LOSS)		39.406.616	25.601.692
GAIN/LOSS FROM NET MONETARY POSITION		(34.012.925)	(19.600.463)
PROFIT BEFORE INCOME TAX		5.393.691	6.001.229
INCOME TAX	17.1	(4.259.690)	(3.731.419)
<b>NET INCOME</b>		<b>1.134.001</b>	<b>2.269.810</b>
<b>NET PROFIT /(LOSS) ATTRIBUTABLE TO THE PARENT COMPANY'S OWNERS</b>		<b>1.130.554</b>	<b>2.267.132</b>
<b>NET PROFIT /(LOSS) ATTRIBUTABLE TO NON CONTROLLING INTERESTS</b>		<b>3.447</b>	<b>2.678</b>

Notes 1 to 35 and Exhibits A to D, F to L and O to R to the accompanying consolidated financial statements are an integral part of these consolidated financial statements.

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# CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME (LOSS)

for the years ended December 31, 2022 and 2021  
Figures stated in thousands of Argentine pesos - in constant currency

OTHER COMPREHENSIVE INCOME (LOSS)	Notes/exhibits	Accumulated as of 12/31/2022	Accumulated as of 12/31/2021
<b>NET INCOME</b>		<b>1.134.001</b>	<b>2.269.810</b>
<b>Components of other comprehensive income (loss) to be reclassified to profit for the year:</b>			
GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH OTHER			
- Gains or losses on financial instruments carried at fair value through OCI	Q	(649.954)	418.115
- Income tax	17.1	227.383	(145.840)
<b>TOTAL OTHER COMPREHENSIVE INCOME (LOSS)</b>		<b>(422.571)</b>	<b>272.275</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>711.430</b>	<b>2.542.085</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO THE PARENT COMPANY'S OWNERS</b>		<b>707.983</b>	<b>2.539.407</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS</b>		<b>3.447</b>	<b>2.678</b>

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# **CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

for the years ended December 31, 2022 and 2021  
Figures stated in thousands of Argentine pesos - in constant currency

Changes	Capital stock	Contributions not converted into equity	Adjustments to equity	Other comprehensive income (loss)		Retained earnings		Unappropriated retained earnings	Total shareholders' equity attributable to controlling interests as of 12/31/2022	Total shareholders' equity attributable to noncontrolling interests as of 12/31/2022	Total shareholders' equity as of 12/31/2022
	Outstanding	Additional paid-in capital		Accumulated gains or losses from postemployment defined benefit plans	Accumulated gains or losses from financial interest at fair value through OCI	Legal reserve	Optional reserve				
Restated amounts at beginning of year	11.880.229	-	48.750.052	(100.270)	(91.904)	-	-	2.267.132	62.705.239	23.015	62.728.254
- Total comprehensive income (loss)											
- Profit for the year	-	-	-	-	-	-	-	1.130.554	1.130.554	3.447	1.134.001
- Other comprehensive income(loss) for the year	-	-	-	-	(422.571)	-	-	-	(422.571)	-	(422.571)
- Distribution of unappropriated retained earnings approved by the Shareholders' Meeting of April 29, 2022.											
- Legal reserve	-	-	-	-	-	2.267.132	-	(2.267.132)	-	-	-
Amounts at end of year	11.880.229	-	48.750.052	(100.270)	(514.475)	2.267.132	-	1.130.554	63.413.222	26.462	63.439.684

Changes	Capital stock	Contributions not converted into equity	Adjustments to equity	Other comprehensive income (loss)		Retained earnings		Unappropriated retained earnings	Total shareholders' equity attributable to controlling interests as of 12/31/2021	Total shareholders' equity attributable to noncontrolling interests as of 12/31/2021	Total shareholders' equity as of 12/31/2021
	Outstanding	Additional paid-in capital		Accumulated gains or losses from postemployment defined benefit plans	Accumulated gains or losses from financial interest at fair value through OCI	Legal reserve	Optional reserve				
Restated amounts at beginning of year	11.880.229	1.764	178.564.820	(100.270)	(342.141)	5.135.238	4.822.503	(139.774.273)	60.187.870	20.337	60.208.207
Total comprehensive income (loss)											
- Total comprehensive income (loss)											
- Profit for the year	-	-	-	-	-	-	-	2.267.132	2.267.132	2.678	2.269.810
- Other comprehensive income(loss) for the year	-	-	-	-	272.275	-	-	-	272.275	-	272.275
- Absorption of accumulated losses approved by the Shareholders' Meeting held on April 29, 2021	-	(1.764)	(129.814.768)	-	-	(5.135.238)	(4.822.503)	139.774.273	-	-	-
- Reversal of reserves	-	-	-	-	(22.038)	-	-	-	(22.038)	-	(22.038)
Amounts at end of year	11.880.229	-	48.750.052	(100.270)	(91.904)	-	-	2.267.132	62.705.239	23.015	62.728.254

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**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
for the years ended December 31, 2022 and 2021  
Figures stated in thousands of Argentine pesos - in constant currency

CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	Notes/exhibits	12/31/2022	12/31/2021
<b>Profit for the year before income tax</b>		<b>5.393.691</b>	<b>6.001.229</b>
<b>Adjustments from total monetary gain/loss for the year</b>		<b>34.012.925</b>	<b>19.600.463</b>
<b>Adjustments to determine cash flows provided by operating activities</b>		<b>(34.342.111)</b>	<b>(10.639.451)</b>
Amortization, depreciation and impairment in value	F/F BIS/G	628.526	601.050
Allowance for loan losses	R	2.547.467	3.404.864
Other adjustments		(37.518.104)	(14.645.365)
<b>Net increases from operating assets:</b>		<b>53.188.775</b>	<b>41.558.016</b>
Securities at fair value through profit or loss		(4.675.942)	(5.843.232)
Derivatives		547	1.164
Repo transactions		49.001.360	(23.016.590)
Loans and other financing facilities			
Nonfinancial government sector		(1.045.661)	206.668
Other financial institutions		4.811.969	10.253.927
Nonfinancial private sector and foreign residents		27.120.216	40.463.309
Other debt securities		(18.038.315)	17.707.807
Financial assets delivered in guarantee		1.120.015	(607.942)
Investments in equity instruments		1.078.143	2.079.749
Other assets		(6.183.557)	313.156
<b>Net decreases from operating liabilities:</b>		<b>(29.479.570)</b>	<b>(23.446.790)</b>
Deposits			
Nonfinancial government sector		(43.804.931)	(15.781.547)
Nonfinancial private sector and foreign residents		14.465.855	1.896.496
Derivatives		(448)	(199)
Other liabilities		(140.046)	(9.561.540)
<b>Income tax payments</b>		<b>110.571</b>	<b>(19.575)</b>
<b>TOTAL OPERATING ACTIVITIES</b>		<b>28.884.281</b>	<b>33.053.892</b>

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**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
for the years ended December 31, 2022 and 2021  
Figures stated in thousands of Argentine pesos - in constant currency

<b>CASH FLOWS PROVIDED BY INVESTING ACTIVITIES</b>	<b>Notes/exhibits</b>	<b>12/31/2022</b>	<b>12/31/2021</b>
<b>Payments:</b>			
Purchase of property and bank premises, intangible assets and other assets	F / G	(500.369)	(257.542)
Other payments related to investing activities		(26.060)	(40.457)
<b>Collections:</b>			
Other collections related to investing activities		281.615	106.805
<b>TOTAL INVESTING ACTIVITIES</b>		<b>(244.814)</b>	<b>(191.194)</b>
<b>CASH FLOWS PROVIDED BY FINANCING ACTIVITIES</b>			
<b>Payments:</b>			
Unsubordinated corporate bonds		-	(8.246.038)
BCRA (Central Bank of Argentina)		(105)	(783)
Financing received from financial institutions		(13.004.288)	(23.981.021)
Other collections related to financing activities		-	2.678
<b>TOTAL FINANCING ACTIVITIES</b>		<b>(13.004.393)</b>	<b>(32.225.164)</b>
<b>EFFECT OF CHANGES IN THE EXCHANGE RATE</b>		<b>6.640.797</b>	<b>(4.019.477)</b>
<b>EFFECT OF CASH FLOWS MONETARY GAINS/LOSS</b>		<b>(7.651.395)</b>	<b>(9.731.689)</b>
<b>TOTAL CHANGES IN CASH FLOWS</b>		<b>14.624.476</b>	<b>(13.113.632)</b>
<b>NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>14.624.476</b>	<b>(13.113.632)</b>
<b>RESTATED CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	20	<b>15.783.054</b>	<b>28.896.686</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	20	<b>30.407.530</b>	<b>15.783.054</b>

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the fiscal year ended December 31, 2022, comparative with the prior year - in constant currency

### Note 1 - CORPORATE INFORMATION

Banco de Inversión y Comercio Exterior S.A. (the "Bank" or "BICE") is a stock corporation organized in Argentina. It was created in 1991 through Presidential Decree No. 2703 in order to conduct lending, borrowing and service transactions like those provided by commercial development banks as established by Law No. 21526 as amended, and the provisions issued by the BCRA (Central Bank of Argentina) for this type of financial institutions.

The Bank was organized to act as a financial institution legally organized under Argentine Companies Law and Financial Institutions Law, with its own legal status, different from the Argentine government. Unlike other government banks, the private nature of stock corporations prevails in the Bank's legal structure, and it is subject to the control of various external regulatory agencies.

Since it is a financial entity governed by Financial Institutions Law No. 21526, it should meet BCRA provisions because it is its regulator.

These consolidated financial statements for the fiscal year ended December 31, 2022 include the Entity and its subsidiaries, i.e. the company and the structured entity controlled by the Entity (jointly referred to as the "Group").

The company and the structured entity, respectively, over which BICE exercises control are detailed below:

- BICE Fideicomisos S.A.: is an agent of collective investment funds mainly engaged in trust management (see Note 3.5).
- Fundación BICE (see Note 3.5).

Additionally, on July 28, 2016, through CNV Resolution No. 1847, BICE joined the issuers regime by means of a program established for a term of five years, which matured on July 28, 2021. On October 28, 2021, the Board of Directors resolved to request BICE's deregistration as issuer from the CNV within the framework of the Public Offering regime. The deregistration was confirmed by the CNV on December 29, 2021 by means of Resolution RESFC-2021-21565-APN-DIR#CNV (see Note 29.1).

The Group's main activities are described in Note 22.

On March 9, 2023, the Bank's Board of Directors approved the issuance of these financial statements.

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EDUARDO PRINA  
GENERAL MANAGER

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PURPOSES  
DATED MARCH 9, 2023

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WALTER A. PARDI  
BY STATUTORY AUDIT COMMITTEE

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MARIANO DE MIGUEL  
CHAIRPERSON

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the fiscal year ended December 31, 2022, comparative with the prior year - in constant currency

### 1.1. The Bank's operations

The Group's mission is to grant medium- and long-term financing for productive investments and foreign trade, focusing on small- and medium-sized enterprises and regional development.

In its role as a development bank, BICE provides short, mid-and long term financing, focused on sectors engaged in production, small- and medium-sized enterprises and territory integration.

To comply with such task, its management is based on two main objectives:

- Promoting the financing of SMEs.
- Creating a long-term credit market.

Based on these guidelines, BICE provides a wide array of products aimed at the productive sector, which is addressed both directly and indirectly.

It also provides integral assistance to exporters, supports the business opportunities within the value chain for the improvement of competitiveness, and it designs and manages trusts aimed at strategical infrastructure works for the country.

### 1.2. Equity interest

The Bank's capital stock includes different classes of shares and is held by the Ministry of Economy (pursuant to the amendment introduced by Ministerial Law No. 22520 through Presidential Decree No. 451/2022 dated 8/3/2022), Banco de la Nación Argentina (BNA) and Fundación BNA.

Thus, as of December 31, 2022 and 2021, and as of the date of approval of these financial statements, the capital structure is as follows:

Holder:	Shares of common stock (*)	Shares of preferred stock (**)
BNA	54,468	4,524,568
BNA (***)	2,555,608	-
Ministry of Economy (****)	4,742,874	-
Fundación Banco de la Nación Argentina (****)	2,711	-
	<b>7,355,661 (1)</b>	<b>4,524,568 (1)</b>

(\*) book-entry shares of common stock with a face value of \$ 1000 each, one vote each.

(\*\*) book-entry shares of preferred stock with a face value of \$ 1000 each, with no voting rights, and with fixed, cumulative equity rights equivalent to 1% of the nominal value of the shares of preferred stock issued, to be paid with the annual distribution of dividends up to the value assessed.

(\*\*\*) book-entry shares of common stock with a face value of \$ 1000 each held by Banco de la Nación Argentina in bare ownership, the usufructuary and voting rights of which are held by the Ministry of Economy – formerly Ministry of Production Development. (Resolution No. 847/00-ME and Presidential Decrees No. 527/16 and No. 451/22).

(\*\*\*\*) Merged companies' minority shareholders.

(\*\*\*\*\*) Formerly Ministry of Production Development (Presidential Decree 451/22).

(1) See Exhibit K.

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On April 29, 2022, the Shareholders' Meeting decided to approve the allocation of unappropriated retained earnings to the replenishment of the legal reserve in the amount of thousands of \$ 1,163,866 (in constant currency thousands of \$ 2,267,132). Thus the shareholding existing to date has not been changed.

On April 29, 2021, the Shareholders' Meeting decided to approve the total absorption of unappropriated retained losses in the amount of thousands of \$ 47,538,388 (in constant currency thousands of \$ 139,774,273), which resulted after the deduction of earnings for year 2020 in the amount of \$ 1,752,749 (in constant currency thousands of \$ 5,153,503). To that end, the Bank used: the optional reserves in the amount of thousands of \$ 1,640,174 (in constant currency thousands of \$ 4,822,503), the legal reserve in the amount of thousands of \$ 1,746,537 (in constant currency thousands of \$ 5,135,238), additional paid-in capital in the amount of thousands of \$ 1,764 (in constant currency thousands of \$ 5,187) and thousands of \$ 44,149,913 (in constant currency thousands of \$ 129,811,345) out of the balance of the adjustment to equity account. Thus the shareholding existing to date has not been changed.

### 1.3. Expiration date of the articles of incorporation

As provided for by the Argentine Companies Law, it is informed that on October 26, 1995, the Special Shareholders' Meeting decided to change the corporate life, which was extended to ninety nine years as from April 18, 1995.

## NOTE 2- CRITERIA FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

These consolidated financial statements for the year ended December 31, 2022 were prepared pursuant to BCRA regulations, whereby it is stated that entities under its supervision shall submit the financial statements prepared under International Financial Reporting Standards (IFRS), as issued by the IASB (International Accounting Standards Board) and adopted by the FACPCE (Argentine Federation of Professional Councils in Economic Sciences), subject to the following exceptions ("BCRA accounting framework"):

#### a) impairment in value of financial assets:

In accordance with BCRA Communication "A" 6938, the Group has applied the regulations described in Note 3.4.24 for the recognition of credit losses in these financial statements. Based on such regulations, the BCRA set forth that the Group "B" Financial Institutions shall start applying the provisions about impairment in financial assets included in paragraph 5.5 of IFRS 9, for fiscal years beginning on or after January 1, 2021. By means of Communication "A" 7181 the BCRA extended the effective date for fiscal years beginning on or after January 1, 2022. Furthermore, by means of Communications "A" 7427 and "A" 7659, the BCRA defined that Groups "B" and "C" Financial Institutions that are not branches or subsidiaries of foreign banks rated as systematically important may (irrevocably) opt for deferring up to January 1, 2023 and 2024, respectively, the adoption of the provisions included in paragraph 5.5 of IFRS 9 and the prorating methodology. On December 28, 2021 and December 21, 2022, by means of notes sent by the Financial Institutions and Foreign Exchange Regulatory Agency (SEFyC), the Group communicated its decision to take the aforementioned option.

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IFRS 9 provides for an expected credit loss model, whereby financial assets are classified into three impairment stages based on the changes in the credit quality since initial recognition. This indicates how an entity measures impairment losses and applies the effective interest method. It should be noted that by means of Communication "A" 6847, the BCRA set forth the special criterion for measuring debt instruments of the nonfinancial government sector, which implies the temporary exclusion of such instruments from the scope of IFRS 9, impairment in value. To the date of issuance of these consolidated financial statements, the Group is quantifying the effect of the application of paragraph 5.5 "Impairment in value" mentioned above, therefore, this effect should be considered upon interpreting the information disclosed by the Group in the financial statements.

### b) Swap of financial instruments:

The debt instruments of the government sector received as swap are recognized in accordance with the guidelines established by BCRA.

Additionally, by means of Communications "A" 6323 and 6324 and amendments, BCRA set forth the guidelines for the preparation and presentation of the financial institutions' financial statements for fiscal years beginning on or after January 1, 2018, including the information additional requirements as well as the information to be disclosed in the Exhibits.

## NOTE 3– BASIS FOR PRESENTATION OF THE FINANCIAL STATEMENTS

### 3.1. Functional and presentation currency

The Bank considers the Argentine peso as its functional and presentation currency. Figures are stated in thousands of pesos, unless otherwise stated.

### 3.2. Reporting currency

The financial statements are prepared in constant pesos at year-end.

IAS 29 requires the presentation of financial statements stated in terms of the measuring unit current at the end of the reporting period, when the functional currency of the entity is that of a hyperinflationary economy. In identifying such an economic context, IAS 29 provides quantitative and qualitative guidelines, which consist in verifying whether the three-year cumulative inflation rate approaches or exceeds 100%. In the case of Argentina, the professional entities agreed on considering that there is a hyperinflationary economy based on the parameters established by IAS 29 as from July 1, 2018.

By means of Communication "A" 6651 and amendments, the BCRA made IAS 29 retrospectively effective as from fiscal years beginning on or after January 1, 2020. To such end, the following price indexes are used:

- For items subsequent to December 2016: Consumer price index prepared by *Instituto Nacional de Estadística y Censos* (INDEC) [Argentine Institute of Statistics and Censuses].

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- For items prior to December 2016: the price index published by *Federación Argentina de Consejos Profesionales en Ciencias Económicas* (FACPCE) [Argentine Federation of Professional Councils of Economic Sciences].

Under IAS 29, assets and liabilities that are not stated in terms of the measuring unit current at the end of the reporting period are adjusted by applying the price index. The adjusted amount of a nonmonetary item is reduced when its recoverable value is exceeded.

The impact of implementing IAS 29 at the beginning of the first comparative year (January 1, 2019) was recognized in unappropriated retained earnings. All items of the statement of income and other comprehensive income are stated in terms of the measuring unit current at the end of the reporting period (December 31, 2022). Gain/loss on net monetary position is included in the statement of income.

The Bank prepares its financial statements based on the historical cost and it has applied IAS 29 as follows:

- a) The statements of income, other comprehensive income (loss), changes in equity and cash flows were restated for fiscal year ended December 31, 2021. The gain or loss on net monetary position was separately determined and disclosed; and
- b) The statement of financial position was restated as of December 31, 2021.

In order to apply IAS 29 to the statement of financial position, the Bank adopted the following methodology and criteria:

- a) Nonmonetary assets were restated by applying the price index. Restated amounts were reduced to their recoverable value by applying the related IFRS, where applicable.
- b) Monetary assets were not restated.
- c) Assets and liabilities contractually related to changes in prices, such as securities and loans subject to adjustments have been measured according to the related contract.
- d) Investments measurement recognized by the applying the equity method was determined based on the information of associates and joint ventures under IAS 29.
- e) Deferred income tax assets and liabilities were recalculated based on the restated amounts.

In order to apply IAS 29 to the statements of income, other comprehensive income (loss) and cash flows, the Bank applied the following methodology and criteria:

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- a) All items of the statements of income, other comprehensive income (loss) and cash flows were restated in terms of the measuring unit current at the end of the reporting period as of December 31, 2022.
- b) Gain/loss on net monetary position is included in the statement of income.
- c) Gain or loss provided by cash and cash equivalents is presented in the statement of cash flows separated from cash flows from operating activities, investing activities and financing activities, as a reconciling item between cash at beginning and end of year.

### 3.3. Comparative information

These financial statements are presented comparatively with those of the prior fiscal year (December 31, 2021).

### 3.4. Significant accounting policies

The main valuation and disclosure criteria applied to the preparation of these consolidated financial statements as of December 31, 2022 and 2021 are as follows.

#### 3.4.1. 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 recognized in profit (loss) for each year under "Difference in quoted prices of gold and foreign currency".

#### 3.4.2. Financial Instruments:

##### - Initial recognition and measurement:

The Bank recognizes a financial instrument when it comprises the contractual clauses.

Purchases or sales of financial assets requiring the delivery of assets within the term generally established by regulations or market conditions are recorded on the transaction negotiation date, i.e. on the date when the Bank agrees 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 carried at fair value through profit or loss were carried at fair value adjusted by the transaction costs that were directly attributable to their purchase or issuance.

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Upon initial recognition, the fair value of a financial instrument is normally the transaction price. However, if the Bank and its subsidiary determine that the fair value, upon initial recognition, differs from the consideration received or paid, the fair value of the financial instrument is estimated. If this fair value is based on a valuation technique that only uses observable market data, any amount additional to the consideration will be an expense or a lower profit, unless it meets the requirements to be recognized as any other type of asset ("day 1" outcomes). 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 provided that it arises from a change in any 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 established three categories for classifying and measuring its financial statements based on the Bank's business model for managing them, and the characteristics of the contractual cash flows thereof.

- a) Amortized cost: the business purpose is to obtain the contractual cash flows of the financial asset.
- b) Fair value 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.
- c) Fair value through profit or loss: the business purpose is to generate profit from the purchase and sale of financial assets.

Consequently, the Bank measures its financial assets at fair value, except for those that meet the following two conditions and are thus valued at amortized cost:

- They are held within a business model aimed at obtaining contractual cash flows.
- The contractual conditions of the financial assets give rise, on specific dates, to cash flows only consisting of repayments of principal and interest on the outstanding principal.

The Bank defines 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 on an instrument-by-instrument basis but at a higher level of aggregated portfolios, and it is based on observable factors, such as:

- The liquidity requirements at a certain date.
- The life, terms and conditions of the instrument.
- The business model defined by the Bank's Board of Directors.

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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, the Bank does not change the classification of the remaining financial assets maintained in such business model but it considers such information to assess recent purchases or acquisitions.

### - Solely payments of principal and interest test:

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

For the purposes of this assessment, "principal" is 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.

To perform the characteristics test, the Bank uses its own judgment and considers 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 a more than minimum exposure to risk or volatility in the contractual cash flows unrelated 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.

Based on the paragraphs above, financial assets were classified into the following categories: "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 measured at fair value through profit or loss:

This category is divided into two subcategories: financial assets and liabilities measured at fair value held for trading, and financial assets and liabilities designated at fair value upon initial recognition by Management in accordance with IFRS 9, paragraph 6.7.1.

The Bank classifies 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.

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Management only designates an instrument at fair value through profit or loss, 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; or (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 recognized in the statement of financial position at fair value. Changes in fair value are recognized in the income statement under "Net gain 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 the associated credit risk. Such changes in fair value are recognized under other comprehensive income and they are not reclassified through profit or loss. Interest income and expenses as well as dividends are charged to "Net gain on financial instruments at fair value through profit or loss" under the terms of the agreement or when the right to the payment has been established.

The fair value of these instruments is calculated using the listed prices at each year-end in active markets, if representative.

If there was no active market, 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 opinions, estimates and assumptions" under this note.

### ▪ **Financial assets measured at fair value through other comprehensive income:**

A financial asset is measured at fair value through other comprehensive income when: (i) the instrument is held in a business model whose objective is reached by obtaining contractual cash flows and the sale thereof, and (ii) the contractual terms meet the condition whereby cash flows should solely consist of repayments of principal and interest on the outstanding principal.

Financial instruments measured at fair value through other comprehensive income are recognized in the statement of financial position at fair value. Profit and loss arising from changes in fair value are recognized in the statement of other comprehensive income under "Gains (losses) on financial instruments at fair value through other comprehensive income". Interest income, foreign exchange gains and losses and impairment in value are recognized in profit or loss as well as the financial assets measured at amortized cost, and they are charged to "Interest income", "Difference in quoted prices of gold and foreign currency" and "Allowance for loan losses", respectively.

Upon derecognition, accumulated profit (loss) previously recognized in other comprehensive income are reclassified to profit or loss.

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### ▪ 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 solely consisting of repayments of principal and interest on the outstanding principal.

Subsequent to initial recognition, these financial assets are recognized in the statement of financial position at amortized cost using the Effective interest method, less the allowance for loan losses, if any.

Interest income and impairment in value are recognized in the income statement under "Interest income" and "Allowance for loan losses", respectively. The changes in the allowance are disclosed in Exhibit R "Adjustment due to losses. Allowances for loan losses".

The Effective interest method uses the rate that allows the discount of 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 the instrument. Upon applying such method, the Bank identifies interest basis points, commissions, premiums, discounts and the direct and incremental costs of the transaction as 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.

#### 3.4.3. Cash and deposits with banks:

They were measured at nominal value, plus accrued interest at each year-end, if appropriate. Accrued interest was charged to profit (loss) for each year under "Interest income", if any.

#### 3.4.4. Repo transactions (purchases and sales with repurchase agreements):

The purchases of financial instruments with the nonoptional repurchase commitment at a determined price (repos) are recognized in the statement of financial position as a financing granted 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 method and charged to the income statement under "Interest income".

#### 3.4.5. Loans and other financing facilities:

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

Loans and other financing facilities are recognized when funds are disbursed to customers. Subsequent to initial recognition, loans and other financing facilities are valued at amortized cost using

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the Effective interest method, less the allowance for loan losses. 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 is allocated to the income statement under "Interest income". Impairment losses are included in the income statement under "Allowance for loan losses" and the changes thereof are disclosed in Exhibit R "Adjustment due to losses. Allowances for loan losses." The impairment estimate is further explained in section "Accounting opinions, estimates and assumptions" under this note.

The guarantees granted and contingent obligations are disclosed in the notes to the financial statements (off-balance sheet) when the documents supporting these credit facilities are issued and they are initially recognized at the fair value of the commission received under "Other financial liabilities" in the statement of financial position. After the initial recognition, the liability for each guarantee was recognized at the highest value between the amortized commission and the best estimate of the expense incurred to settle any financial payable arising from the financial guarantee.

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

### 3.4.6. Financial liabilities:

After initial recognition, all financial liabilities are measured at amortized cost using the Effective interest method. Interest is charged to profit or loss under "Interest expense".

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

### 3.4.7 Equity instruments measured at fair value through profit or loss:

They represent a residual interest in another entity's net assets. These instruments are recognized in the statement of financial position at fair value.

Dividends are recognized in the income statement when the right to receive the payment is established.

### 3.4.8. Derivative financial instruments:

Forward transactions without delivery of the underlying asset: they include forward purchases and sales of foreign currency without delivery of the underlying asset traded. Transactions are measured at the fair value of agreements and are performed by the Bank for the purposes of intermediation for its own account, except for those that are designated in hedging relationships (see Note 8). The resulting profit (loss) is charged to income (loss) for each year under "Net gain on financial instruments at fair value through profit or loss".

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### 3.4.9. Derecognition of financial assets and liabilities

A financial asset (or a portion of a financial asset or a portion of a group of similar financial assets, where applicable) is derecognized when: (i) the contractual rights to the financial asset have expired; or (ii) the Bank has transferred its contractual rights to receive the cash flows generated by the asset, or assumed an obligation to pay the cash flows received to a third party immediately through a transfer agreement.

In certain transfer agreements, the Bank retained its contractual rights to receive the cash flows from a financial asset –the original asset–, but it has assumed the contractual obligation to pay the cash flows to one or more entities (i) but it has no obligation to pay cash flows to the potential beneficiaries unless it collects an equivalent amount from the original asset, (ii) it is prohibited from selling or pledging the asset and (iii) it has an obligation to remit any cash flows collected on behalf of the potential beneficiaries without material delay.

A transfer only qualifies for derecognition if either: (i) the Bank has transferred substantially all the risks and rewards of the asset; or (ii) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset considering that control is transferred only if the assignee has the practical ability to sell the asset in full to an independent third party and is able to exercise that ability unilaterally without imposing any additional restrictions to the transfer.

If the Bank has not transferred or substantially retained all the risks and rewards inherent to the property of a transferred asset, and has retained control over it, it will continue recognizing the asset transferred provided that it is exposed to changes in the value of the asset transferred:

- When the Bank's continuing involvement takes the form of guaranteeing the transferred asset, the extent of the Bank's continuing involvement is the lower of (i) the amount of the asset and (ii) the maximum amount of the consideration received that the Bank could be required to repay ("the guarantee amount").
- When the Bank's continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the extent of the Bank's continuing involvement is the amount of the transferred asset that the Bank may repurchase. However, in case of a written put option on an asset that is measured at fair value, the extent of the Bank's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.
- When the Bank's continuing involvement takes the form of a cash-settled option or similar provision on the transferred asset, the extent of the Bank's continuing involvement is measured in the same way as that which results from non-cash settled options.

When the Bank continues to recognize an asset to the extent of its continuing involvement, the Bank also recognizes an associated liability. The associated liability is measured in such a way that the net carrying amount of the transferred asset and the associated liability is: (a) the amortized cost of the rights and obligations retained by the Bank, if the transferred asset is measured at amortized cost; or

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(b) equal to the fair value of the rights and obligations retained by the Bank when measured on a stand-alone basis, if the transferred asset is measured at fair value.

In addition, a financial liability is derecognized when the payment obligation specified in the related agreement is extinguished, is settled or expires. When an existing financial liability is replaced by another one of the same borrower under significantly different conditions, or conditions are materially changed, such replacement or change is considered as a derecognition of the original liability and a new liability is recognized. The difference between them is charged to income for each year under "Other operating income".

### 3.4.10. Reclassification of financial assets and liabilities:

Neither the Bank nor its subsidiary reclassifies 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, 2022 and 2021, neither the Bank nor its subsidiary made any reclassifications.

### 3.4.11. Finance leases:

The Bank grants loans through finance leases and recognizes the current value of lease payments as an asset, which are recognized in the statement of financial position under "Loans and other financing facilities". The difference between the total value receivable and the present value of the financing is recognized as interest to be accrued. This revenue is recognized over the lease term using the Effective interest method, which shows a constant rate of return and charged to income under "Interest income". Impairment losses are included in the income statement under "Allowance for loan losses" and the changes thereof are disclosed in Exhibit R "Adjustment due to losses. Allowances for loan losses." The impairment estimate is further explained in section "Accounting opinions, estimates and assumptions" under this note.

### 3.4.12. Bank premises and equipment

The Bank and its subsidiary chose the cost model for all the assets included in this account.

These assets are recorded 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 recorded in the income statement. Any material improvement and refurbishment 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 in proportion 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 at each year-end, the estimated useful lives of the assets are reviewed to detect significant changes therein, which, if occurred, will be adjusted through the related adjustment to the depreciation

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expense. The depreciation expense is recognized in profit (loss) under "Depreciation and impairment in value of assets".

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

### 3.4.13. Intangible assets:

Intangible assets include software and licenses.

Intangible assets separately acquired are initially stated at cost. Following initial recognition, they are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets are not capitalized and expenditure is reflected in the statement of comprehensive income in the fiscal year in which the expenditure is incurred.

Amortization is calculated on a straight-line basis over the estimated useful lives of the intangible assets by applying annual rates.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.

Below is a summary of the accounting policies applied to the intangible assets:

	<b>Software and licenses</b>	<b>Leasehold improvements</b>
Useful lives	From 2 to 5 years	Based on the lease agreement
Amortization method used	Full month of addition	Full month of addition
Internally generated or acquired	Acquired	Acquired

### 3.4.14. Investment properties

Investment properties are recognized in the statement of financial position measured under "Other nonfinancial assets" and are measured initially at their restated acquisition cost, less the related accumulated depreciation and impairment in value, if applicable.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the income statement in the year of derecognition under "Other operating income".

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Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to a bank premises and equipment item, the deemed cost for subsequent accounting is the fair value of the asset at the date of change in use. If an item of bank premises and equipment becomes an investment property, the Bank accounts for such asset in accordance with the policy stated under bank premises and equipment up to the date of change.

### 3.4.15. Impairment in value of nonfinancial assets:

At least at each year-end, the Bank and its subsidiary evaluate whether there are events or changes in circumstances that indicate that the value of nonfinancial assets can be impaired or whether there are indications that a nonfinancial asset can be impaired. If there is any indication 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 indications that the impairment loss previously recognized may no longer exist or may have decreased. An impairment loss 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 impairment loss. In such a case, the carrying amount of the asset increases to its recoverable value.

The Bank and its subsidiary have made these estimates and, given that the recoverable value of assets (value in use) exceeds their carrying amount, they have determined that no adjustment whatsoever is required to be recognized for impairment in value.

### 3.4.16. Provisions:

The Bank and its subsidiary recognize a provision when and only when: (a) they have 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 from the Bank or its subsidiary will be required 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 external and internal legal counsel of the Bank and its subsidiary. If the effect of the time value of money is material, provisions are discounted using a current pre-tax market rate that reflects, where appropriate, the liability specific risks. Based on the analysis carried out, the Bank recorded a provision in the amount considered to be the best estimate of the potential disbursement required to settle the current obligation at each year-end, as appropriate.

The provisions recorded by the Bank and its subsidiary are reviewed at each year-end and they are 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.

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In the event that: (a) it is a possible obligation, or (b) it is probable that a disbursement of resources by the Bank or its subsidiary 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.

### 3.4.17. Recognition of income and expenses:

#### a) 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 declared.

#### b) Borrowing commissions:

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

#### c) Service commissions, fees, and similar items:

They are recognized when (or as) the Bank meets every performance obligation by transferring the services undertaken for an amount that reflects the consideration that the Bank expects to be entitled in exchange for such services.

At the beginning of each agreement, the Bank assesses the services undertaken and classifies as a performance obligation each commitment to transfer a different service or a series of different services that are substantially equal and share the same transfer pattern.

#### d) Nonfinancial income and expenses:

They are accounted for based on the conditions of recognition provided for in the conceptual framework, such as the requirement that income (loss) must be accrued.

### 3.4.18. Income tax:

Income tax is assessed based on the Bank's and its subsidiary's separate financial statements.

The income tax expense comprises current and deferred income tax. Income tax is recognized in the income statement, except when the items should be recognized directly in "Other comprehensive income (loss)". In this case, each item is presented before calculating its income tax impact, which is detailed in the related item.

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The current income tax expense is related to the sum of expenses of the different Group companies, which were determined by applying the tax rate to taxable income 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 the amounts of assets and liabilities for accounting and tax purposes. Assets and liabilities are measured using the tax rate expected to be applied to taxable income in the years in which 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 subsidiary expect to recover or calculate the value of their assets and liabilities at each period-/year-end, as appropriate.

Deferred income tax assets and liabilities are measured by their undiscounted nominal amounts, 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.

### 3.4.19. Segment reporting:

The Bank considers as a business segment the group of assets and transactions committed in providing services subject to risks and returns that are different from those of other business segments. For those segments, there is separate financial information, which is periodically evaluated by those in charge of making the main operating decisions related to the resource assignment and performance evaluation. Segment reporting is disclosed in Note 22.

### 3.4.20. Investment management and trust activities:

The Bank and its subsidiary 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 the financial statements, since they are not assets owned by any of the two entities. Fees arising from these activities are included in the account "Other operating income" in the income statement. The information on trust activities is disclosed in Note 25.

### 3.4.21. Significant judgment, estimates and assumptions

The preparation of the financial statements in accordance with IFRS requires that the Management of the Bank and its subsidiary make and consider the significant accounting judgments, estimates and assumptions that affect the reported figures of assets and liabilities, revenues and expenses, as well as the assessment and disclosure of contingent assets and liabilities at the end of the reporting period. The Entity's recordings are based on the best estimate of the likelihood of different future events. Accordingly, the uncertainties associated with the estimates and assessments adopted might lead to the fact that future results may differ from the estimates and require significant adjustments to the balances informed of assets and liabilities involved.

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The most significant estimates included in the accompanying financial statements are related to the allowance for loan losses, the measurement of financial instruments at fair value, the provisions and the income tax expense.

### 3.4.22. Going concern:

The Bank assessed its capacity to continue as a going concern and it satisfies itself that it has the resources needed to continue as a going concern in the near future. At the date of these financial statements, there are no uncertainties as to events or conditions that may cast doubts on the possibility that the Bank may continue operating normally as a going concern. Therefore, these financial statements were prepared on a going concern basis.

### 3.4.23. Fair value measurement of financial instruments:

When the fair value of the financial assets and liabilities recognized 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 involves 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 21.

### 3.4.24. Allowance for loan losses and provision for contingent commitments:

They were set up 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 Communication "A" 2950, as supplemented, and the Bank's allowance-setting policies.

In the case of loans with specific allowances that are settled or generate the reversal of allowances set up during this year, and if the allowances set up in prior years exceeded those deemed necessary, the surplus in the allowance will be reversed with an impact on income (loss) for the current year.

### 3.4.25. Subsidies:

Subsidies that offset expenses incurred, or provide immediate financial aid to the Entity, without subsequent costs, are recognized in profit or loss as "Other operating income" on a systematic basis in the periods in which the expenses that the subsidy is intended to offset are recognized, unless the conditions for receiving the subsidy are met after the related expenses have been recognized, in which case, the subsidy is recognized in profit or loss when it can be collected.

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### 3.5. Basis for consolidation

These financial statements comprise the assets, liabilities, revenues and expenses of BICE Fideicomisos S.A. Intercompany transactions have been fully eliminated. Profit (loss) and each component of "Other comprehensive income (loss)" are attributed to the parent company and to noncontrolling interests, even if this causes the latter to have a negative balance.

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

The accounting information related to BICE Fideicomisos S.A. has been prepared as of the same dates and for the same fiscal years as those of the Bank, and the accounting policies have been consistently applied. If applicable, the accounting information of BICE Fideicomisos S.A. is adjusted so that its accounting policies and those used by the Bank are consistent.

In addition, the noncontrolling interests represent a portion of profit (loss) and shareholders' equity not attributable, directly or indirectly, to the Bank, and they are disclosed in the accompanying consolidated financial statements under a separate line in the statements of financial position, income statement, statement of other comprehensive income and statement of changes in equity.

As of December 31, 2022 and 2021, the Bank's financial statements were consolidated with the financial statements of BICE Fideicomisos S.A. and Fundación BICE.

Name	Registered office:	Country	Main business activity
BICE Fideicomisos S.A.	25 de Mayo 526- City of Buenos Aires	Argentina	Trust management
Fundación BICE	Bartolomé Mitre 836 - City of Buenos Aires	Argentina	Nonprofit organization

Subsidiary	Shares		% held by the Bank		% held by the noncontrolling interest	
	Type	Amount	Capital stock	Votes	Capital stock	Votes
BICE Fideicomisos S.A.	Common	5,760,488	99.46 %	99.46 %	0.54 %	0.54 %
Fundación BICE			(a)	-		

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The Board of Directors of the Bank considers that no other companies should be included in the consolidated financial statements as of December 31, 2022 and 2021.

As 12/31/2022	Bank	BICE Fideicomisos S.A.	Fundación BICE	Deletions	Bank consolidated amount
Assets	207,397,976	5,838,151	500	(4,964,174)	<b>208,272,453</b>
Liabilities	(143,984,754)	(937,811)	-	89,796	<b>(144,832,769)</b>
Shareholders' equity attributable to the parent company's owners	(63,413,222)	(4,873,878)	(500)	4,874,378	<b>(63,413,222)</b>
Shareholders' equity attributable to noncontrolling interests	-	( 26,462)	-	-	<b>( 26,462)</b>
Profit for the year	1,130,554	634,899	(339)	(634,560)	<b>1,130,554</b>
Net profit for the year attributable to noncontrolling interests	-	3,447	-	-	<b>3,447</b>
Total other comprehensive income (loss)	( 422,571)	-	-	-	<b>( 422,571)</b>

As of 12/31/2021	Bank	BICE Fideicomisos S.A.	Deletions	Bank consolidated amount
Assets	246,038,679	6,011,123	(4,410,677)	<b>247,639,125</b>
Liabilities	(183,333,440)	(1,727,117)	149,686	<b>(184,910,871)</b>
Shareholders' equity attributable to the parent company's owners	( 62,705,239)	(4,284,006)	4,284,006	<b>(62,705,239)</b>
Shareholders' equity attributable to noncontrolling interests	-	-	( 23,015)	<b>(23,015)</b>
Profit for the year	2,267,132	496,031	(493,353)	<b>2,269,810</b>
Net profit for the year attributable to noncontrolling interests	-	-	2,678	<b>2,678</b>
Total other comprehensive income (loss)	272,275	-	-	<b>272,275</b>

### 3.6. New resolutions

As indicated in Note 2, the BCRA set forth that Group "B" financial institutions shall start applying paragraph 5.5 of IFRS 9 (Impairment) for fiscal years beginning on or after January 1, 2024.

IASB issued "Current/non current liability classification (IAS 1 amendment)", effective as from fiscal years beginning on or after January 1, 2023. Such amendment clarifies:

1. that the classification of a liability as current or non-current should be based on rights existing at the end of the reporting year;

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2. that classification is unaffected by the likelihood that an entity will exercise its right to defer settlement, and
3. that settlements are transfers to the counterparty of cash or other economic resources, the entity's own equity instruments and other assets or services.

The Bank has not early adopted this amendment in these consolidated financial statements.

There are no other regulations that are not effective yet and which may have a significant effect on the Bank.

### 3.7. Judgments and estimates

The significant judgments made by the Bank's Management regarding the accounting policies as well as the underlying premises and estimates about uncertainties as of December 31, 2022 are the same as those described in Note 3.4.21.

Additionally, the Bank applies the same methodologies for the determination of fair values and the same criteria for the classification of fair value hierarchy as those described in Note 21 to these consolidated financial statements.

## NOTE 4. FINANCIAL ASSETS DELIVERED IN GUARANTEE AND RESTRICTED ASSETS

As of December 31, 2022 and 2021, the Bank delivered as guarantee the financial assets detailed below:

Description	Beginning date	Purpose of the coverage	Amount guaranteed	Rate	Effective term	Carrying amount as of 12/31/2022
Securities delivered in guarantee for transactions carried out with the MAE	05/15/2017	Transaction	N/A	N/A	N/A	321,000
Securities delivered in guarantee for transactions carried out with ROFEX	12/12/2017	Transaction	N/A	N/A	N/A	1,187,700
Securities delivered in guarantee for transactions carried out with BYMA	09/11/2020	Transaction	N/A	N/A	N/A	4,815
Lease security deposits in cash	(*)	Rentals	N/A	N/A	N/A	3,671
Guarantee account with the BCRA	N/A	Transaction	N/A	N/A	N/A	1,754
<b>Total</b>						<b>1,518,940</b>

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Description	Beginning date	Purpose of the coverage	Amount guaranteed	Rate	Effective term	Carrying amount as of 12/31/2021
Securities delivered in guarantee for transactions carried out with the BCRA						
- DESARROLLO SAN JUAN program	03/12/2015	Auction	6,000	10 %	Up to 15 years	7,971
Securities delivered in guarantee for the program FONDEFIN	04/10/2017	Auction	4,000	11.1 %	Working capital 1 year/investment: 3 to 10 years	9,058
Securities delivered in guarantee for transactions carried out with the MAE	05/15/2017	Transaction	N/A	N/A	N/A	362,315
Securities delivered in guarantee for transactions carried out with ROFEX	12/12/2017	Transaction	N/A	N/A	N/A	2,253,003
Securities delivered in guarantee for transactions carried out with BYMA	09/11/2020	Transaction	N/A	N/A	N/A	5,435
Lease security deposits in cash	(*)	Rentals	N/A	N/A	N/A	807
Guarantee account with the BCRA	N/A	Transaction	N/A	N/A	N/A	366
<b>Total</b>						<b>2,638,955</b>

(\*) Rentals effective at year-end.

Bank Management estimates that there will be no losses as a result of the restrictions on the abovementioned assets.

### NOTE 5 – REPO TRANSACTIONS

In the regular course of business, the Bank entered into repo transactions. Under IFRS 9, the securities involved in repo transactions received from and delivered to third parties do not meet the requirements for recognition or derecognition, respectively.

As of December 31, 2022 and 2021, the Bank had entered into reverse repo transactions involving government securities and BCRA bills in the amount of thousands of \$ 3,199,189 (Exhibit O) and thousands of \$ 52,200,549 that matured on January 2, 2023, and from January 3 to 6, 2022, respectively.

Profit generated by the Bank resulting from the reverse repo transactions entered into during the years ended December 31, 2022 and 2021 amount to thousands of \$ 6,309,399 and thousands of \$ 9,842,908, respectively, and they are recognized in the “Interest income” account (Exhibit Q).

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### NOTE 6. ADJUSTMENT DUE TO LOSSES. ALLOWANCE FOR LOAN LOSSES AND OTHER FINANCING FACILITIES

The changes in this allowance during the years ended December 31, 2022 and 2021 are disclosed in Exhibit R "Adjustment due to losses. Allowance for loan losses". The following tables show the changes in the allowance by portfolio of loans and other financing facilities:

	Commercial loan portfolio	Consumer and housing borrowing portfolio	Total (*)
	Allowance determined individually	Allowance not determined individually	
<b>As of December 31, 2021</b>	<b>2,455,477</b>	<b>1,304,166</b>	<b>3,759,643</b>
Charges (Exhibit R)	1,702,348	553,060	2,255,408
Reversals (Exhibit R)	(745,998)	(170,066)	(916,064)
Utilizations (Exhibit R)	(1,024,900)	(213,438)	(1,238,338)
Monetary gains/losses (Exhibit R)	(1,740,363)	(456,649)	(2,197,012)
<b>As of December 31, 2022 (**)</b>	<b>646,564</b>	<b>1,017,073</b>	<b>1,663,637</b>

	Commercial loan portfolio	Consumer and housing borrowing portfolio	Total (*)
	Allowance determined individually	Allowance not determined individually	
<b>As of December 31, 2020</b>	<b>7,034,262</b>	<b>1,971,529</b>	<b>9,005,791</b>
Charges	1,612,005	1,080,629	2,692,634
Reversals	( 582,457)	(807,334)	(1,389,791)
Utilizations	( 3,016,894)	(240,794)	(3,257,688)
Monetary gains/losses	( 2,591,439)	(699,864)	(3,291,303)
<b>As of December 31, 2021 (**)</b>	<b>2,455,477</b>	<b>1,304,166</b>	<b>3,759,643</b>

(\*) Allowances other than the minimum allowances established by BCRA regulations were included for certain customers based on specific situations, which were approved by the Bank's Board of Directors as of December 2019.

(\*\*) Exhibits B, C and R

### NOTE 7 - CONTINGENT TRANSACTIONS

To meet customers' specific financial needs, the Bank's credit policy also includes, among others, granting sureties, guarantees, letters of credit and documentary credits. Although these transactions are not recognized in the statement of financial position, as they imply a potential obligation for the Bank, they pose credit risks additional to those recognized in the Statement of financial position and therefore, they are an integral part of the total risk of the Bank.

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As of December 31, 2022 and 2021, the Bank has no balances from contingent transactions.

### NOTE 8 - DERIVATIVE FINANCIAL INSTRUMENTS

The Bank enters into derivative transactions for trading and risk management 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 to risks associated with the lack of an exchange market where an open position may be closed.

The Bank's exposure resulting from derivative agreements is regularly monitored as part of its general risk management framework. The information on the Bank's objectives and credit risk management policies is included in Note 23.

The Bank's derivative financial instruments are described below:

#### 8.1. Forwards and Futures:

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 year-end and they are not indicative of the market risk or the credit risk.

	12/31/2022		12/31/2021	
	Notional value in thousand of USD	Carrying amount in thousand of \$	Notional value in thousand of USD	Carrying amount in thousand of \$
Purchase of forward contracts	-	-	2,000	(389)
<b>Forward purchases of foreign currency without delivery of the underlying asset</b>	-	-	<b>2,000</b>	<b>(389)</b>
Sale of forward contracts	( 2,000)	700	(5,000)	1,188
<b>Forward sale of foreign currency without delivery of the underlying asset</b>	<b>( 2,000)</b>	<b>700</b>	<b>(5,000)</b>	<b>1,188</b>
<b>Total economic hedge derivatives</b>	<b>( 2,000)</b>	<b>700</b>	<b>(3,000)</b>	<b>799</b>
<b>Total derivative financial instruments</b>	<b>( 2,000)</b>	<b>700</b>	<b>(3,000)</b>	<b>799</b>

The previous table shows the fair value of derivative financial instruments recognized as assets or liabilities as disclosed in the statement of financial position. The changes in fair values are recognized in profit (loss), the breakdown of which is disclosed in Exhibit Q "Breakdown of profit (loss)", except for the specific treatment under hedge accounting, if applicable, which is recognized under "Other comprehensive income" in the statement of comprehensive income.

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### NOTE 9 - LEASES

According to IFRS 16, as from the fiscal year beginning on January 1, 2019, the Group assesses all the contracts executed to identify whether they contain a lease, i.e. the right to control the use of an identified asset for a period of time for consideration.

#### 9.1. Operating lease commitments: Group as lessee:

The Bank and its subsidiary entered into commercial contracts involving the lease of offices, photocopying machines and a water dispenser. These lease contracts have an average life of one to seven years and contain no restrictions for the Bank and its subsidiary. According to the exemptions allowed by IFRS 16, the Bank and its subsidiary 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, 2022 and 2021, the assets recognized for the right to use the assets identified in the lease contracts previously mentioned amount to thousands of \$ 221,411 and thousands of \$ 442,921, respectively (Exhibit F). Those assets were measured at cost, less any accumulated depreciation and accumulated impairment losses, and were charged to "Bank premises and equipment". Asset depreciation charges for the year ended December 31, 2022 and 2021, amounted to thousands of \$ 247,570 (Exhibit F) and thousands of \$ 247,911, respectively and are recognized in "Depreciation and impairment in value of assets".

The liabilities arising from lease contracts as of December 31, 2022 and 2021, amounted to thousands of \$ 195,979 and thousands of \$ 427,362, respectively (Note 14.2). Those liabilities were measured at the present value of lease payments discounted at their imputed rates, increased by accrued interest, less payments made, and they were charged to "Other financial liabilities" (Note 14.2). Interest accrued from those liabilities for the years ended December 31, 2022 and 2021, amounted to thousands of \$ 17,609 and thousands of \$ 33,830, respectively and it is recognized in "Other operating expenses" (Note 19.6).

#### 9.2. Finance lease commitments and capital lease options:

The Bank entered into finance lease contracts related to machinery and vehicles. The carrying amount of the assets incorporated under finance leases as of December 31, 2022 and 2021 is thousands of \$ 8,933,585 and thousands of \$ 9,922,954, respectively. These assets were granted as collateral for the related finance leases.

The following table shows total gross investment in finance leases agreed to the present value of minimum payments to be received therefrom:

Term	Balances as of 12/31/2022		Balances as of 12/31/2021	
	Total investment	Current value of minimum payments	Total investment	Current value of minimum payments
From 1 to 5 years	8,933,585	6,701,786	14,775,474	9,922,954
<b>Total</b>	<b>8,933,585</b>	<b>6,701,786</b>	<b>14,775,474</b>	<b>9,922,954</b>

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As of December 31, 2022 and 2021, the accumulated allowances for loan losses amount to thousands of \$ 221,208 and thousands of \$ 1,171,297 respectively (Exhibit R).

### 9.3. Operating lease commitments: Bank as lessor:

The Bank entered into commercial contracts to lease its investment property, including two pieces of real property. The term for these leases is as follows:

Real property	Total lease term
Piece of real property Puerto Deseado	2 years
Piece of real property at Carlos Pellegrini 675	3 years

The minimum future payments for non-cancellable operating lease contracts are as follows:

Term	12/31/2022	12/31/2021
Up to 1 year (*)	10,205	26,307
From 1 to 3 years	-	19,285
<b>Total</b>	<b>10,205</b>	<b>45,592</b>

(\*) The contract for the piece of real property Puerto Deseado is extended. Future conditions are being negotiated.

## NOTE 10 – INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Entity's subsidiaries are as follows:

Name	Registered office	Country	Main business activity
<b>BICE Fideicomisos S.A.</b>	25 de Mayo 526- City of Buenos Aires	Argentina	Trust management
<b>Fundación BICE</b>	Bartolomé Mitre 836 - City of Buenos Aires	Argentina	Nonprofit organization

Name	Interest	
	December 31, 2022	December 31, 2021
BICE Fideicomisos	99.46 %	99.46 %
Fundación BICE	(a)	-

(a) BICE's Board of Directors resolved to set up Fundación BICE, being the Entity the sole founding member. The Foundation was organized on August 18, 2021 and its operation was approved by the Supervisory Board of Companies through Resolution 190/2022 on March 16, 2022.

The Entity undertook to pay thousands of \$ 500, which will constitute the initial equity of the Foundation. It also agreed to make the following donations during the first three years of the Foundation: the first year, thousands of \$ 10,000, the second year, thousands of \$ 12,000 and the third year, thousands of \$ 13,000.

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The Bank does not have any investments in associates or joint ventures to the date of issuance of these financial statements.

### NOTE 11 – RELATED PARTIES

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

- has control or joint control over the Bank or its subsidiaries;
- has significant influence over the Bank or its subsidiaries;
- is a member of the key management personnel of the reporting entity or of a parent of the Bank or its subsidiaries;
- is a member of the same group.

Pursuant to IAS 24, key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Bank, directly or indirectly. Based on such definition, as of December 31, 2022 and 2021, the Bank considers that key personnel include the Board members and the General Manager.

Below is a breakdown of the most significant transactions and balances with related parties, subject to the exception of paragraph 25 of IAS 24 and considering that the shareholders are BNA and the Ministry of Economy.

	<u>12/31/2022</u>	<u>12/31/2021</u>
<b>Ministry of Economy</b>		
Loans and other financing facilities	1,163,698	932,615
Other financial assets	7,138,516	245,194
Time deposits	(2,509,114)	-
Other financial liabilities (Note 14.2)	(33,595,947)	(29,878,060)
<b>BNA</b>		
Cash and deposits with banks	14,064,698	4,473,907
Loans and other financing facilities	8,857,575	17,833,403
Financing obtained from the BCRA and other financial institutions (Note 15)	( 705,637)	(1,013,656)
Other financial liabilities (Note 14.2)	( 226,228)	(352,542)

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

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Profit or loss arising from transactions with related parties are detailed below:

	Accumulated as of 12/31/2022	Accumulated as of 12/31/2021
<b>Ministry of Economy</b>		
Interest income	79,025	8,096,604
Interest expense	(4,745,690)	(169,080)
Commission income	227	4,141
<b>BNA</b>		
Interest income	111,886	12,609
Interest expense	( 64,462)	(304,345)
Commission expense	( 785)	(28,775)
Other operating income	115,068	-
Allowance for loan losses	-	( 98,182)

Directors do not assume any executive positions at the Bank and, therefore, they do not earn any other remuneration, and the Bank's policy does not contemplate the possibility of granting other benefits such as equity interests. The Bank has not performed any transactions with its Board of Directors or granted any loans to its members, nor are there any transactions proposed involving those individuals.

The Bank has not granted share-backed loans to directors or other key management personnel. The compensation of key management personnel comprising salaries, fees and bonuses amounts to thousands of \$ 256,599 and thousands of \$ 268,392 for the fiscal years ended December 31, 2022, and 2021, respectively.

As of December 31, 2022 and 2021, loans to employees amount to thousands of \$ 117,490 and thousands of \$ 27,201 respectively.

### NOTE 12- EMPLOYEE BENEFITS PAYABLE

#### 12.1. Short-term benefits

The amounts payable to employee on account of short-term benefits are as follows:

	12/31/2022	12/31/2021
Payroll and social security contributions payable	206,333	226,521
Provision for vacation days not taken	446,382	532,993
Provision for performance bonus	473,846	-
<b>Total short-term benefits (Note 14.4)</b>	<b>1,126,561</b>	<b>759,514</b>

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### 12.2. Long-term benefits

The provision set up for the abovementioned benefits is broken down below:

	12/31/2022	12/31/2021
5-year award	249	251
10-year award	4,934	6,561
20-year award	8,406	9,969
30-year award	5,158	-
<b>Total long-term benefits (Note 14.4)</b>	<b>18,747</b>	<b>16,781</b>

### 12.3. Post employment benefits:

The provision set up for the abovementioned benefits is broken down below:

	12/31/2022	12/31/2021
Post-employment benefit (Note 16 and Exhibit J)	617,209	510,898
<b>Total Post employment benefits</b>	<b>617,209</b>	<b>510,898</b>

### 12.4 Key assumptions used in measuring the present value of benefit liabilities

The main key assumptions used in determining the liabilities arising from post-employment benefit plans as of December 31, 2022 and 2021 are as follows:

<b>Discount rate:</b>	
Post-employment benefits plan – Nominal rate	106.50 %
Post-employment benefits plan – Real rate	3.25 %
<b>Future salary increases</b>	
Post-employment benefits plan – Nominal rate	104.40 %
Post-employment benefits plan – Real rate	2.20 %
<b>Healthcare cost increase rate</b>	100.00 %

To calculate the benefit (both for men and women) a 5% annual turnover rate is considered for ages 20 through 55 as well as the GAM 94 mortality table with no improvement factors.

### Sensitivity analysis in light of the changes in the key assumptions used in measuring the present value of benefit liabilities

Below is an example of a quantitative sensitivity analysis showing a change in a significant key assumption as of December 31, 2022:

Assumptions	Real discount rate: 3.25 %		Real future salary increases 2.20%	
	Increase +10%	Decrease -10%	Increase +10%	Decrease -10%
Impact on the net benefit liability	-2.66 %	+2.80 %	+1.51 %	-1.56 %

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Assumptions	Life expectancy	
	Increase 1 year	Decrease 1 year
Sensitivity Level		
Impact on the net benefit liability	0.40 %	-0.40 %

The abovementioned sensitivity analyses have been determined based on a method that extrapolates the impact on the net benefit liability resulting from reasonably possible changes in the key assumptions used at each reporting date.

### NOTE 13 – FIXED ASSETS

#### 13.1. Bank premises and equipment

The account includes the tangible assets owned by the Group. The changes in these assets as of December 31, 2022 and 2021 are disclosed in Exhibit F "Changes in Bank premises and equipment".

#### 13.2. Investment properties

The account includes the investment properties owned by the Bank, used for its specific activity. The changes in these assets as of December 31, 2022 and 2021 are disclosed in Exhibit F BIS "Changes in investment properties".

#### 13.3. Intangible assets

The account includes the intangible assets owned by the Bank, used for its specific activity. The changes in these assets as of December 31, 2022 and 2021 are disclosed in Exhibit G "Changes in intangible assets".

### NOTE 14 – OTHER ASSETS AND LIABILITIES

#### 14.1. Other financial assets

The Other financial assets held by the Bank are as follows:

	Amount as of 12/31/2022	Amount as of 12/31/2021
Sundry receivables	8,497,596	1,994,645
Investment in financial assets	588,970	883,391
<b>Subtotal Other financial assets</b>	<b>9,086,566</b>	<b>2,878,036</b>
Allowance for loan losses (Exhibit R)	( 217,193)	(284,002)
<b>Total Other financial assets</b>	<b>8,869,373</b>	<b>2,594,034</b>

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### 14.2. Other financial liabilities

The Other financial liabilities held by the Bank are as follows:

	Payables as of 12/31/2022	Payables as of 12/31/2021
Productive Transformation Department (Ministry of Economy) - PROCER (Note 11)	439,229	905,917
Productive Transformation Department (Ministry of Economy) - FONCER (Note 11)	136,309	265,521
Finance Fund for Developing the Río de la Plata Basin – FONPLATA (Ministry of Economy) (Note 11)	605,522	1,716,539
Banco Europeo de Inversiones (BEI) line – (Ministry of Economy) (Note 11)	1,986,293	7,410,929
World Bank line (Ministry of Economy) (Note 11)	6,013,330	8,179,477
IDB-GCF line (Ministry of Economy) (Note 11)	6,316,878	4,924,087
Productive Transformation Department (Ministry of Economy) - PROCER II (Note 11)	11,287,078	4,942,697
IDB line-Leasing (Foncer)	5,454,732	-
Finance lease (Note 9.1)	195,979	427,362
Administration of the program to boost the competitiveness of regional economies (PROCER – Ministry of Economy) (Note 11)	1,356,576	1,532,893
Interest on BNA preferred stock (Note 11)	226,228	352,542
<b>Subtotal Other financial liabilities</b>	<b>34,018,154</b>	<b>30,657,964</b>
Other financial liabilities	185,825	3,010,705
<b>Total Other financial liabilities</b>	<b>34,203,979</b>	<b>33,668,669</b>

### 14.3 – Other nonfinancial assets

The Other financial assets held by the Bank are as follows:

	Amount as of 12/31/2022	Amount as of 12/31/2021
Directors' and Statutory Auditors' fee advances	188,838	205,634
Advances to personnel	117,490	27,201
Prepayments	82,015	47,652
Prepayments for the purchase of assets	85,492	259,210
Investment properties (Exhibit F BIS)	781,153	798,935
Tax withholdings and collections	24,665	49,380
<b>Subtotal Other nonfinancial assets</b>	<b>1,279,653</b>	<b>1,388,012</b>
Other nonfinancial assets	11,897	22,149
<b>Total Other nonfinancial assets</b>	<b>1,291,550</b>	<b>1,410,161</b>

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### 14.4. Other nonfinancial liabilities

The Other nonfinancial liabilities held by the Bank are as follows:

	Payables as of 12/31/2022	Payables as of 12/31/2021
Provision for Directors' fees	209,375	241,394
Provision for Statutory Auditors' fees	36,459	39,003
Bonus collected in advance	168,342	446,343
Collections made in advance	40,758	753,042
Interest collected in advance	80	156
Provision for short-term employee benefits (Note 12.1)	1,126,561	759,514
Provision for long-term employee benefits (Note 12.2)	18,747	16,781
Other taxes payable	2,088,128	1,493,071
Other creditors	631,349	1,215,732
<b>Subtotal Other nonfinancial liabilities</b>	<b>4,319,799</b>	<b>4,965,036</b>
Other nonfinancial liabilities	18,662	17,702
<b>Total Other nonfinancial liabilities</b>	<b>4,338,461</b>	<b>4,982,738</b>

### NOTE 15. FINANCING OBTAINED FROM THE BCRA AND OTHER FINANCIAL INSTITUTIONS

The table below details the financing received by the Bank:

Item	Payables as of 12/31/2022	Payables as of 12/31/2021
China Development Bank (CDB)	10,763,097	18,062,809
Inter-American Development Bank (IDB)	2,078,142	2,345,524
Inter-American Development Bank (IDB)- sustainable bond	1,337,111	2,992,776
French Development Agency (AFD)	8,105,775	10,150,027
Banco de la Nación Argentina (Note 11)	705,637	1,013,656
<b>Total financing obtained from the BCRA and other financial institutions</b>	<b>22,989,762</b>	<b>34,564,792</b>

### NOTE 16 - PROVISIONS

It includes the amounts estimated to meet current obligations that are probable.

Exhibit J "Changes in provisions" shows the changes in provisions over the year ended December 31, 2022. The increases in provisions in Exhibit J include the increase in the amount discounted as a result of the time elapsed and the effect of the change in the discount rate.

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As of December 31, 2022 and 2021, the main provisions are as follows:

- Provisions for contingencies: Including the following provisions:
  - ✓ Provision for court expenses arising from the turnover tax claim for the 2002-2004 period: Related to the provision for fees that may be set for the professionals involved in Case No. 14656/2009 (accountant expert witness and Buenos Aires City's legal counsel). It is estimated that such amount and payment request as of December 31, 2022 and 2021 totals thousands of \$ 502 and thousands of \$ 977, respectively.
  - ✓ Other contingencies involving labor lawsuits filed against the Bank. It is estimated that such amount and payment request as of December 31, 2022 and 2021 totals thousands of \$ 153,162 and thousands of \$ 263,494, respectively.
- Provision for post-employment defined benefit plans: related to the provision for post-employment benefits detailed in Note 12.3.

In the opinion of the Bank's Management and its legal counsels, there are no significant effects other than those disclosed in these consolidated financial statements, the amounts and payment terms of which were recorded based on the current value of those estimates as well as the probable date of their final resolution.

### **NOTE 17 - INCOME TAX**

#### **17.1. Income tax and deferred tax**

The Income tax shall be recognized by applying the deferred method, which consists in recognizing (as a credit or debit) the tax effect of temporary differences between the carrying amount and tax base of assets and liabilities, and subsequently recording them in the statement of income for the years in which such differences are reversed, also considering the use of the tax loss carryforwards in the future.

The current income tax assets/liabilities disclosed in the statement of financial position as of December 31, 2022 and 2021 are as follows:

	<b>BICE</b>	<b>BICE Trusts</b>
Income tax prepayments	156,410	17,490
Other credits	100,476	-
Minimum presumed income tax (Note 17.3)	94,890	-
Provision for income tax	( 512,622)	-
<b>Current income tax assets/ (liabilities) as of 12/31/2022</b>	<b>(160,846)</b>	<b>17,490</b>

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	BICE	BICE Trusts
Income tax prepayments	-	22,643
Other credits	105,418	-
Minimum presumed income tax	184,839	-
<b>Current income tax assets as of 12/31/2021</b>	<b>290,257</b>	<b>22,643</b>

As of December 31, 2022, the Entity's net deferred tax liabilities amounts to thousands of \$ 789,069 and as of December 31, 2021, net deferred assets amounted to thousands of \$ 2,588,797. On the other hand, as of December 31, 2022 and 2021, BICE Fideicomisos recognized net deferred tax assets in the amount of thousands of \$ 78,823 and thousands of \$ 220,239, respectively.

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

	12/31/2022	12/31/2021
<b>Deferred tax assets:</b>		
Loans	528,528	596,108
Other nonfinancial assets	70,913	46,904
Provisions included in liabilities	284,693	276,544
Inflation adjustment	1,497,893	4,204,083
Tax loss 2019	24,447	226,722
Employee benefits	147,478	175,937
Other	351	(130,562)
<b>Total deferred assets</b>	<b>2,554,303</b>	<b>5,395,736</b>
	12/31/2022	12/31/2021
<b>Deferred tax liabilities:</b>		
Financial Instruments	(2,529,513)	(1,459,932)
Investments in equity instruments	-	( 561,147)
Corporate bonds	-	( 43,388)
Loans and other financing facilities	( 59,216)	(113,185)
Finance lease	8,903	5,446
Other	( 114,300)	103,646
Bank premises and equipment	(570,423)	(518,140)
<b>Total deferred liabilities</b>	<b>( 3,264,549)</b>	<b>(2,586,700)</b>
<b>Deferred tax (liabilities) / assets, net</b>	<b>(710,246)</b>	<b>2,809,036</b>

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The changes in net deferred tax assets as of December 31, 2022 and 2021 are summarized as follows:

	<b>BICE</b>	<b>BICE Trusts</b>
Deferred tax assets at beginning of year, net	2,588,797	220,239
Monetary gains/losses	( 2,499,798)	(248,592)
Deferred tax (expense) / benefit recognized in profit or loss (net of the reversal of the provision)	(423,963)	107,176
Use of the tax loss in connection with the income tax	(226,722)	-
Deferred tax expense through other comprehensive income	(227,383)	-
<b>Deferred (liabilities) / assets as of 12/31/2022</b>	<b>(789,069)</b>	<b>78,823</b>

	<b>BICE</b>	<b>BICE Trusts</b>
Deferred tax assets at beginning of year, net	6,385,583	403,158
Monetary gains/losses	(2,133,798)	-
Deferred tax expense through profit or loss (net of the reversal of the provision)	(834,685)	(182,919)
Use of the tax loss in connection with the income tax	(682,463)	-
Deferred tax expense through other comprehensive income	(145,840)	-
<b>Deferred assets as of 12/31/2021</b>	<b>2,588,797</b>	<b>220,239</b>

The following table shows a reconciliation between the income tax expense and the amounts arising from applying the effective tax rate in Argentina to taxable income:

a) Reconciliation of income tax expense and tax rate for BICE:

	<b>12/31/2022</b>	<b>12/31/2021</b>
Income before income tax	5,248,428	5,918,076
Other comprehensive income (loss) before income tax	( 649,954)	418,116
<b>Total comprehensive income (loss) before income tax</b>	<b>4,598,474</b>	<b>6,336,192</b>
Statutory income tax rate	35 %	35 %
Tax on income	<b>(1,609,466)</b>	<b>(2,217,667)</b>
Permanent differences:		
Non-deductible expenses (Law 24475)	( 1,357)	(1,960)
Adjustment due to change in tax rate	-	950,813
Investments in equity instruments	85,639	95,862
Other equity interests	921,618	574,975
Other adjustments	281,218	(258,531)
Reversal of tax loss carryforward	-	676,862
Tax inflation adjustment	7,564,036	4,649,569
Accounting inflation adjustment	(11,132,179)	(8,266,707)
<b>Total income tax expense</b>	<b>(3,890,491)</b>	<b>(3,796,784)</b>

As of December 31, 2022 and 2021, the effective income tax is 84.60% and 59.92% respectively.

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CLAUDIO SALA  
PUBLIC ACCOUNTANT (U.B.A.)  
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### b) Reconciliation of income tax expense and tax rate for BIFISA:

	12/31/2022	12/31/2021
Income before income tax	780162	575,094
<b>Total comprehensive income (loss) before income tax</b>	<b>780,162</b>	<b>575,094</b>
Statutory income tax rate	30 %	30 %
Tax on income	( 234,049)	(172,528)
Permanent differences:		
Non-deductible expenses (Law 24475)	( 11,355)	(8,084)
Other adjustments	178,682	109,374
Understated prior-year provision for income tax	(400)	-
Tax inflation adjustment	609,630	368,934
Accounting inflation adjustment	(684,324)	(378,171)
<b>Total income tax expense</b>	<b>(141,816)</b>	<b>(80,475)</b>

As of December 31, 2022 and 2021, the effective income tax is 18.18% and 13.99% respectively.

The income tax expense disclosed in the statement of income is broken down as follows:

	Accumulated as of 12/31/2022	Accumulated as of 12/31/2021
Current income tax expense	(629,014)	(682,464)
Deferred tax expense for the year	(3,630,274)	(3,322,470)
Benefit from increase in tax rate	-	259,768
(Understated)/overstated prior-year provision for current income tax	(402)	13,747
Deferred tax benefit/(expense) through other comprehensive income	227,383	(145,840)
<b>Total income tax expense</b>	<b>(4,032,307)</b>	<b>(3,877,259)</b>

As of December 31, 2022, the Bank offset against the income tax the amount of thousands of \$ 466,745 related to the tax loss carryforward for fiscal year 2019.

### 17.2. Corporate income tax rate

Law No. 27430, subsequently amended by the Social Solidarity and Production Reactivation Law within the framework of the Public Emergency (the "Public Emergency Law") established the following income tax rates:

- 30% for fiscal years beginning on or after January 1, 2018 and to 25% for fiscal years beginning as from 2022; and
- dividends distributed to individuals and foreign beneficiaries by the entities as from the fiscal years indicated above shall be taxed at the 7% and 13% rates, respectively.

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On June 16, 2021, the Executive Branch passed and published Law No. 27630 that rendered ineffective the general rate reduction explained above, and a system of tax brackets in force for fiscal years beginning on or after January 1, 2021 was introduced.

The amounts of the tax brackets published in the aforementioned law will be adjusted annually as from January 1, 2022, based on the variations in the consumer price index (IPC) measured as of October of each year.

The adjusted amounts for fiscal year 2022 are as follows:

Accumulated taxable income		Amount Payable \$	Plus %	Over the excess of \$
From \$	To \$			
0	\$ 7,604,949	\$ 0	25 %	\$ 0
\$ 7,604,949	\$ 76,049,486	\$ 1,901,237	30 %	\$ 7,604,949
\$ 76,049,486	Or more	\$ 22,434,598	35 %	\$ 76,049,486

Moreover, the rate applicable to dividends on profits generated in fiscal years beginning on or after January 1, 2018 was unified at 7%.

As a consequence of the amendment mentioned, as of December 31, 2022, the current income tax was stated by applying the progressive tax rates to taxable income assessed at such date, while the deferred tax balances were stated by applying the progressive tax rate expected to prevail when temporary differences be reversed.

### 17.3. Minimum presumed income tax

The minimum presumed income tax was established in fiscal year 1998 by Law No. 25063 for a term of ten fiscal years. At present, after successive extensions and considering the provisions of Law No. 27260, the referred tax was repealed for the fiscal years beginning on or after January 1, 2019. The minimum presumed income tax was supplementary to the income tax because, whereas the latter was levied on taxable income for the year, minimum presumed income tax was a minimum levy on the potential income of certain productive assets at a 1% rate. Therefore, the Company's tax liability was represented by the highest of the two taxes.

However, if minimum presumed income tax exceeded income tax in a given fiscal year, such excess could be computed as a credit towards future income taxes, in excess of minimum presumed income tax, occurring in any of the next ten fiscal years, once the accumulated tax loss carryforwards have been used.

As of December 31, 2022, no minimum presumed income tax was assessed because it was repealed. A minimum presumed income tax credit balance of thousands of \$ 94,890 remains, as assessed in 2018 (Note 17.1).

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### 17.4. Tax inflation adjustment

Law No. 27430, as amended by the Public Emergency Law, established the mandatory adoption of the inflation adjustment following the procedure set forth in the Income Tax Law, as from the fiscal year in which the applicable statutory criteria are met, that is, the fiscal year ended December 31, 2019.

Based on the transition methodology provided for by the tax regulations, the tax inflation adjustment either gain or loss, is recognized in six annual installments in taxable income as from the year corresponding to the calculation. As from the years beginning on January 1, 2021, the amount of tax inflation adjustment is recognized in taxable income for the same fiscal year.

a) The tax inflation adjustment recognized by BICE is as follows:

Fiscal year ended	Impact of inflation adjustment	Recognized in taxable income/loss as of				Deferred assets as of 12/31/2022	At the tax rate (35%)
		12/31/2019	12/31/2020	12/31/2021	12/31/2022		
December 31, 2019	5,374,152	895,692	895,692	895,692	895,692	1,791,384	626,984
December 31, 2020	4,632,265	-	772,044	772,044	772,044	2,316,133	810,647
<b>TOTAL DEFERRED TAX ASSETS FROM TAX INFLATION ADJUSTMENT AS OF 12/31/2022</b>						<b>4,107,517</b>	<b>1,437,631</b>

b) The tax inflation adjustment recognized by BICE Fideicomisos S.A. is as follows:

Fiscal year ended	Impact of inflation adjustment	Recognized in taxable income/loss as of				Deferred assets as of 12/31/2022	At the tax rate (30%)
		12/31/2019	12/31/2020	12/31/2021	12/31/2022		
December 31, 2019	242,924	40,487	40,487	40,487	40,487	80,976	24,293
December 31, 2020	239,795	-	39,966	39,966	39,966	119,897	35,969
<b>TOTAL DEFERRED TAX ASSETS FROM TAX INFLATION ADJUSTMENT AS OF 12/31/2022</b>						<b>200,873</b>	<b>60,262</b>

### NOTE 18. 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, 2022 and 2021:

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	Past due/ with no due date	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
Cash and deposits with banks	30,407,530	-	-	-	-	-	-	30,407,530
Securities at fair value through profit or loss	153,363	4,395,458	3,696,375	4,506,684	4,537,809	1,430,241	35,697	18,755,627
Derivative instruments	-	700	-	-	-	-	-	700
Repo transactions	-	3,199,189	-	-	-	-	-	3,199,189
Other financial assets (not including allowances)	8,909,438	-	-	-	-	-	177,128	9,086,566
Loans and other financing facilities (not including allowances)	836,908	14,239,727	6,212,856	7,244,742	8,213,532	11,652,488	33,067,574	81,467,827
- Nonfinancial government sector	-	1,500,977	96,250	144,375	240,625	-	-	1,982,227
- Other financial institutions	8	342,498	327,996	819,149	1,206,616	1,308,072	577,888	4,582,227
- Nonfinancial private sector and foreign residents	836,900	12,396,252	5,788,610	6,281,218	6,766,291	10,344,416	32,489,686	74,903,373
Other debt securities (not including allowances)	1,156,830	20,862,855	7,317,808	6,811,427	7,828,686	3,047,973	7,271,375	54,296,954
Financial assets delivered in guarantee	4,923	48	-	-	454	1,513,515	-	1,518,940
Investments in equity instruments	8,302,135	-	-	-	-	-	-	8,302,135
Allowances deducted from assets	( 1,923,057)	-	-	-	-	-	-	( 1,923,057)
<b>TOTAL ASSETS</b>	<b>47,848,070</b>	<b>42,697,977</b>	<b>17,227,039</b>	<b>18,562,853</b>	<b>20,580,481</b>	<b>17,644,217</b>	<b>40,551,774</b>	<b>205,112,411</b>
Deposits	-	53,421,429	26,733,650	1,260,201	164,499	-	-	81,579,779
- Nonfinancial government sector	-	34,230,893	13,047,161	546,173	-	-	-	47,824,227
- Nonfinancial private sector and foreign residents	-	19,190,536	13,686,489	714,028	164,499	-	-	33,755,552
Other financial liabilities	-	5,460,141	1,441,012	240,316	645,457	1,616,214	24,800,839	34,203,979
Financing facilities obtained from the BCRA and other financial institutions	-	71,001	1,173,660	3,542,738	3,782,855	6,298,550	8,120,958	22,989,762
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>58,952,571</b>	<b>29,348,322</b>	<b>5,043,255</b>	<b>4,592,811</b>	<b>7,914,764</b>	<b>32,921,797</b>	<b>138,773,520</b>

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	Past due/ with no due date	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 12/31/2021
Cash and deposits with banks	15,783,054	-	-	-	-	-	-	15,783,054
Securities at fair value through profit or loss	351,045	6,341,730	10,499,598	5,500,839	3,516,804	239,325	45,028	26,494,369
Derivative instruments	-	1,247	-	-	-	-	-	1,247
Repo transactions	-	52,200,549	-	-	-	-	-	52,200,549
Other financial assets (not including allowances)	2,432,692	-	245,194	-	-	-	200,150	2,878,036
Loans and other financing facilities (not including allowances)	2,745,154	25,507,680	7,231,876	9,478,975	11,583,609	19,641,752	36,165,305	112,354,351
- Nonfinancial government sector	-	936,566	-	-	-	-	-	936,566
- Other financial institutions	41	718,282	603,594	1,417,072	1,912,102	3,022,111	1,720,994	9,394,196
- Nonfinancial private sector and foreign residents	2,745,113	23,852,832	6,628,282	8,061,903	9,671,507	16,619,641	34,444,311	102,023,589
Other debt securities (not including allowances)	532,289	7,200,775	95,104	534,125	1,308,907	4,197,302	9,899,559	23,768,061
Financial assets delivered in guarantee	377	197	-	-	94	505	2,637,782	2,638,955
Investments in equity instruments	9,380,278	-	-	-	-	-	-	9,380,278
Allowances deducted from assets	( 4,249,410)	-	-	-	-	-	-	( 4,249,410)
<b>TOTAL ASSETS</b>	<b>26,975,479</b>	<b>91,252,178</b>	<b>18,071,772</b>	<b>15,513,939</b>	<b>16,409,414</b>	<b>24,078,884</b>	<b>48,947,824</b>	<b>241,249,490</b>
Deposits	-	78,656,770	30,395,255	1,866,830	-	-	-	110,918,855
- Nonfinancial government sector	-	67,083,371	24,545,787	-	-	-	-	91,629,158
- Nonfinancial private sector and foreign residents	-	11,573,399	5,849,468	1,866,830	-	-	-	19,289,697
Derivatives	-	448	-	-	-	-	-	448
Other financial liabilities	-	8,264,884	603,179	328,184	918,808	1,796,196	21,757,418	33,668,669
Financing facilities obtained from the BCRA and other financial institutions	-	60,733	211,275	4,037,443	4,624,049	8,878,217	16,753,075	34,564,792
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>86,982,835</b>	<b>31,209,709</b>	<b>6,232,457</b>	<b>5,542,857</b>	<b>10,674,413</b>	<b>38,510,493</b>	<b>179,152,764</b>

(\*) Including reprofiled instruments as per Presidential Decrees No. 596/2019 and No. 49/2019 (see Note 31).

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### NOTE 19 - BREAKDOWN OF ACCOUNTS

#### 19.1. Commission income

	Accumulated as of 12/31/2022	Accumulated as of 12/31/2021
<i>Performance obligations satisfied at a point in time:</i>		
- Commissions on early repayment	9,724	7,977
- Commissions on insurance agents	37,483	70,247
- Commissions on bank account debits	411	830
- Other fees	80,213	50,490
<i>Performance obligations met over time:</i>		
Commissions on foreign-trade transactions	29,437	28,409
	<b>157,268</b>	<b>157,953</b>

#### 19.2. Difference in quoted prices of foreign currency

	Accumulated as of 12/31/2022	Accumulated as of 12/31/2021
Conversion into Argentine pesos of assets and liabilities in foreign currency	5,871,392	11,350,791
Foreign exchange gains (losses)	315,289	112,926
	<b>6,186,681</b>	<b>11,463,717</b>

#### 19.3. Other operating income

	Accumulated as of 12/31/2022	Accumulated as of 12/31/2021
Rentals	30,139	39,326
Allowance reversed	(1) 968,152	1,637,912
Punitive interest	388,935	722,268
Revenues from trust management	3,220,904	2,940,339
Recovered receivables	166,998	802,316
Other	(2) 15,167,230	112,338
	<b>19,942,358</b>	<b>6,254,499</b>

(1) Exhibit R

(2) Including thousands of \$ 15,000,000 related to a non-refundable contribution (Note 34)

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### 19.4. Employee benefits

	Accumulated as of 12/31/2022	Accumulated as of 12/31/2021
Compensations	(4,783,530)	(4,579,081)
Social security contributions	( 895,750)	(847,462)
Severance pay and employee bonuses	( 855,514)	(31,860)
Services and benefits provided to employees	( 518,058)	(571,068)
Post-employment benefits. Defined benefits	(1) (463,441)	(259,626)
	<b>(7,516,293)</b>	<b>(6,289,097)</b>

(1) Exhibit J

### 19.5. Administrative expenses

	Accumulated as of 12/31/2022	Accumulated as of 12/31/2021
Entertainment and per diem expenses	( 65,928)	(45,969)
Administrative services hired	( 51)	-
Surveillance services	( 32,255)	(33,020)
Directors' and statutory auditor's fees	( 341,570)	(348,265)
Other professional fees	( 405,521)	(389,962)
Insurance	(167,638)	(176,755)
Rentals	( 16,379)	(39,425)
Stationery and office supplies	(3,056)	(2,004)
Electric power and communications	( 74,287)	(114,507)
Advertising and marketing	( 62,610)	(54,098)
Taxes	( 426,537)	(438,591)
Maintenance, preservation and repair expenses	( 462,097)	(573,455)
Other	( 551,410)	(431,965)
	<b>(2,609,339)</b>	<b>(2,648,016)</b>

### 19.6. Other operating expenses

	Accumulated as of 12/31/2022	Accumulated as of 12/31/2021
Contribution to the deposit guarantee fund (Note 27)	( 167,788)	(205,982)
Finance leases taken (Note 9.1)	( 17,609)	(33,830)
Turnover tax	(5,763,995)	(4,154,357)
Punitive interest and charges payable to the BCRA	( 993)	(11,678)
Other allowances	(1) (90,624)	(213,460)
Other adjustments and interest on miscellaneous payables	(254)	-
Other	( 115,118)	(384,956)
	<b>(6,156,381)</b>	<b>(5,004,263)</b>

(1) Exhibit J

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### NOTE 20. ADDITIONAL INFORMATION ABOUT THE STATEMENT OF CASH FLOWS

The Group presents the cash flows from its transactions using the indirect method, and considers cash as part of the "Cash and deposits with banks" account.

### NOTE 21. QUANTITATIVE AND QUALITATIVE INFORMATION ON FAIR VALUES

Exhibit P "Classification of financial assets and liabilities" shows the fair value measurement hierarchy of the Bank's financial assets and liabilities.

#### Financial assets and liabilities not carried at fair value

Below is a description of the methodologies, input and assumptions used in determining the fair value of the financial instruments not carried at fair value in the accompanying financial statements:

- *Assets and liabilities whose fair value is similar to the carrying amount:* for financial assets and liabilities that are liquid or have short-term maturities (less than three months), it is considered that the carrying amount is similar to the fair value.
- *Fixed-rate 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. The estimated fair value of fixed-interest rate deposits was determined by discounting future cash flows by using market interest rates for deposits with similar maturities to those of the Bank's portfolio.
- *Listed assets:* the fair value was determined based on the market prices.
- *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

As of December 31, 2022 and 2021, the Group did not change the methods, inputs and assumptions used in estimating the fair values of the financial instruments.

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.....  
PATRICIA M. ZEISEL  
Partner  
PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. Vol. 286 Fo.105

.....  
EDUARDO PRINA  
GENERAL MANAGER

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PURPOSES  
DATED MARCH 9, 2023

.....  
WALTER A. PARDI  
BY STATUTORY AUDIT COMMITTEE

.....  
MARIANO DE MIGUEL  
CHAIRPERSON

SIGNED FOR IDENTIFICATION  
PURPOSES  
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CLAUDIO SALA  
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The following tables show a comparison between the fair value and the carrying amount of financial instruments not carried at fair value as of December 31, 2022 and 2021, respectively:

		12/31/2022			
	Carrying amount	Fair value			Total fair value
Financial assets		Level 1	Level 2	Level 3	
Cash and due from the BCRA (Central Bank of Argentina)	13,358,864	13,358,864	-	-	13,358,864
Due from other financial institutions	17,048,666	17,048,666	-	-	17,048,666
Repo transactions	3,199,189	3,199,189	-	-	3,199,189
Other financial assets	8,869,373	-	8,869,373	-	8,869,373
Loans and other financing facilities	79,804,190	-	63,515,434	-	63,515,434
Other debt securities	43,493,102	31,967,733	4,422,614	-	36,390,347
Financial assets delivered in guarantee	5,425	5,425	-	-	5,425
<b>Financial liabilities</b>					
Deposits	81,579,779	-	80,826,549	-	80,826,549
Financing obtained from financial institutions and other financial liabilities	57,193,741	-	32,903,599	-	32,903,599

		12/31/2021			
	Carrying amount	Fair value			Total fair value
Financial assets		Level 1	Level 2	Level 3	
Cash and due from the BCRA (Central Bank of Argentina)	6,541,212	6,541,212	-	-	6,541,212
Due from other financial institutions	9,241,842	9,241,842	-	-	9,241,842
Repo transactions	52,200,549	52,200,549	-	-	52,200,549
Other financial assets	1,910,793	-	1,910,793	-	1,910,793
Loans and other financing facilities	108,594,708	-	97,870,118	-	97,870,118
Other debt securities	23,562,296	11,903,223	5,757,033	-	17,660,256
Financial assets delivered in guarantee	1,173	1,173	-	-	1,173
Financial liabilities					
Deposits	110,918,855	-	110,561,681	-	110,561,681
Financing obtained from financial institutions and other financial liabilities	68,233,461	-	52,253,770	-	52,253,770

The Bank Management has not identified any further indicators of impairment in value of its financial assets as a result of differences in their fair value.

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### NOTE 22– SEGMENT REPORTING

For management purposes, the Bank defined the following business segments over which there is differentiated financial information, taking into account the nature of their risks and returns:

- Investment financing: it groups the transactions related to:

- ✓ investment financing, productive security agreements, working capital associated with investment projects,
- ✓ special financial inclusion lines, asset-based financing facilities, regional economies and specific sectors,
- ✓ project finance and structured products,
- ✓ second-tier leasing and
- ✓ capital market.

Foreign trade financing: it groups the transactions related to:

- ✓ Pre- and post-export financing,
- ✓ Long-term export financing (Forfaiting),
- ✓ Issuance of guarantees for foreign trade transactions.

Working capital financing through factoring: it groups factoring transactions for companies.

- Capital lease: it groups capital lease transactions (Note 9)

- Trust management: it groups the trust management transactions where BICE and its subsidiary act as a trustee.

- Treasury transactions: it groups the transactions involving government and private securities.

- Other not elsewhere classified: it includes core functions, as well as the items which may not be directly attributed to a particular segment.

The Bank does not disclose any information by geographic segment because there are no exploitations in economic environments with significantly different risks and profits.

The Board of Directors monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. The performance of the segment is assessed based on operating profit (loss) and is measured consistently with profit and loss in the financial statements. However, income tax is managed comprehensively and it is not allocated to business segments.

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Considering the nature of the business segments described above, the Bank has not determined any internal prices or costs/revenues to be allocated in connection with funding or fund placement, as applicable, between the various segments.

As of December 31, 2022, and 2021, there are no transactions with individual customers representing 10% or more of the Bank's total revenues.

The following tables disclose information in connection with the Bank's business segments:

	Investment	Factoring	Trusts	Foreign trade	Lease	Treasury	Other	Total as of 12/31/2022
<b>TOTAL ASSETS</b>	60,702,780	911,453	5,729,878	5,894,064	7,048,571	116,026,070	11,959,637	<b>208,272,453</b>
<b>TOTAL LIABILITIES</b>	( 55,453,899)	( 832,641)	( 848,015)	( 5,384,413)	( 6,439,091)	( 70,663,476)	( 5,211,234)	<b>( 144,832,769)</b>
	Investment	Factoring	Trusts	Foreign trade	Lease	Treasury	Other	Total as of 12/31/2021
<b>TOTAL ASSETS</b>	77,568,046	861,465	5,995,329	5,837,907	9,074,444	113,705,810	34,596,124	<b>247,639,125</b>
<b>TOTAL LIABILITIES</b>	( 77,884,555)	( 523,176)	( 1,532,767)	( 5,837,907)	( 114,125)	( 68,966,579)	( 30,051,762)	<b>( 184,910,871)</b>
	Investment	Factoring	Trusts	Foreign trade	Lease	Treasury	Other	Total as of 12/31/2022
Interest income	14,607,545	404,287	756,022	197,503	2,727,431	27,964,300	-	46,657,088
Income from adjustments	174,838	-	-	-	-	-	-	174,838
Interest expense	( 10,260,007)	( 154,054)	-	( 996,217)	1,191,352	13,074,063	-	( 25,675,693)
<b>INTEREST INCOME (EXPENSE) NET</b>	<b>4,522,376</b>	<b>250,233</b>	<b>756,022</b>	<b>( 798,714)</b>	<b>1,536,079</b>	<b>14,890,237</b>	<b>-</b>	<b>21,156,233</b>
Commission income	53,000	1	-	29,437	29,582	-	45,248	157,268
Commission expense	( 26,705)	( 401)	-	( 2,593)	( 6,190)	( 72,212)	( 25,010)	( 133,111)
<b>COMMISSION INCOME (LOSS) NET</b>	<b>26,295</b>	<b>( 400)</b>	<b>-</b>	<b>26,844</b>	<b>23,392</b>	<b>( 72,212)</b>	<b>20,238</b>	<b>24,157</b>
Net gain (loss) on financial instruments at fair value through profit or loss	-	-	882,724	-	-	10,672,469	-	11,555,193
Difference in quoted prices of gold and foreign currency	( 9,881,409)	-	580,160	( 1,140,470)	-	16,831,835	( 203,435)	6,186,681
Other operating income	862,577	56,714	3,126,714	151,485	294,626	14,216	15,436,026	19,942,358
Allowance for loan losses	( 1,343,304)	( 21,354)	( 25,044)	( 685,453)	( 236,989)	( 235,323)	-	( 2,547,467)
<b>NET OPERATING INCOME (EXPENSE)</b>	<b>( 5,813,465)</b>	<b>285,193</b>	<b>5,320,576</b>	<b>( 2,446,308)</b>	<b>1,617,108</b>	<b>42,101,222</b>	<b>15,252,829</b>	<b>56,317,155</b>
Employee benefits	( 611,165)	( 142,485)	( 1,202,118)	-	( 198,591)	( 102,347)	( 5,259,587)	( 7,516,293)
Administrative expenses	( 178,689)	( 1,354)	( 399,671)	( 4,797)	( 3,300)	( 22,147)	( 1,999,381)	( 2,609,339)
Depreciation and impairment in value of assets	-	-	( 61,428)	-	-	-	( 567,098)	( 628,526)
Other operating expenses	( 1,485,131)	( 124,051)	( 489,678)	( 22,832)	( 284,778)	( 3,693,506)	( 56,405)	( 6,156,381)

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OPERATING PROFIT (LOSS)	( 8,088,450)	17,303	3,167,681	2,473,937	1,130,439	38,283,222	7,370,358	39,406,616
GAIN/LOSS FROM NET MONETARY POSITION								( 34,012,925)
PROFIT (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAX								5,393,691
INCOME TAX ON CONTINUING OPERATIONS								( 4,259,690)
OTHER COMPREHENSIVE INCOME (LOSS)								( 422,571)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>								<b>711,430</b>

	Investment	Factoring	Trusts	Foreign trade	Lease	Treasury	Other	Total as of 12/31/2021
Interest income	13,154,590	265,414	298,998	320,098	3,308,052	14,448,884	5,973,864	37,769,900
Income from adjustments	172,061	-	-	-	-	-	33,781	205,842
Interest expense	( 6,442,866)	( 68,785)	( 69,995)	-	( 234,350)	9,078,993	6,882,354	( 22,777,343)
<b>INTEREST INCOME (EXPENSE) NET</b>	<b>6,883,785</b>	<b>196,629</b>	<b>229,003</b>	<b>320,098</b>	<b>3,073,702</b>	<b>5,369,891</b>	<b>( 874,709)</b>	<b>15,198,399</b>
Commission income	86,340	-	-	3,050	23,085	97	45,381	157,953
Commission expense	( 93,547)	( 1,399)	-	-	( 1,987)	( 45,350)	( 419,939)	( 562,222)
<b>COMMISSION INCOME (LOSS) NET</b>	<b>( 7,207)</b>	<b>( 1,399)</b>	<b>-</b>	<b>3,050</b>	<b>21,098</b>	<b>( 45,253)</b>	<b>( 374,558)</b>	<b>( 404,269)</b>
Net gain (loss) on financial instruments at fair value through profit or loss	( 101,855)	( 1,132)	610,756	-	-	8,817,284	1,711,583	11,036,636
Difference in quoted prices of gold and foreign currency	-	-	77,567	-	-	-	11,386,150	11,463,717
Other operating income	3,510,311	16,472	2,794,168	213,069	1,080,194	3,491	1,363,206	6,254,499
Allowance for loan losses	( 2,316,198)	26,985	( 45,913)	138,562	( 759,637)	-	( 171,539)	( 3,404,864)
<b>NET OPERATING INCOME (EXPENSE)</b>	<b>7,968,836</b>	<b>237,555</b>	<b>3,665,581</b>	<b>397,655</b>	<b>3,415,357</b>	<b>14,145,413</b>	<b>10,313,721</b>	<b>40,144,118</b>
Employee benefits	-	-	( 848,159)	-	-	-	5,440,938	( 6,289,097)
Administrative expenses	-	( 23,356)	( 360,365)	-	( 21,957)	-	2,242,338	( 2,648,016)
Depreciation and impairment in value of assets	-	( 670)	( 48,309)	-	( 773)	-	( 551,298)	( 601,050)
Other operating expenses	-	-	( 539,690)	-	( 17,627)	-	4,446,946	( 5,004,263)
<b>OPERATING PROFIT (LOSS)</b>	<b>7,968,836</b>	<b>213,529</b>	<b>1,869,058</b>	<b>397,655</b>	<b>3,375,000</b>	<b>14,145,413</b>	<b>2,367,799</b>	<b>25,601,692</b>
GAIN/LOSS FROM NET MONETARY POSITION								( 19,600,463)
PROFIT (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAX								6,001,229
INCOME TAX ON CONTINUING OPERATIONS								( 3,731,419)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)								272,275
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>								<b>2,542,085</b>

## NOTE 23. RISK MANAGEMENT AND CORPORATE GOVERNANCE

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

BICE will be managed and administered by a Board of Directors made up of 8 (eight) regular directors, which will be appointed for a term of 2 (two) fiscal years, and such directors may be reelected indefinitely. As of the date of issuance of the accompanying financial statements, the Board of Directors is made up of six (6) directors.

The Board of Directors is in charge of performing management functions in the Bank and making the related decisions. It is in charge of executing the decisions made at the Shareholders' Meetings, developing the tasks especially delegated by the shareholders, and establishing a business strategy, as well as approving the general and specific policies to ensure proper business management. Its objectives are, among others, coordinating and supervising that the operating performance is consistent with institutional objectives, facilitating the performance of business with efficiency, control and productivity, for the purposes of generating permanent improvement in administrative and commercial 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 credit, liquidity, market, interest rate, operating and reputational risks. 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. A breakdown of the committees and the functions performed by each of them is included in note 24 to the consolidated financial statements.

The Bank has implemented an overall risk management process pursuant to Communication "A" 5398 as amended, which is also in line with the good banking practices recommended by the Basel Committee.

Accordingly, the Risk Management is in charge of the comprehensive management of the significant risks faced by the Bank, acting independently from the business areas.

The Comprehensive risk management committee is made up of three directors appointed by the Board of Directors, the General Manager and the Directors of Commerce, Leasing and Factoring, Credit Risk area, Administration & Finance and the Manager of Comprehensive risk management.

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The main purposes of this Committee are:

- Proposing the Board of Directors the guidelines and policies for comprehensively managing risk, as well as the potential amendments thereof.
- Determining the exposure limits to the various risk types broken down by business units, risk factor, or the cause or origin.
- Analyzing the cases or special circumstances whereby the exposure limits of the approved risk types may be exceeded.
- Communicating the corrective actions proposed by the technical areas for managing risk and reporting the measures implemented to the Board of Directors.
- Approving the communication strategies aimed at disseminating all the information inherent in comprehensive risk management throughout the organization.
- Also, learning about each risk position and compliance with the policies set.

The Bank's risk management function is undergoing an adaptation process to the regulatory requirements set by Basel III and by the BCRA. 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 Bank's Board of Directors and top management which, through various committees, define the general objectives expressed in goals and limits to the business units in charge of managing risks.

The MIS risk management information system provides the Board of Directors and top management with relevant information on the risk profile and the Bank's capital requirements 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 recorded 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 risk management process are:

- Maintaining a segregation of duties so that negotiation, measurement and control activities are performed and reported with sufficient independence and in accordance with the responsibilities defined in the Bank's Mission and Functions.
- IMMM process (identification, measurement, monitoring and risk mitigation).
- The business impact analysis (BIA) allows identifying the Bank's critical processes and subprocesses to focus efforts on the development of continuity alternatives in the event of an operating contingency. It also allows the identification of resources to carry out these critical processes, such as

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persons, IT applications, vendors and tools required, thus cooperating in improving the business continuity plan and the system contingency plan.

- Contingency plans. Including an IT contingency plan, a business continuity plan and periodic tests.
- Issuing a risk report prior to launching new products, processes or systems.
- Updating the policies related to credit risk management, liquidity risk, market risk and documenting strategic risk and reputational risk policies.
- Reviewing the existing risk tolerance limits based on the assessment of the main risks faced by the Bank. The limits are monitored periodically and the results are informed to the Bank's Comprehensive Risk Management Committee and Board of Directors
- Generating periodic reports to identify, measure, monitor and mitigate the most significant risks, and reporting the results to the Bank's Board of Directors and top management.
- Drafting the Capital Self-Assessment Report to determine the sufficiency of the economic capital required by the Bank for each risk identified based on the standardized method described in point 5(4) of BCRA Communication "A" 6397, as supplemented
- Preparing and executing 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.
- Internal control
  - Procedural standards
  - Internal Audit

### **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 controls and measures the full risk it bears as regards the full risk exposure as to all types of risks and activities.

BICE identified the most significant risks to which it is exposed; it has appointed a person to manage them; it has policies and procedures and specific committees which assess the exposure to risk, and a Board of Directors which assesses the risk appetite.

As to comprehensive risk management, periodic presentations are made before the Comprehensive Risk Management Committee in connection with risk monitoring, the changes in the main variables affecting the risks, and whether the Bank acts within the approved limits.

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AUDITORIA GENERAL DE LA NACIÓN

.....  
CLAUDIO SALA  
PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. Vol. 138 Fo. 236

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the fiscal year ended December 31, 2022, comparative with the prior year - in constant currency

### **Excessive risk concentration:**

To avoid excessive risk concentrations, the Bank's 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 to manage risk concentrations both in terms of relationships and industry.

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 main risk types to which the Bank is exposed are related to:

### **Credit risk**

The credit risk is the existing risk regarding the possibility for the Bank 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 establishes 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 credit risk 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 has procedure manuals containing guidelines in the matter in compliance with current regulations and the limits established. Below are the objectives of those manuals:

- The credit risk management policies must be consistent with strategic planning, considering the risk appetite of the institution as well as the applicable internal and external regulations.
- Segregating duties so that origination, measurement and control tasks are performed and reported with a sufficient independence level.
- Defining methods that capture all material risk credit sources.
- Communicating uncollectibility situations to top management and to all the instances relevant in the decision-making process in a timely manner.
- Maintaining a contingency plan considering the various stress scenarios.
- 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 in the case of companies, and revenues and equity in the case of individuals.

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MARIA VICTORIA JARSUN  
ADMINISTRATION MANAGER

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PATRICIA M. ZEISEL  
Partner  
PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. Vol. 286 Fo.105

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EDUARDO PRINA  
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WALTER A. PARDI  
BY STATUTORY AUDIT COMMITTEE

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CHAIRPERSON

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- 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.

Credit risk is monitored by the Credit Risk Management area. Such management is in charge of reviewing and managing credit risk, including environmental and social risks for all types of counterparties.

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 system which assigns a risk classification to each of them. 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 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 credits, contingent obligations and guarantees granted, which is sent to the area in charge of the analysis and approval thereof, based on the current line authority and the Credit Risk Policy in force.

LEVEL OF APPROVAL	TOTAL EXPOSURE AMOUNT
Area Managements	Up to thousands of \$320,000
Committee of Lending and Borrowing Transactions	From thousands of \$320,000 to thousands of \$640,000
Board of Directors	More than thousands of \$640,000

It is noteworthy that the Bank uses the request for guarantees for its financing facilities to mitigate the credit risk. The main guarantees received are related to mutual guarantee companies, mortgages and pledges. The Bank has the obligation to return the guarantees received to their holders at the end of the guaranteed financing.

The Bank's Credit Risk Management monitors the market value of guarantees and requests appraisal revaluations, if applicable.

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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 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: allowances individually evaluated and allowances collectively evaluated.

The guarantees granted, letters of credit and obligations for foreign trade transactions are assessed and an allowance is set up 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 allowances.

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

The following are the classes used by the Bank, specifying the appropriate characteristics of each of them.

### **Debtor classification standards**

The classification of the Bank's debtors includes six categories, which entails different provision levels, also considering the guarantees supporting the various transactions. Such classifications are established by the Bank based on objective or subjective assessments, depending on the portfolio where each debtor is placed based on BCRA regulations.

Exhibit B shows the changes in financing facilities broken down by situation and guarantee level.

In addition, Exhibit R to the accompanying financial statements disclose the allowances for loan losses at beginning and end of year, also disclosing the increases, reversals and uses.

### **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.

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The main types of guarantees obtained are as follows:

- Guarantees granted by mutual guarantee companies,
- mortgage on real property and pledges on private parties' property, and
- joint and several bonds.

The Bank monitors the market values of guarantees to assess whether the allowance for loan losses is sufficient and requests additional guarantees in conformity with the credit agreements involved.

It is the Bank's policy to dispose of such guarantees to reduce or settle uncollected amounts.

### Loan quality by sector

The Bank manages the quality of loans through ratings established by the BCRA and calculates the impairment thereof as mentioned in the note to the accompanying financial statements. Below is a breakdown of the Bank's loans based on their situation and impairment. This classification includes the corporate bonds and the residual values of the debt securities related to financial trusts.

	Neither delinquent nor impaired	Delinquent, not impaired	Impaired			Total as of 12/31/2022
	Situation	Situation	Situation	Situation	Situation	
	1	2	3	4	5	
<b>Corporate banking Financial sector</b>	79,080,881	316,888	609,852	1,231,317	350,642	81,589,580
	4,536,408	-	-	-	-	4,536,408
	<b>83,617,289</b>	<b>316,888</b>	<b>609,852</b>	<b>1,231,317</b>	<b>350,642</b>	<b>(1) 86,125,988</b>

	Neither delinquent nor impaired	Delinquent, not impaired	Impaired			Total as of 12/31/2021
	Situation	Situation	Situation	Situation	Situation	
	1	2	3	4	5	
<b>Corporate banking Financial sector</b>	103,599,753	1,392,166	867,419	1,746,390	2,223,998	109,829,726
	9,300,253	-	-	-	-	9,300,253
	<b>112,900,006</b>	<b>1,392,166</b>	<b>867,419</b>	<b>1,746,390</b>	<b>2,223,998</b>	<b>(1) 119,129,979</b>

(1): Exhibits B and C

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The following is an analysis of the Bank's financial assets by business activity before and after considering the guarantees received.

Main business activity	12/31/2022			
	Gross exposure	%	Net of guarantees	%
Power generation, transmission and distribution	12,403,278	14.40 %	9,640,774	19.79 %
Foreign organization and body services	8,956,677	10.40 %	8,956,677	18.39 %
Monetary intermediation	4,065,019	4.72 %	4,065,019	8.34 %
Temporary crops	3,576,814	4.15 %	600,048	1.23 %
Motor vehicle transportation service	3,292,262	3.82 %	764,675	1.57 %
Crude oil	3,148,120	3.66 %	3,148,120	6.46 %
Public administration services	2,444,023	2.84 %	1,539,159	3.16 %
Food production	2,386,065	2.77 %	1,107,799	2.27 %
Animal breeding	2,283,311	2.65 %	408,025	0.84 %
Wholesale on commission or consignment	1,668,602	1.94 %	853,312	1.75 %
Beef and byproducts	1,617,546	1.88 %	448,601	0.92 %
Financial services, except for financial institutions	1,580,011	1.83 %	1,580,011	3.24 %
Infrastructure works for transportation	1,560,366	1.81 %	116,232	0.24 %
Construction	1,391,890	1.62 %	595,955	1.22 %
Supplementary transport services	1,350,318	1.57 %	1,301,739	2.67 %
Specialized wholesale	1,332,453	1.55 %	455,031	0.93 %
Manufacture of chemicals not elsewhere classified	1,232,914	1.43 %	1,028,685	2.11 %
Wholesale of agricultural products and animals	1,203,433	1.40 %	1,005,713	2.06 %
Vehicles parts and accessories	1,181,925	1.37 %	400,490	0.82 %
Basic chemical substances	1,113,834	1.29 %	179,239	0.37 %
Perennial crops	1,056,730	1.23 %	299,840	0.62 %
Manufacturing of metal products not elsewhere classified	983,340	1.14 %	336,784	0.69 %
Other activities	26,297,057	30.53 %	9,883,705	20.29 %
<b>Total</b>	<b>86125988</b>		<b>48,715,633</b>	

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Main business activity	12/31/2021			
	Gross exposure	%	Net of guarantees	%
Foreign organization and body services	20,273,291	17.02 %	20,273,291	26.91 %
Power generation, transmission and distribution	15,966,169	13.40 %	12,102,911	16.07 %
Monetary intermediation	8,271,803	6.94 %	8,271,803	10.98 %
Motor vehicle transportation service	5,733,459	4.81 %	1,548,582	2.06 %
Crude oil	3,703,667	3.11 %	3,700,085	4.91 %
Temporary crops	3,089,346	2.59 %	224,922	0.30 %
Food production	2,659,215	2.23 %	974,141	1.29 %
Public administration services	2,566,835	2.15 %	1,294,599	1.72 %
Animal breeding	2,501,620	2.10 %	302,734	0.40 %
Beef and byproducts	2,367,214	1.99 %	969,778	1.29 %
Infrastructure works for transportation	2,252,863	1.89 %	778,010	1.03 %
Basic chemical substances	1,970,666	1.65 %	833,097	1.11 %
Financial services, except for financial institutions	1,947,244	1.63 %	1,947,244	2.58 %
Supplementary transport services	1,825,746	1.53 %	1,801,140	2.39 %
Wholesale of agricultural products and animals	1,718,956	1.44 %	1,548,119	2.06 %
Leather industry	1,644,247	1.38 %	1,481,628	1.97 %
Manufacture of chemicals not elsewhere classified	1,572,717	1.32 %	1,350,980	1.79 %
Vehicles parts and accessories	1,468,199	1.23 %	754,333	1.00 %
Fruits and vegetables	1,418,326	1.19 %	521,518	0.69 %
Wholesale on commission or consignment	1,367,822	1.15 %	585,466	0.78 %
Wholesale of food, beverages and tobacco	1,311,574	1.10 %	517,844	0.69 %
Pharmaceuticals, medicines and botanicals	1,290,246	1.08 %	686,952	0.91 %
Other activities	32,208,754	27.04 %	12,864,448	17.08 %
<b>Total</b>	<b>119,129,979</b>		<b>75,333,625</b>	

### Credit risk management in investments in financial assets

The Bank evaluates the credit risk identified of each of the financial assets invested. These instruments mainly comprise Argentine government securities and Treasury bills maturing in the short term; the Bank's purpose is to keep them in assets as a guarantee of liquidity.

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Below is the exposure percentage by issuer calculated on the total financial assets.

	12/31/2022		12/31/2021	
Argentine Government sector	67,624,380	100 %	42,488,523	70 %
Private sector	-	0 %	17,831,812	30 %

### Liquidity risk

Liquidity risk is defined as the risk of imbalances occurring between marketable assets and payable liabilities ("mismatches" between payments and collections) that could affect the Bank's ability to meet all of its current and future financial obligations, taking into consideration the different currencies and settlement terms of its rights and obligations, without incurring significant losses.

The Bank has 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.

In order to reduce the liquidity risk deriving from the uncertainty that the Bank may be exposed to with respect to its capacity to honor the financial commitments assumed with its customers in due time and manner, a policy has been established, the main aspects of which are as follows:

- Balancing strategic liquidity with profitability objectives by implementing proper investment and financing strategies.
- As regards funding, applying the proper measures to mitigate the concentration of funding sources, such as staggering maturity dates and safeguarding liquid assets for possible unexpected withdrawals, among other aspects
- Establishing policies consistent with strategic planning, considering the risk appetite of the institution, as well as the applicable internal and external regulations.
- Maintaining a segregation of duties so that negotiation, measurement and control activities are performed and reported with sufficient independence and in accordance with the responsibilities defined in the Bank's Mission and Functions.
- Defining measurement methods capturing all material risk sources and reflecting the expected cash flow behavior.

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- Communicating illiquidity situations to top management and to all the instances relevant in the decision-making process in a timely manner. Communication and reporting levels are as follows:

General management  
Liquidity committee  
Comprehensive risk management committee  
Board of Directors

- Maintaining a sufficient amount of high-quality liquid assets, free from any encumbrances, to satisfy daily liquidity and/or funding requirements.
- Maintaining a contingency plan considering the various stress scenarios.
- Continuously assessing and improving the liquidity management policy as regards measurement approaches, limits structure and procedures implemented in order to satisfy the requirements of a dynamic financial and commercial context. At least once a year, or when market conditions so require, the liquidity management framework should be reviewed in full, proposing the necessary adjustments to the Risk Management Committee and subsequently to the Board of Directors.

The Bank has also implemented a series of risk measurement and control tools, including regularly monitoring liquidity gaps broken down by currency, as well as various liquidity ratios.

The Comprehensive Risk Management regularly monitors compliance with the different levels set by the Board of Directors in relation to liquidity risk, which include minimum levels of liquidity, maximum concentration levels allowed by type of deposit and by type of customer, among others.

In the event of a liquidity crisis, the Bank has a contingency plan with the following actions:

- Sale of high-liquidity assets that form part of the reserve held that accounts for 5% of total liabilities, as previously mentioned;
- Repo transactions with the BCRA with assets issued by such entity, which are held in the Bank's portfolio;
- Limiting any new credit assistance.
- Requesting financial assistance from the BCRA in the event of illiquidity. Current BCRA rules set forth the criteria to grant financial assistance to financial institutions in the event of illiquidity problems.

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The following table shows the changes in the quick ratio:

	Total as of 12/31/2022	Total as of 12/31/2021
<b>FALAC (Stock of high-quality liquid assets)</b>		
BCRA demand deposit account	180,000	322,677
Government securities in pesos	9,847,455	15,112,774
LELIQs	2,469,573	2,876,990
BCRA demand deposit account US dollar	13,178,199	6,218,539
Government securities in ME?? OCI	5,814,905	-
Government securities in ME Profit or loss	3,578,960	871,024
<b>Total FALAC</b>	<b>35,069,092</b>	<b>25,402,004</b>
<b>SET (Total outflows)</b>		
Government sector in pesos	5,157,691	11,193,311
Private sector in pesos	4,855,471	4,043,468
Government sector in US dollar	8,546,268	10,250,586
Private sector in US dollar	2,760,005	758,252
Other liabilities in pesos	9,014,784	-
<b>Total SET</b>	<b>30,334,219</b>	<b>26,245,617</b>
<b>EET (Total inflows)</b>		
Financial sector in pesos	38,668,012	85,503,844
Government sector in pesos	734,876	977,404
Private sector in pesos	36,035	14,775
Financial sector in US dollar	9,928,397	3,841,491
Government sector in US dollar	1,317,573	544,038
<b>Total EET</b>	<b>50,684,893</b>	<b>90,881,552</b>
<b>Liquidity Coverage Ratio– LCR</b>	<b>4.62</b>	<b>3.87</b>

The Bank discloses in Exhibit D "Loans and other financing facilities breakdown by term" and in Exhibit I "Breakdown of financial liabilities by the remaining terms" to the accompanying financial statements, the breakdown by due date of financial assets and liabilities, respectively. As of December 31, 2022 and 2021, the Bank has no contingent obligations.

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EDUARDO PRINA  
GENERAL MANAGER

SIGNED FOR IDENTIFICATION  
PURPOSES  
DATED MARCH 9, 2023

WALTER A. PARDI  
BY STATUTORY AUDIT COMMITTEE

MARIANO DE MIGUEL  
CHAIRPERSON

SIGNED FOR IDENTIFICATION  
PURPOSES  
DATED MARCH 9, 2023  
AUDITORIA GENERAL DE LA NACIÓN

CLAUDIO SALA  
PUBLIC ACCOUNTANT (U.B.A.)  
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### Market risk

Market risk is defined as the possibility of suffering losses in positions on and off the Bank's balance sheet as a result of the adverse fluctuations in the market prices of different assets.

Market risks include interest rate, exchange and price risks. They are exposed to general and specific market changes, as well as to changes in the volatility of prices, such as interest rates, credit margins, foreign exchange rates, and the prices of shares and securities, among others.

The Bank determines the market risk exposure arising from the fluctuation in the value of portfolios of investments for trading, which result from changes in market prices, the Bank's net positions in foreign currency, and government and private securities with normal quoted prices

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 has policies regarding market risk management which establish the process for monitoring and controlling the risks arising from changes in the listed prices of financial instruments in order to optimize the risk/return ratio using adequate limits structure as well as management tools and models.

The Bank also established policies for diversifying funding sources, preventing deposit concentration, as well as identifying key risk factors (interest rate, exchange rate, and price volatility, among others).

The risks to which the investment portfolios are exposed are monitored and reported to the Committee of Credit and Lending and Borrowing Transactions.

The main policies approved by the Board of Directors in connection with market risk are as follows:

- The Bank does not carry out any trading transactions involving its listed government securities.
- The government securities portfolio is maintained as a guarantee of liquidity, and it is used as set forth in the liquidity risk contingency plan. The Finance Management may perform purchase and sale transactions involving government securities to leverage investment or divestment contexts based on the arbitrage conditions related to existing market yields, without disregarding the safeguard measures that should be taken into account to guarantee liquidity

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The measurement is made using the Value at risk (VaR) as a tool to assess the economic capital required to address market risk losses arising from the Bank's exposure in connection with assets listed on the capital market (including the portfolio of listed government securities and the foreign currency position).

VaR	12/31/2022 (thousands of \$)	12/31/2021 (thousands of \$)
Position in foreign currency	15,979	133,809
Argentine Government Securities	120,858	263,378
<b>Total</b>	<b>136,837</b>	<b>397,187</b>

The breakdown of the portfolio of government securities and their valuation is detailed in Exhibit A.

### Sensitivity to interest rate changes:

The interest rate risk is defined as the potential occurrence of changes in the bank's financial condition as a result of interest rate fluctuations with adverse consequences in net financial income and its economic value. The Bank reviews periodically the sensitivity analysis of variations in interest rates considering asset and liability positions accruing interest and considering the local currency and foreign currency segments.

Sensitivity analysis of the changes in rates as of 12/31/2022		
Variation	Badlar - Annual impact in thousands of \$	Libor - Annual impact in thousands of \$
-1.00 %	( 88,002)	54,612
-0.50 %	( 44,001)	27,306
0.50 %	44,001	( 27,306)
1.00 %	88,002	( 54,612)

Sensitivity analysis of the changes in rates as of 12/31/2021		
Variation	Badlar - Annual impact in thousands of \$	Libor - Annual impact in thousands of \$
-1.00 %	( 75,747)	7,872
-0.50 %	( 37,874)	3,935
0.50 %	37,874	( 3,935)
1.00 %	75,747	( 7,872)

The sensitivity analysis is a static approach as of those dates and discloses that in the event of an increase in the rates in Argentine pesos, its immediate impact on the Bank's profit could be positive. However, the worst risk scenario is the increase in rates, as a consequence of the terms mismatch between assets and liabilities and cash flows provided by assets at a higher interest rate and longer residual terms, which lead to a reduced economic value of equity ( $\Delta$ EVE approach).

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On the other hand, the position in assets and liabilities in USD is more balanced and, although the worst-case scenario would be set aside upon an increase in interest in foreign currency, there would be a limited impact on the Bank's profit.

BICE's Board of Directors approved the following policies for managing interest rate risk:

- Segregation of duties so that negotiation, measurement and control activities are performed and reported with sufficient independence and in accordance with the responsibilities defined in the Bank's Mission and Functions.
- Using measurement methods that consider all material risk sources and show the behavior of the values subject to interest rate risk.
- Communicating interest rate risk to top management and to all the instances relevant in the decision-making process in a timely manner. Communication and reporting levels:

General management  
Liquidity committee  
Comprehensive risk management committee  
Board of Directors

- Maintaining an interest rate risk contingency plan considering the various stress scenarios.
- Continuously assessing and improving the liquidity interest rate risk management policy as regards measurement approaches, limits structure and procedures implemented in order to satisfy the requirements of a dynamic financial and commercial context. At least once a year, or when market conditions so require, the interest rate management framework should be reviewed in full, proposing the necessary adjustments to the Risk Management Committee and subsequently to the Board of Directors.
- On an annual basis, in developing BICE's strategy and business plan, the individual responsible for Planning coordinates tasks with the Finance Management to identify the risks inherent in the business strategy related to the Bank's interest rate risk and ensure that they are in agreement.

### **Foreign currency exchange rate risk:**

The Bank is exposed to fluctuations in foreign currency exchange rates in its financial position and cash flows. The larger proportion of assets and liabilities kept are related to US dollars.

Foreign exchange risk is reported in a timely manner to top management and to all instances relevant to the decision-making process, in accordance with the reporting levels indicated in the market risk assessment, since it is part of such process.

In addition, to obtain a coverage that may allow the Bank to mitigate and transfer the risk arising from the changes in the US dollar exchange rate, the Bank decided to execute foreign exchange hedge agreements (futures/forwards) with other financial institutions as counterparty.

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These foreign exchange hedge agreements are formalized through MAE and ROFEX, or with other financial institutions (OTC –over the counter–, through framework agreements for performing derivative transactions).

Such agreements are characterized by:

a. MAE / Rofex. Agreements are guaranteed by the market's clearing house and the prices are public. In these markets, the differences between the market values and those contractually agreed are settled on a daily basis.

b. OTC (over the counter). OTC markets are markets whereby each party should seek a counterparty for performing its transaction and the agreement clauses are freely negotiated between the parties. In these agreements, the settlement of the differences mentioned in the previous section is not usually made until the expiration of the agreement.

The foreign currency position includes assets and liabilities reflected in pesos at the exchange rate at the closing dates indicated. An institution's open position comprises assets, liabilities and memorandum accounts stated in foreign currency, where an institution assumes the risk. Any devaluation / revaluation of those currencies would affect the Bank's income statement.

The assets and liabilities making up the foreign currency position as of December 31, 2022 and 2021 are disclosed in exhibit L to the accompanying financial statements.

Foreign exchange sensitivity analysis of assets and liabilities in foreign currency:

CHANGE HYPOTHESIS	Variati on Excha nge rate	12/31/2021		12/31/2020	
		Exchan ge rate	Impact in thousands of \$	Exchan ge rate	Impact in thousands of \$
Appreciation of the Argentine peso in relation to the US dollar	0.05	177.08	( 136)	102.70	( 91)
	0.01	177.12	( 27)	102.74	( 18)
Depreciation of the Argentine peso in relation to the US dollar	0.1	177.23	272	102.85	182
	0.3	177.43	816	103.05	546

### Operational risk

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and/or internal systems, or from external events. This definition includes legal risk but excludes strategic and reputational risk.

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In this context, the legal risk –which may be endogenous or exogenous to the Bank– comprises, among other aspects, the exposure to penalties or other economic consequences or otherwise, resulting from the Bank's failure to comply with regulations and contractual obligations.

In addition, the Bank implemented an operational risk management system which follows the guidelines established by BCRA Communication "A" 5398 as amended; in addition, Communication "A" 5272 set out a minimum capital requirement in connection with this item effective as from February 1, 2012.

The purpose of BICE's operational risk management is to identify, measure, monitor and mitigate such risk. To such end, certain tools are used to identify the risk, expert judgment to weigh it, and management and risks indicators to monitor it. There is an internal control environment for all transactions aimed at mitigating the risk and, where applicable, the risk is transferred.

The Board of Directors defined that the operational risk should be kept within tolerable levels.

As to operational losses, from 2010 through 2022, there are events recorded in the Events Database, the purpose of which is to analyze and perform a follow-up to the cases, implementing or improving controls, as well as retrieving statistical data.

The following tables show the events related to business processes and those supporting them:

Processes	Management	Accumulated from 2010 to 2022	Recorded in:		
			2022	2021	2020
Business	Finance	13	1	-	-
	Trusts	3	-	-	-
	Commercial	6	-	-	-
Support	Administration	149	28	16	18
	IT	3	-	1	-
	Legal	4	-	-	2
	Operations	1	-	-	-
	Risks	2	-	-	-
	Human resources	61	1	11	6
	Institutional relationships	1	-	-	-
	Board of Directors'	1	-	-	-
	Secretary				
<b>Total</b>		<b>244</b>	<b>30</b>	<b>28</b>	<b>26</b>

The operational risk management system includes the following:

- Organizational structure: The Bank has a Risk Management area in charge of operational risk.
- Policies: The Bank has an Operational Risk Management Policy approved by the Board of Directors defining the main concepts, roles and responsibilities of the Board of Directors, the Comprehensive Risk Management Committee, the Risk Area Administration, the Risk Management and of all the areas involved in managing such risk.

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- c) Procedures: the Bank has a procedure to “record operational losses”, which established the guidelines to record those losses, as from the opening of specific accounting items, thus allowing the automatic inclusion of the operating losses recorded in those items in the related database.

In addition, the Bank has a procedure that establishes the guidelines to prepare risk self-assessments and, in the event of risks exceeding allowed tolerance levels, guidelines to establish risk indicators and action plans.

- d) Systems: the Bank has a comprehensive system that allows the management of all the tasks involved in risk management: risk self-assessments, risk indicators and actions plans, as well as the management of the operating losses database.
- e) Databases: The Bank has an operational risk event database prepared pursuant to the guidelines established in Communication “A” 4904, as supplemented.

The information contained in the database is used to calculate the operational risk economic capital using advanced measurement methods (Monte Carlo method), also considering external data and the expert judgment of the persons in charge of managing this risk.

### Reputational risk

The policies and procedures approved by the Board of Directors are as follows:

- The structure in charge of this risk involves different areas, since all areas should manage this risk within their field of competence.
- Segregating duties so that negotiation, origination, measurement and control tasks are performed and reported with a sufficient independence level.
- Using measurement methods that consider all material risk sources.
- Communicating reputational risk to top management and to all the instances relevant in the decision-making process in a timely manner. Communication and reporting levels:

General management or that replacing it  
Comprehensive risk management committee  
Board of Directors

- Maintaining an adequate contingency plan to address a potential crisis which may affect BICE and other risks.
- The events classified as moderate, significant or invalidating are managed by the Crisis Committee. Reputational risks classified as acceptable or tolerable are managed by the area where the event arises.

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- Continuously assessing and improving the reputational risk management policy, periodically improving the policies and procedures implemented to monitor this risk adequately. Reviewing the framework for managing this risk in full at least once a year, proposing the necessary adjustments to the Comprehensive Risk Management Committee and subsequently to the Board of Directors.

The Bank's Management permanently monitors the changes in the economic variables mentioned in the risks described above to define the possible course of action and identify the potential impact on its equity and financial situation that should be disclosed in the financial statements of future periods.

The Bank also prepares a reputational risk report on customers receiving credit facilities based on a matrix containing various parameters to assess the risk that a potential customer of the Bank may have and, if a possible impact is determined, to what extent their repayment ability or the image of BICE and its authorities may be affected.

### NOTE 24. CORPORATE GOVERNANCE TRANSPARENCY POLICY

Presidential Decree No. 2703/1991 established the creation of the Bank organized as a sociedad anónima (Argentine business form akin to a stock corporation) under the provisions of Law No. 19550 with the participation of the Argentine government. That is, a private bank, with its own legal capacity, different from the Argentine government in order to provide the banking sector with long-term resources to finance production investment and foreign trade projects. BICE was created as a stock company under Argentine laws (S.A.) on January 13, 1992, as a second-tier bank. The Argentine Government is the majority shareholder by means of the former Ministry of Production Development and Banco de la Nación Argentina ("BNA"). Its current shareholding includes Fundación del Banco de la Nación Argentina, with the interests detailed below.

The Bank's purpose is to conduct lending and borrowing transactions, and to provide the services inherent to second-tier commercial banks, in accordance with the provisions established by Laws No. 21526 and 24144, or those which may amend or replace them in the future, as well as by all the other provisions established by the BCRA.

By means of paragraph 1.1.1.2 of the regulations on "Authorization and structure of capital of financial institutions" (restated as of 06/09/2022), the BCRA authorized government banks aimed at providing medium- and long-term financing for productive investments and foreign trade to receive deposits from international credit institutions and from investors making deposits in accordance with the regulations on "Term deposits and investments", for amounts not lower than of \$ 10 million (or their equivalent in other currency) considered individually for each transaction and for a term not shorter than 365 days; and web term deposits as indicated by the provisions of paragraph 3.11 of the regulations on "Term deposits and investments". Thus, by virtue of this regulation, second-tier banks, such as the Bank, are authorized to receive deposits subject to the abovementioned restrictions.

The current purpose is to finance productive investment, infrastructure and foreign trade for companies located in Argentina, directly or through other financial entities. Thus, supporting the development of the different economic sectors through projects that boost the creation of new jobs and the growth of the regional economies.

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In accordance with the policies and objectives defined by the Board of Directors jointly with the Credit and Lending Transactions Committee, the Bank offers several credit lines available to the market, such as the prefinancing and financing of assets for regional economies and manufactured goods of agricultural and industrial origin, which represent a high percentage of Argentine exports, and the financing of activities aimed at commercially promoting and disseminating information about Argentina abroad. In the field of productive investment, which represents most of total placements, financing is granted for the purchase of capital assets aimed at various sectors of the economic activity, as well as for investment, reorganization or industrial restructuring and/or modernization projects involving several activities, and finance leases.

As of the date of approval of these financial statements, the capital structure is as follows:

- 1) 2,555,608 book-entry shares of common stock of \$1,000 each, the bare ownership of which is held by Banco de la Nación Argentina, the usufructuary and voting rights of which are held by the then Ministry of Production Development (currently Ministry of Economy).
- 2) 54,468 book-entry shares of common stock of \$ 1,000 each owned by Banco de la Nación Argentina.
- 3) 4.742.874 book-entry shares of common stock of \$ 1,000 each owned by the Argentine government through the former Ministry of Production Development (currently Ministry of Economy).
- 4) 2,711 book-entry shares of common stock of \$ 1,000 each owned by Fundación Banco de la Nación Argentina. (See Note 1.2)
- 5) 4,524,568 book-entry shares of preferred stock of \$ 1,000 each, with no voting rights, and with fixed, cumulative equity rights equivalent to 1% of the nominal value of the shares of preferred stock issued, to be paid with the annual distribution of dividends up to the value assessed.

Accordingly, as of the date of issuance of the financial statements, the Bank's current capital stock amounts to thousands of \$ 11,880,229, which has been fully subscribed and paid-in. The amount of thousands of \$ 345,196 of which is still pending registration with the I.G.J. (Exhibit K).

BICE's capital structure is detailed in Note 1.2.

### Board structure and operating policies:

The Bank is managed and administered by a Board of Directors made up of up to eight directors (at present, six appointed directors) which are appointed for a term of two fiscal years, and such directors may be reelected indefinitely. Eight alternate directors may be appointed; they will replace the Directors in the order established by the Shareholders' Meeting in the event of absence, resignation, leave of absence, incapacity, inability or death, upon acceptance by the Board of Directors of the reason for the replacement, in the cases where this cause is temporary.

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To be appointed as such, the directors or alternate directors should provide evidence of their ability and experience in connection with financial activities. The following persons may not act as directors:

- 1) those included in the grounds for inability established by the legal provisions in effect;
- 2) those who are part of or depend from management or are statutory auditors of private sector banks or financial entities; and
- 3) those who are part of legislative or legal bodies from the federal, provincial or municipal spheres and in full and active performance of the legislative or court office.

Directors and alternate directors are appointed by the Regular Shareholders' Meeting. In addition, the appointment of new directors should be authorized by the BCRA; however, they may take office if the authorization proceedings are underway in such entity, and their designation will be deemed ad referendum of the related authorization, notwithstanding the validity of the acts in which they may take part during such period.

The Board of Directors appoints among its members a Chairperson and a Vice Chairperson for a one-year term of office, and they may stand for reelection.

Under current BCRA regulations on Corporate Governance, in the case of Financial Institutions it is understood that a member of the Bank's Board of Directors is not deemed to be independent if any of the following conditions are met:

- 1) when there is a control relationship according to the guidelines set out in paragraph 1.2.2.1 of the regulations on "Significant exposures to credit risk" (2.2.1);
- 2) when the member performs executive functions or performed such functions over the last year, computed as from the day following the last day on which such member has effectively performed such function (2.2.2); and
- 3) this person is the spouse or relative by consanguinity up to the second degree, or by affinity up to the first degree, of the persons meeting the conditions stated in the foregoing points.

Considering the Bank's shareholding structure, as a bank of the public sector, whereby no director may have an equity interest in the Bank and no director performs executive functions or performed such functions over the last year, all of the Bank's directors are deemed to be independent. Furthermore, all the Bank's directors are independent to perform their duties under the provisions of BCRA regulations.

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SIGNED FOR IDENTIFICATION  
PURPOSES  
DATED MARCH 9, 2023  
AUDITORIA GENERAL DE LA NACIÓN

.....  
CLAUDIO SALA  
PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. Vol. 138 Fo. 236

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the fiscal year ended December 31, 2022, comparative with the prior year - in constant currency

### Board of Directors:

As of the date of approval of these financial statements, the Bank's Board of Directors is made up by:

Chairman:	Mr. Mariano de Miguel	Regular	Mr. Carlos Ramón Brown
Vice	Ms. Carla Betina Pitiot	directors:	Mr. Nicolás José Scioli
Chairwoman:			Mr. Julián Maggio
			Ms. María de los Angeles Sacnun

As of December 31, 2021, the Bank's Board of Directors was made up by:

Chairman:	Mr. José Ignacio de Mendiguren	Regular	Ms. Raquel Cecilia Kismer
Vice	-	directors:	Mr. Carlos Ramón Brown
Chairman:			Mr. Nicolás José Scioli
			Mr. Julián Maggio
			Ms. Carla Betina Pitiot

At the Board of Directors' meeting dated November 30, 2021, Mr. Miguel Gustavo Peirano's resignation from the regular Director and vice chairman office was accepted; and on December 16, 2021, at the Board of Directors' meeting, Mr. Fabián Eduardo Musso's resignation from the regular Director office was accepted.

At the Board of Directors' meeting dated January 20, 2022, the Board's offices for fiscal year 2022 were appointed. Mr. José Ignacio de Mendiguren was reelected as chairman and Raquel Cecilia Kismer was elected as vice chairwoman.

At the Unanimous Annual Shareholders' Meeting held on March 2, 2022, pursuant to Presidential Decree No. 64/2022, the following Regular Directors were appointed with a term of office for fiscal years 2022 and 2023: Mr. José Ignacio de Mendiguren, whose office as Chairman of the Bank was approved, Mr. Julián Maggio, Ms. Carla Betina Pitiot, Mr. Carlos Ramón Brown, Mr. Nicolás José Scioli, Ms. Raquel Cecilia Kismer and Ms. María de los Angeles Sacnun. At the Board of Directors' meeting held on the same date, the Regular Directors accepted the offices for which they were appointed, and the appointment of the offices of Chairman and Vice Chairwoman of the Bank decided at the Board of Directors' meeting held on January 20, 2022 was confirmed.

At the Board of Directors' meeting held on August 12, 2022, the resignation of Mr. José Ignacio de Mendiguren as Regular Director and Chairman of the Bank was accepted.

At the Unanimous Shareholders' meeting held on September 16, 2022, Mr. Mariano de Miguel was appointed as Regular Director and Chairman to hold office for fiscal years 2022 and 2023, and accepted such position.

At the Board of Directors' meeting held on October 12, 2022, the resignation of Ms. Raquel Cecilia Kismer, as Regular Director and Vice Chairwoman of the Bank, was accepted.

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MARIA VICTORIA JARSUN  
ADMINISTRATION MANAGER

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PATRICIA M. ZEISEL  
Partner  
PUBLIC ACCOUNTANT (U.B.A.)  
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EDUARDO PRINA  
GENERAL MANAGER

SIGNED FOR IDENTIFICATION  
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BY STATUTORY AUDIT COMMITTEE

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At the Board of Directors' meeting held on October 27, 2022, Ms. Carla Betina Pitiot was elected as Vice Chairwoman of the Entity, and the appointment of the office of Chairman decided at the Board of Directors' meeting held on September 16, 2022 was confirmed.

Consequently, the Board of Directors was made up by Mr. Mariano de Miguel (Chairman), Ms. Carla Betina Pitiot (Vice Chairwoman), Mr. Nicolás Scioli, Mr. Carlos Ramón Brown, Mr. Julián Maggio and Ms. Maria de los Angeles Sacnun.

### Audit:

As provided for in the bylaws, the Bank is audited by a Statutory Audit Committee made up by three statutory auditors and three alternate statutory auditors proposed by the SIGEN (Argentine general auditing office) in accordance with Law No. 24156, section 114.

As of the date of approval of these financial statements and as of December 31, 2022, the Bank's Statutory Audit Committee is made up as follows:

Regular statutory Auditors:	Ms. Graciela Mabel González Escot Mr. Walter Antonio Pardi Mr. Adrián Martín Rois	Alternate statutory Auditors:	Ms. Norma Mabel Vicente Soutullo Mrs. Vivian Stenghele Mr. Javier Rodrigo Siñeriz
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### Board Committees:

Several committees are also set up so that the Board of Directors may delegate to a collegiate body made up of some of its members and representatives of the various areas of the Bank certain issues that they may analyze and solve independently, notifying the Board of Directors of the decisions made.

In July 2020, the Board of Directors approved the creation and reorganization of the committees aimed at generating new social commitments as well as promoting an environment for the treatment of new business and competences related to financial aspects relevant to the organization. Consequently, the Trust, Gender and Inclusion Policies, Liquidity and Lending and Borrowing Transactions Committees were created. In December 2021, the Board of Directors decided the creation of the Personnel Administration, Planning and Bonuses Committee

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Based on the aforementioned, and in line with the update approved by the Board of Directors in November 2021, the Committees in force and their members are as follows:

Committee	Members	Competencies
<b>IT Committee</b>	It is made up of directors appointed by the Board of Directors, the General Manager, the IT & Operations Director, the Systems Manager and the Head of IT Security.	This is the Committee in charge of supervising the proper operation of the IT environment and contributing to improving its efficiency; as well as approving, assessing and reviewing the IT security plan and the IT and Information Systems Plan, ensuring that the IT systems and the related technologies meet the Bank's business needs, and that they are aligned with the Bank's strategic plans, among others.
<b>Comprehensive risk management committee</b>	It is made up of directors appointed by the Board of Directors, the General Manager and the Directors of Credit Risk, Commerce, and Administration & Finance, and the Comprehensive Risk Management Manager.	It proposes, for the approval of the Board of Directors, the objectives, guidelines and policies for comprehensive risk management; the limits of exposure to the different types of risk broken down by business unit or risk factor, cause or origin thereof; training plans for all areas and personnel of the Bank. It approves the methods for identifying, measuring, monitoring, limiting, controlling, reporting and surveying the different types of risk to which it is exposed and the potential amendments; approves the methods for implementing hedging, remedial and corrective policies; conducts a follow-up of the comprehensive management of credit, market, liquidity and/or assets and liabilities, operating, compliance and reputational risks, among others. It takes note of the follow-up actions taken on the management of companies related to BICE and with respect to the companies or funds to which the Bank makes contributions. It also examines and escalates the Business Continuity Plan, to the Board of Directors, among others.

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Committee	Members	Competencies
<b>Audit committee</b>	It is composed of three directors appointed in accordance with BCRA regulations and a person in charge of Internal Audit. The members making up the Statutory Audit Committee should be invited to all the meetings held by this Committee. These meetings may also be attended by external auditors and the officials that the Committee may deem necessary to deal with a particular issue, as applicable.	It periodically assesses the proper operation of the internal control systems defined at the Bank. It assesses the reports and findings made by Internal and External Audit and the enforcement agency, and follows up on the implementation of the recommendations received. One of its functions is to ensure that the Bank has the appropriate means to promote proper decision-making and compliance with internal and external regulations. It implements training programs so that its members may have a good knowledge base to perform their work.
<b>Committee of Integrity, Anti-Money Laundering and Counter-Terrorism Financing</b>	It is made up of directors appointed by the Board of Directors, the Compliance Officer, the General Manager, the Head of Regulatory Compliance and the Head of Anti-Money Laundering.	It plans, coordinates and enforces compliance with the anti-money laundering and terrorism financing policies drafted and approved by the Board of Directors; analyzes the reports on unusual, suspicious or unnecessarily complex transactions; assesses and approves the related in-house training program; analyzes and escalates to the Board of Directors the policies comprising the Integrity Program; enforces compliance with the aforementioned program, and annually analyzes and escalates to the Board of Directors the Corporate Governance Code, the Ethics Code and other policies related to the Integrity Program, among others.
<b>Committee of Lending and Borrowing Transactions</b>	It is made up of directors appointed by the Board of Directors for the Committee, the General Manager, the Directors of Administration and Finance, Commerce and Credit Risk.	It carries out the duties established in the Bank's Policy of Powers and recommends issuing and/or amending the commercial and credit risk and recovery policies of the Bank; it analyzes and follows up the credit lines, programs, credit promotion, Benchmark, Factoring y leases, based on the reports requested.

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Committee	Members	Competencies
<b>Liquidity committee</b>	It is made up of regular directors appointed by the Board of Directors, the General Manager and the Directors of Administration and Finance, of Commerce and of Credit Risk.	It carries out the duties established in the Bank's Policy of Powers; analyzes and recommends the financial policies to manage short-term and long-term resources and investments in emerging funds; it takes note of adjustments to rates and commissions of the Bank's lines and loans, and ensures the Board of Directors' knowledge of approved lines; it takes note of valuation criteria relating to International Financial Reporting Standards (IFRS) related to loan and government securities portfolio disbursements; the participation in Adhesion programs under credit quota, financial transactions, Bank's rating reports issued by Credit Rating Agencies, the Bank's situation regarding mandatory compliance regulations and any other information that may have an effect on minimum capital requirements or limits in relation to the Bank's transactions within the framework of BCRA rules, among others.
<b>Trust committee</b>	It is made up of regular directors appointed by the Board of Directors to make up the Committee, the General Manager, the Director of Administration and Finance, the Head of Regulatory Compliance and the Director of the Legal sector.	It carries out the duties established in the Bank's Policy of Powers; analyzes proposals for the creation of new trusts in which BICE is a party and/or amends those existing; analyzes the approval of the annual financial statements; follows-up the trust investment policies in which the BICE is a trustee and recommends potential amendments, if applicable; considers all those actions related to management in connection with trusts in line with the best practices.

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Committee	Members	Competencies
<b>Gender and inclusion policies committee</b>	It is made up of regular directors appointed by the Board of Directors, the General Manager and the Directors of Human resources, of Communication, of Administration and the Director of the Legal sector, the Directors of Commerce and Credit Risk.	Among its main duties, it analyzes and recommends actions with an inclusive approach, regarding gender equality commitments, diversity and sustainability, in relation to internal coexistence and with customers and/or third parties related to the Bank. It recommends policies, programs and actions to the Board of Directors in order to promote gender equality, diversity, sustainability and reduction in the existence of gaps in access to financing. In addition, it proposes specific financial lines and instruments that contribute to financial inclusion, growth and export activity of companies led by women or actively engaged in diversity and inclusion policies. It promotes awareness, training and coaching programs for the Bank's staff on gender equality, diversity, disability and sustainability. And it is always driving BICE's agenda in the areas for which it is responsible.
<b>Personnel administration, planning and bonuses Committee</b>	It is made up of regular directors appointed by the Board of Directors, the General Manager and the Directors of Administration and Finance, of Human Resources and the Director of the Legal sector.	Among its main duties, it considers and makes recommendations on the following matters: policies related to fixed assets, procurement and hiring, accounting and payments; the Bank's budget of expenses and calculation of resources to be submitted to the Argentine Finance Bureau; the Business Plan for the fiscal year. It promotes a long-term strategic vision of the institution, whereby the capital is maintained based on the Bank's business model and risk profile, together with a policy for the distribution of earnings that accompanies such definitions; a system of economic incentives to personnel, if deemed appropriate, for which it ensures that it is consistent with the corporate governance rules. It analyzes requests for purchases and hiring to be dealt with by the Board of Directors and recommends the approval or rejection thereof.

The Bank's General Manager is appointed by the Board of Directors. The designation of the General Manager or of the person performing those functions is subject to the assessment of this person's background by the BCRA.

The Bank's Top Management is made up of the General Management led by Eduardo Daniel Prina, who was appointed by the Bank's Board of Directors during its meeting held on September 8, 2022, to hold office as from that date, as authorized by the BCRA by Board of Governors' Resolution No. 476 dated 11/24/2022.

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Among other aspects, top management is responsible for:

- 1) Implementing the strategies and policies approved by the Board of Directors.
- 2) Developing processes to identify, assess, monitor, control and mitigate the risks faced by the Bank.
- 3) Implementing appropriate internal control systems and monitoring the effectiveness thereof, periodically reporting goal achievement to the Board of Directors.
- 4) Ensuring that the Bank's activities are consistent with the business strategy, the policies approved by the Board of Directors and the risks to be undertaken.
- 5) Implementing the policies, procedures, processes and controls necessary to manage transactions and risks in a thorough and prudent manner, meeting the strategic goals set by the Board of Directors and ensuring that it receives relevant, complete and timely information that it would allow it to assess operations and analyze whether the responsibilities assigned are effectively met.
- 6) Monitoring the various areas in a manner consistent with the policies and procedures set out by the Board of Directors. One of top management's key roles will be to establish, under the policies set out by the Board of Directors, an effective internal control system.
- 7) Assigning responsibilities to the Bank's personnel without disregarding its obligation of controlling how they are performed, and establishing an organizational structure that promotes accountability.
- 8) Presenting the results of its operations at the Bank to the Board of Directors.
- 9) Effectively using the work performed by the internal and external audit areas and the functions related to the internal control system.
- 10) Understanding the Bank's operating structure.

The following areas report to the General Management:

- Commercial management

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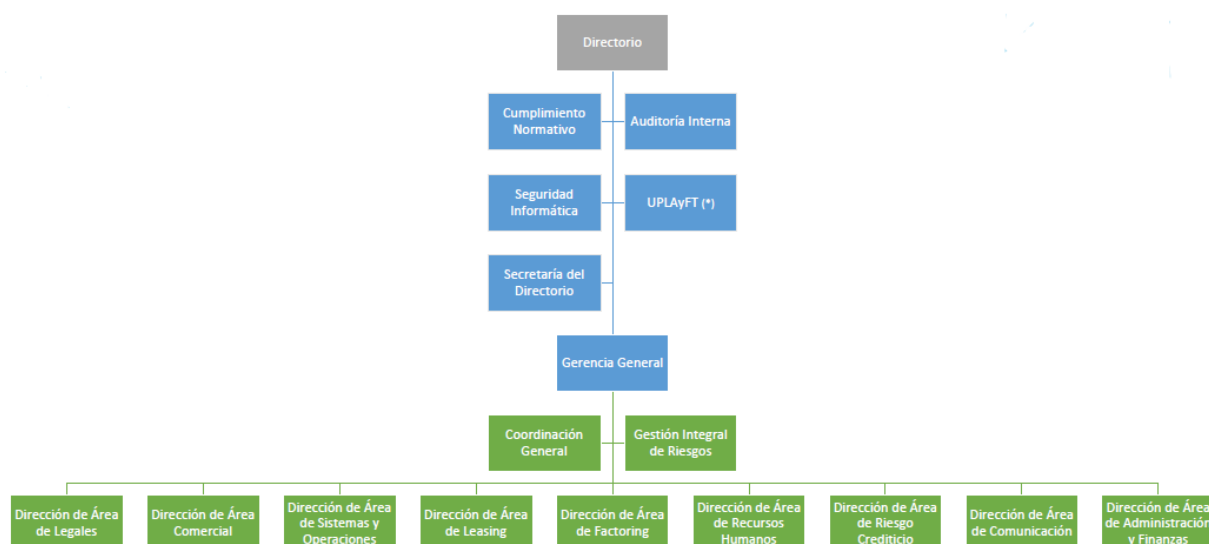
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- Legal sector
- Administration and finance management
- Credit risk management
- IT and operations management
- Human resources management
- Communication management
- Capital lease management
- Factoring management
- General Coordination management
- Comprehensive risk management

In addition, the following areas report to the Board of Directors:

- Board of Directors' Secretary
- UAML/TF(control and prevention of money laundering and terrorism financing unit)
- IT security
- Internal Audit
- Regulatory compliance unit

The Bank's organizational structure is represented in the general organizational chart included below:



As to the Code of Ethics implemented at the Bank, it describes the minimum behavior and conduct principles that all Bank members should follow. This Code is supplementary to the Corporate Governance Code as to the composition of the Bank's Corporate governance management, notwithstanding the regulations applicable to the directors in their capacity as government officials, to which the Code also supplements.

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Such Code specifies all the Bank's policies in connection with conflicts of interest, which should be followed by all Bank members.

The Code of Ethics is based on the following principles:

- Compliance with current laws and regulations;
- Honesty and professional and personal integrity;
- Avoiding conflicts of interest with the Bank;
- Maintaining information confidentiality and security;
- Fair and equal treatment with all individuals having a relationship with the Bank.

With regard to the policy for economic incentives to personnel, in December 2021, the Bank's Board of Directors approved the creation of a Personnel Administration, Planning and Bonuses Committee in order to consider the system for economic incentives to personnel and oversee whether it is consistent with the culture, objectives, long-term business, strategy and control environment of the Bank in accordance with the policy defined by the Board of Directors and the provisions of the Corporate Governance Code.

As to its role as financial agent of the nonfinancial government sector, the Bank has acted within the framework of BCRA regulations and as established in section 4(c) of its bylaws.

In addition, the Bank has been offering trust services as an institutionalized product. The experience earned by the Bank regarding trust services –as trustor, organizer and/or trustee– enables it to provide advisory services to current or potential customers in structuring and operating different types of trusts.

The current trust portfolio and the trusts being structured are very broad and their customer profile is as follows:

- Large, medium and small companies
- Principal and contractors of public works, especially in the energy sector
- Argentine federal and provincial governments

To be positioned as a referent in the trust management field, the Bank has a Trust Management area addressing all matters concerning the management and administration thereof.

Such management and administration is carried out using a work scheme involving detailed procedural regulations, control by independent sectors, automation of functions and operational risk analyses prior to launching a new business.

### NOTE 25 – TRUST ACTIVITIES

Balances as of December 31, 2022 and 2021 arise from accounting records of trusts at such dates.

Obligations arising from the different trusts will be satisfied exclusively with the trust equity. BICE's and its subsidiary's responsibility as trustee is limited to compliance with the provisions of the Trust Law No. 24441 and with the trust agreement, and it shall not satisfy such obligations with its own equity unless it

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incurs in negligence or fraud when complying with such obligations; a situation that shall be determined as such by final judgment rendered by a court of competent jurisdiction.

BICE acts as a trustee of the following trusts, as provided for by the Trust Law No. 24441 and amendments.

Trust name	Trust type	Trustor's name	Amount of trust equity	
			12/31/2022	12/31/2021
Fondo para el Desarrollo de Energías Renovables	Management trust	Argentine government through the Ministry of Energy and Mining	1,360,153,644	1,722,847,645
Trust for managing infrastructure for the supply of energy	Trust for works	C.A.M.M.E.S.A.	31,355,401	29,721,323
Fideicomiso PPP	Administrative and financial trust	Ministry of Production through SEPyME	29,641,664	39,808,819
Funds in Fid FONDESGAS	Administrative and financial trust	Integración Energética Argentina S.A. (IEASA)	17,391,909	-
Fideicomiso Central Termoeléctrica Vuelta de Obligado	Trust for works	C.A.M.M.E.S.A.	15,470,777	25,986,219
Fideicomiso Central Hidroeléctrica Punta Negra	Payment management trust	Energía Provincial Sociedad del Estado	13,994,977	19,769,595
Fondo Fiduciario para la Protección Ambiental de los Bosques Nativos (FOBOSQUE)	Administrative and financial trust	Department of Environment and Sustainable Development	11,346,575	8,283,536
Fideicomiso Central Termoeléctrica Timbúes	Trust for works	C.A.M.M.E.S.A.	7,569,493	13,491,300
Fideicomiso Central Termoeléctrica Guillermo Brown	Trust for works	C.A.M.M.E.S.A.	6,997,629	16,398,528
Fideicomiso Central Termoeléctrica Manuel Belgrano	Trust for works	C.A.M.M.E.S.A.	6,849,404	12,735,057
Other	-	-	5,441,562	7,037,775
<b>Total</b>			<b>1,506,213,035</b>	<b>1,896,079,797</b>

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BICE Fideicomisos S.A. acts as a trustee of the following trusts and in no case will it meet the obligations assumed in executing these trusts with its own equity, as provided for by the Trust Law No. 24441 and amendments.

Trust name	Trust type	Trustor's name	Amount of trust equity	
			12/31/2022	12/31/2021
Fideicomiso Fondo de Garantía Argentino	Guarantee trust	Ministry of Production	164,256,253	309,631,351
Fideicomiso Financiero de Obra Gasoducto Sur 2006 - 2008	Fideicomiso Financiero	Transportadora Gas del Sur S.A.	146,080,962	284,555,754
Fideicomiso Financiero y de Administración FONDEAR	Fideicomiso Financiero	Ministry of Production	130,670,705	71,124,746
Fideicomiso Financiero de Obra Gasoducto Norte 2006 - 2008	Fideicomiso Financiero	Transportadora Gas del Norte S.A.	91,177,989	177,608,507
Fideicomiso Financiero de Financiamiento - Cammesa	Fideicomiso Financiero	C.A.M.M.E.S.A.	85,616,752	157,404,410
Fideicomiso Fondo Fiduciario para la Vivienda Social	Fideicomiso Financiero	Ministry of the Interior	25,903,882	50,458,996
Fideicomiso de Administración Argentina Digital	Management trust	Argentine government through the ENACOM (Argentine communications agency)	20,815,979	40,483,855
Fideicomiso Financiero y de Administración Serie I - Enarsa - Brigadier Lopez	Fideicomiso Financiero	Energía Argentina S.A	20,391,272	8,220,430
Fideicomiso Financiero de Financiamiento - Albanesi	Fideicomiso Financiero	Rafael Albanesi S.A.	16,210,479	31,348,425
Fideicomiso de Adm. y Fin. Fondo de Integración Socio Urbana	Management trust	Ministry of Territory Development	13,062,651	25,445,153
Other	-	-	76,576,884	112,110,620
<b>Total</b>			<b>790,763,808</b>	<b>1,268,392,247</b>

### NOTA 26. ADMINISTRATION OF THE PROGRAM TO BOOST THE COMPETITIVENESS OF REGIONAL ECONOMIES (PROCER)

On March 27, 2018, the Technical Cooperation Agreement was signed between the Coordination Underdepartment of the Ministry of Production and BICE, whereby BICE shall act since April 15, 2018, as the financial agent and manage all the financing facilities related to the PROCER, assigned as from that date. This entails collecting the amounts owed by the financial institutions and managing the guarantees to secure such payables. In both cases, BICE collects a percentage commission, which is discounted from the amount payable to the Ministry of Economy recorded in liabilities.

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The assets managed as of December 31, 2022 and 2021 are as follows:

	12/31/2022	12/31/2021
Amounts payable to the Ministry of Production for amounts received upon the transfer of the administration	1,356,576	(1,532,893)
Assets managed	537,084	1,056,930
Amount of guarantees managed (government securities)	163,974	397,791

### **NOTE 27 – DEPOSIT GUARANTEE INSURANCE**

Law No. 24485, published on April 18, 1995, and Presidential Decree No. 540/95 of the same date created a limited and mandatory Deposit Guarantee Insurance System for valuable consideration to provide coverage for risks inherent in bank deposits, supplementary to the bank deposit privileges and protection system established by the Financial Institutions Law.

Such law provided for the creation of Seguros de Depósitos S.A. (SEDESA) for the sole purpose of managing the Deposit Guarantee Fund, the shareholders of which, as amended by Presidential Decree No. 1292/96, shall be the BCRA, with at least one share, and the trustees of the trust agreement executed by financial institutions in the proportion established by the BCRA based on their contributions to the Deposit Guarantee Fund. In August 1995, the Company was created and the Bank has no interest therein.

This system shall cover the deposits in Argentine pesos and foreign currency with the participating institutions, such as checking accounts, savings accounts, time deposits or any other determined by the BCRA, up to the amount of thousands of \$1,000, as long as the requirements under Presidential Decree No. 540/95 and any other established by the applicable authorities are met.

Additionally, by means of Communication "A" 6973 dated April 16, 2020, the deposit guarantee amount is raised to thousands of \$1,500 for the "Deposit Guarantee Insurance System" as from March 1, 2020. Subsequently, by means of Communication "A" 7661 effective as from January 1, 2023, the aforementioned limit was increased to thousands of \$ 6,000.

However, the system does not cover: a) transferable time deposits, whose ownership has been acquired by endorsement, even though the last endorsee is the original depositor; b) deposits offering incentives or compensations at different interest rates and, the amount accrued as a result of the indexation rate known as "C.E.R.", whichever the denomination or terms and conditions that may be applicable; c) deposits which offer interest rates higher than 1.3 times the deposit interest rate or the benchmark rate plus 5 percentage points, which are periodically reported by the BCRA; d) deposits of financial institutions with other intermediaries, including time deposits certificates acquired for secondary trading; e) deposits made by individuals related, either directly or indirectly to the bank, according to the guidelines set or to be set in the future by the BCRA; f) time deposits of securities, acceptances or guarantees; g) restricted balances from deposits and other excluded transactions.

The Bank is a second-tier commercial bank, authorized as from July 2010 by the BCRA regulations to accept deposits of certain investors as explained in note 1. In October 2010, the Bank started to accept deposits under the terms and conditions established, and as from December 2010, it makes the regular contribution to the deposit guarantee insurance system.

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As of December 31, 2022 and 2021, the contributions made have been recorded in "Other operating expenses – Contributions to the deposit guarantee fund" in the amount of thousands of \$167,788 and thousands of \$ 205,982, respectively (see Note 19.6).

### NOTE 28 - RESTRICTION ON THE DISTRIBUTION OF EARNINGS

a) In accordance with the BCRA regulations, 20% of income for the year plus/less adjustments to prior-year income/loss and less accumulated losses at prior year-end, if any, shall be appropriated to the legal reserve.

b) Through its Communication "A" 6464, the BCRA established the general proceeding for distributing earnings. Under this Communication, a distribution may be made provided that certain situations are not verified, such as receiving financial assistance from the BCRA due to illiquidity, shortages in paying in minimum capital requirements or be subject to sections 34 and 35 bis of Financial Institutions Law (sections referring to adjustment or corrective plans and to the Bank's restructuring), among other conditions specified in the abovementioned communication which should be complied with.

Furthermore, as established by BCRA Communication "A" 6768, the distribution of earnings approved by the Bank's Shareholders' Meeting may only become effective once the BCRA's SEFyC (Financial Institutions and Foreign Exchange Regulatory Agency) issues its authorization, as it will evaluate, among other aspects, the potential effects of applying IFRSs as per Communication "A" 6430 (item 5.5 of IFRS 9, impairment in the value of financial assets) and restating the financial statements as per Communication "A" 6651.

In addition, earnings may only be distributed provided that there is income after deducting on a non-accounting 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 (Financial Institutions and Foreign-Exchange Entities Superintendence) or by the external auditor which have not been recorded, and (vi) certain deductibles granted by the BCRA. In addition, the distribution of earnings may not include income arising from the first-time application of IFRS, which should be included as a special reserve.

Lastly, the Bank should verify whether upon effecting the proposed distribution of earnings, a capital equivalent to 2.5% of risk-weighted assets has been maintained in addition to the minimum capital requirement established by the regulation, and it should be paid-in with tier 1 common capital net of deductible items.

c) As provided for by General Resolution No. 593 of CNV, the Shareholders' Meeting held to consider the annual financial statements shall resolve on the allocation of accumulated earnings of the Bank, through either the effective distribution of dividends or the capitalization thereof with the delivery of bonus shares, by setting up optional reserves in addition to the Legal Reserve, or a combination of any

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of the aforementioned.

On March 19, 2020, by means of Communication "A" 6939, the BCRA suspended the distribution of earnings up to September 30, 2020, with the exception of the distribution of dividends in shares of common stock. Such measure was extended up to December 31, 2021 by means of BCRA Communications "A" 7035, 7181 and 7312.

Finally, on December 16, 2021, by means of Communication "A" 7421, the BCRA authorized the financial institutions to distribute earnings up to 20% of the accumulated earnings up to December 31, 2021. Such distribution, when authorized, shall be made from January 1, 2022 to December 31, 2022 in twelve monthly and consecutive installments of the same amount.

### **NOTE 29 - COMPLIANCE WITH THE REQUIREMENTS TO ACT IN THE DIFFERENT AGENT CATEGORIES DEFINED BY THE CNV**

#### **29.1. BICE**

As provided for by Resolution No. 2144 dated September 19, 2014 (served upon BICE on October 8, 2014), amended by Resolution No. 2749 dated May 5, 2015 (served upon BICE on May 14, 2015), both issued by the CNV Management of Agents and Markets, BICE was definitely registered as Settlement and Clearing Agent and trading Agent– Broker for its own portfolio (ALyC y AN propio) with the Registry of Agents and Markets, under the guidelines of Interpretation criterion No. 55/2014 (ALyC y AN Propio - Direct participant) to conduct only with its own funds, the transactions involving all securities allowed to ALyC y AN Propio (without being limited to futures and options imposed by the referred criterion).

Additionally, BICE joined the issuers regime as a result of the authorization of the Corporate Bonds Program through CNV Resolution No. 1847 dated July 28, 2016. Such program was established for a term of five years that matured on July 28, 2021. On October 28, 2021 based on the financial strategy of the Bank, the cost of the program and the inability to obtain financing at reasonable costs by means of the issuance of corporate bonds, the Board of Directors resolved to request BICE's deregistration as issuer from the CNV within the framework of the Public Offering regime. The deregistration was confirmed by the CNV on December 29, 2021 by means of Resolution RESFC-2021-21565-APN-DIR#CNV.

In relation to BICE transactions, it is informed that net equity amounts to thousands of \$ 63,439,684 as of December 31, 2022, in excess of minimum net equity required by CNV regulations, compiled text 2013.

The liquid contra account amounts to thousands of UVA 235, under the requirements established in Exhibit I, Chapter I, Markets, included in Title VI of CNV regulations, as revised. It is made up of the daily closing balance of current account No. 0004916703 held by BICE at the BNA, which amounts to thousands of \$ 98,295 (equivalent to thousands of UVA 530) as of December 31, 2022.

#### **29.2. BICE Fideicomisos**

Based on CNV Resolution No. 495/06, the Company is registered with the Registry of Ordinary Public Trustees and the Registry of Financial Trustees, and submitted the relevant information to revalidate the

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registration thereof as managing agent in charge of mutual funds collective investment products according to the requirements established by such,

By virtue of Resolution No. 622/13 amended by General Resolution No. 617/2016 of such agency, and according to the requirements established, the minimum equity required to act as financial trustees and non-financial trustees amounts to thousands of UVA (unit of acquisition value) 950 which is lower than the Company's shareholders' equity.

In addition, the cash contra-account requirements amount to thousands of UVA 475, which are met by the Company as follows:

Description	Amount	Valuation	Balance as of 12/31/2022	UVA value as of 12/31/2022	Balance as of 12/31/2022 (thousands of UVA)
<b>Assets in Argentine instruments</b>					
Discount treasury bills in pesos maturing on 5/19/2023 X19Y3	285,000,000		350,000	185.32	1,899
<b>Total</b>			<b>350,000</b>		<b>1,899</b>

### NOTE 30 - CNV RESOLUTION No. 629

In compliance with General Resolution No. 629 of the CNV, it is informed that the documentation supporting the accounting and management transactions from January 1, 2016 to the date of issuance of these financial statements as well as the accounting and corporate books are kept at BICE registered office.

The supporting documentation prior to the date above is kept at AdeA S.A., the warehouse of which is located in the provincial route No. 36, Km 31.500, Bosques, Florencio Varela, province of Buenos Aires.

### NOTE 31 - COMPLIANCE WITH MINIMUM CASH AND CAPITAL REQUIREMENTS

#### 31.1. Accounts that identify compliance with minimum cash requirements

To the date of issuance of these financial statements, in accordance with the BCRA regulations, BICE has considered the deposits held by the Bank as well as other liabilities from financial intermediation subject to minimum cash requirements as computable items. Compliance requirements are met through the balance of the accounts opened at the BCRA and LELIQ deposited in account 30060 of CRYL (Department for the Registration and Settlement of Public Debt Instruments).

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As of December 31, 2022, the balances corresponding to the minimum cash and capital requirements, in thousands, are as follows:

Currency	Minimum cash requirements Thousands of \$	Compliance with minimum cash requirements Thousands of \$	Current account BCRA
Argentine pesos	2,327,310	2,328,335	00300
US dollar	69,042	76,020	80300
Euros	-	54	11300

### 31.2. Minimum capital requirement

The table below summarizes the minimum capital requirements on a consolidated basis in connection with credit, market and operational risk for December 2022, together with the compliance therewith (computable equity) at the end of such month:

Item	12/31/2022
<b>Consolidated computable equity</b>	<b>64,461,580</b>
<b>Minimum capital requirements</b>	
Market risk	1,721,919
Operational risk	540,114
Credit risk	14,273,094
<b>Compliance with capital requirements in excess</b>	<b>47,926,453</b>

## NOTE 32- PENALTIES APPLIED TO THE FINANCIAL INSTITUTION AND SUMMARY PROCEEDINGS INITIATED BY THE BCRA

On January 4, 2021, BICE S.A. was served notice from the BCRA in connection with the summary proceedings in financial matters No. 1576, Docket No. 388/117/19 entitled: "Banco de Inversión y Comercio Exterior S.A.", pending at the Financial Litigation Management, whereby the responsible for the Financial Institutions and Foreign-Exchange Entities Superintendence, on June 22, 2020 and December 15, 2020, issued Resolutions RESOL-2020-89-E-GDEBCRA-SEFYC#BCRA and RESOL-2020-180-E-GDEBCRA-SEFYC#BCRA, whereby proceedings are filed against the Bank and the individuals indicated therein under the provisions of section 41 of the Financial Institutions Law No. 21526 and amendments.

### Purpose of the proceedings:

- **Count I:** Departure from the Credit Policy Standards consisting of granting financing in foreign currency to a destination not included in the "Credit Policies" standards.

This irregularity would have been verified on August 6, 2019, date on which a financial operation in foreign currency involving a disbursement for the construction of infrastructure works was made. Such operation was fully settled in the same currency, therefore, no equity impairment was

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verified.

This irregularity was temporarily classified as a minor infringement rated under “2”.

- **Count II:** Noncompliance with BCRA instructions and with the orders of discontinuing operations imposed by the SEFyC.

This irregularity would have extended up to August 6, 2019, when the Bank made the disbursements despite the existence of a number of communications by the BCRA that are construed as instructions contrary to such operations.

This irregularity was temporarily classified as a serious infringement rated under “3”.

### **Individuals subject to proceedings**

- **Count I:** As this is a minor infringement, the proceedings are against BICE, and no individuals are included in the case.
- **Count II:** The proceedings are filed against BICE and the members of the Board of Directors, General Manager and four members of the Committee of Lending and Borrowing Transactions based on the related competencies.

Thus, BICE S.A. as legal entity and the following individuals then in office are held responsible:

- The chairperson, Francisco Adolfo Cabrera;
- The Vice-chairperson, Federico Marcelo Cafasso;
- The regular directors: Carlos Luis Pirovano, Anastasia María de los Ángeles Adem, Ignacio Juan Moraco, Martín Horacio Ottonello and José Nicanor Trusso Krause Mayol;
- The General Manager, José Luis Morea;
- The Directors of Administration and Finance, Enrique Terráneo;
- The Director of Risk, Rodolfo Rolando Alba;
- The Director of Infrastructure, Tomás Darmandrail;
- The Director of the Commercial Area, Marco Ratti;
- The Manager of Infrastructure Projects, Agustina Morán.

### **NOTE 33 - CHANGES IN THE ARGENTINE MACROECONOMIC ENVIRONMENT, AND THE SITUATIONS OF THE FINANCIAL AND CAPITAL SYSTEM**

The Group operates within an economic context whose main variables have presented high volatility, such as the continuous increase in the inflation rate and the drop in economic activity during in prior years and deepened due to the pandemic resulting from the Coronavirus outbreak (COVID-19) declared by the World Health Organization on March 11, 2020, which to the date of these financial statements keeps certain regulations that affect activities with the highest epidemiological and health risk until December 31, 2023.

In this context, on December 21, 2019, the “Social Solidarity and Production Reactivation Law within the framework of the Public Emergency” (the “Economic Emergency Law”) was enacted, which declared the

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emergency in economic, financial, tax, administrative, social security, rate system, energy, sanitary and social matters until December 31, 2020. On 12/27/2020, the Executive Branch publishes Presidential Decree No. 1042/2020, whereby maturity is extended up to December 31, 2021 and then as of December 31, 2022, according to Presidential Decree No. 12/2022 dated January 11, 2022. Finally, Presidential Decree No. 69/2023 published on February 10, 2023 further extended its effectiveness up to December 31, 2023.

The Economic Emergency Law provided for the suspension up to December 31, 2021 of the reduction in the income tax rate (Note 17) and of the fiscal agreement of year 2017, which established a gradual reduction in turnover tax until December 31, 2020. As indicated in Note 17, Law 27630 published on June 16, 2021 rendered ineffective the income tax rate reduction, and a system of tax brackets in force for fiscal years beginning on or after January 1, 2021 was introduced.

Particularly, in connection with the financial assets, deferral of maturities and/or rescheduling of government securities were established.

To the date of issuance of these financial statements, the Bank adhered to the exchange of securities in portfolio subject to restructuring in the amount of thousands of \$ 19,588,472.

Regarding exchange matters, on September 1, 2019, Presidential Decree No. 609/2019 provided for extraordinary and temporary exchange rules. In addition, the BCRA issued Communication "A" 6770 and its amendments requiring the BCRA's authorization, up to December 31, 2019, to have access to the foreign exchange market to wire profits and dividends, to pay services to foreign related companies, and to make prepayments of financial debts (principal or interest) more than 3 days before maturity. BCRA Communication "A" 6856 published on December 30, 2019 indicated that these provisions will be held up to December 31, 2019. Different BCRA provisions stated new restrictions in connection with operating at the exchange market to the date of issuance of these financial statements. Accordingly, Communication "A" 7405 dated November 25, 2021 provided for that as from December 1, 2021, the spot foreign exchange position set out in the rules about "Foreign currency net global position" cannot exceed the amount equivalent to 0% of computable equity for the month prior to that reported. Based on these regulations, the Bank sold foreign currency and marketable securities denominated and payable in USD in the Argentine Foreign Exchange Market (MULC). Without any major impact on the Bank's profit or loss.

Moreover, within the framework derived from the pandemic, the BCRA provided for measures aimed at facilitating access to credit to economic agents, among others:

- a) Limitations on the positions maintained in bills issued by the BCRA (LELIQ) by the entities;
- b) Implementation of credit lines to MiPyMES at an annual nominal interest rate of 24% for working capital or payment of salaries;
- c) Freezing and convergence plan for the payments of mortgage and pledge loans subject to UVA in accordance with Presidential Decrees 319/2020 and 767/2020. Additionally, as from February 2021, a convergence fiscal year of 18 months is established until the amount of the contractual payments is reached. The difference between the amount of the contractual payments and that derived from the suspension indicated above is payable in installments at the end of the contract;

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EDUARDO PRINA  
GENERAL MANAGER

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DATED MARCH 9, 2023

WALTER A. PARDI  
BY STATUTORY AUDIT COMMITTEE

MARIANO DE MIGUEL  
CHAIRPERSON

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the fiscal year ended December 31, 2022, comparative with the prior year - in constant currency

- d) Maximum rates set for credit card financing and minimum rates for time deposits;
- e) New financing lines at a subsidized rate of 24% with a special trench for capital assets of national origin and minimum requirements for companies that had no access to the bank loans.
- f) Implementation of loans at regulated rates for companies under the Emergency Employment and Production Assistance Program (ATP program), which is determined based on the year-on-year basis variation of the company's invoicing and credit lines at a zero rate in \$ exclusively addressed to taxpayers registered with the simplified tax scheme and self-employed engaged in culture related activities.
- g) New Financing Line scheme for productive investment of MiPyME to be held by the entities.
- h) For customers who are employers that adhered to the Productive Recovery Program II (REPRO II), the financial institutions shall include the unpaid installments corresponding to deadlines overdue as from May 14, 2021 in the month following the end of the life of the loan, considering only the accrual of compensatory interest at the rate agreed.

The situations indicated in this Note have an impact on the transactions of the Bank and additionally, they affect the estimate of credit losses and the valuation of government sector debt instruments.

As of December 31, 2022, the minimum capital and cash requirements established by the BCRA have been met in excess and no decreases in connection with these requirements are expected for the next twelve months.

As of the date of issuance of these financial statements, these events have not had an impact on the Bank's financial position, income/loss and/or cash flows. Management estimates that it will not suffer significant impacts in the future, if at least the current level of activity continues.

### **NOTE 34 - SUBSIDIES**

On December 25, 2022, by virtue of Record No. 790, the Executive Committee of the FONDEP resolved to grant a Non-Refundable Contribution (ANR) in the amount of thousands of \$15,000,000 to Banco de Inversión y Comercio Exterior S.A., under the terms of Section 7 (c) of Presidential Decree No. 606/14.

Such ANR was received on December 27, 2022 by:

- Cash: \$ thousands of 12,100,000, and
- In kind: Bono Nación Dual currency 09/29/2023 – 16,761,068 nominal amount equivalent thousands of \$ 2,941,567.

The ANR is included in the definition of subsidy in IAS 20 and considering that its purpose is to compensate for expenses or losses already incurred, as well as to provide immediate financial aid to the Entity, without any subsequent related costs, it is recognized as net income in "Other operating income" (Note 19.3).

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the fiscal year ended December 31, 2022, comparative with the prior year - in constant currency

### NOTE 35 - SUBSEQUENT EVENTS

No events or transactions have occurred from year-end to the date of issuance of these financial statements that would have a material effect on the financial position of the Group or the results of its operations as of December 31, 2022.

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## EXHIBIT A

**CONSOLIDATED BREAKDOWN OF GOVERNMENT AND CORPORATE SECURITIES  
AS OF DECEMBER 31, 2022 AND 2021**

Figures stated in thousands of Argentine pesos - in constant currency

Item	IDENTIFICATION	HOLDING				POSITION WITHOUT OPTIONS	OPTIONS	FINAL POSITION
		FAIR VALUE	FAIR VALUE LEVEL	BOOK BALANCE 12/31/2022	BOOK BALANCE 12/31/2021			
<b>SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b>18.755.627</b>		<b>18.755.627</b>	<b>26.494.369</b>	<b>18.755.627</b>	<b>-</b>	<b>18.755.627</b>
- <b>Argentine</b>								
- <b>Government securities</b>								
- BCRA bills (LELIQ maturing on 17.01.2023)	13931	3.086.966	1	3.086.966	-	3.086.966	-	3.086.966
- Bonar DUAL 2023 Dual (maturing on 09.29.2023)	9147	2.933.187	1	2.933.187	-	2.933.187	-	2.933.187
- Discount treasury bills in pesos adjusted by CER (LECES maturing on 05/19/2023)	9127	2.181.732	1	2.181.732	-	2.181.732	-	2.181.732
- Discount treasury bills in pesos adjusted by CER (LECES maturing on 01/20/2023)	9105	1.442.105	1	1.442.105	-	1.442.105	-	1.442.105
- Discount treasury bills in pesos adjusted by CER (LECES maturing on 02/17/2023)	9111	1.415.137	1	1.415.137	-	1.415.137	-	1.415.137
- Discount treasury bills in pesos (LEDES maturing on 04/28/2023)	9142	1.393.560	1	1.393.560	-	1.393.560	-	1.393.560
- Boncer 2022 - maturing on 08/13/2023	5497	1.264.833	1	1.264.833	-	1.264.833	-	1.264.833
- Dollar linked treasury bonds - Maturing on 04.28.23.	5928	821.771	1	821.771	-	821.771	-	821.771
- Dollar linked treasury bonds - Maturing on 04.30.24.	9120	683.046	1	683.046	-	683.046	-	683.046
- Discount treasury bills in pesos (LEDES maturing on 02/28/2023)	9141	666.521	1	666.521	-	666.521	-	666.521
- Other		1.829.844		1.829.844	24.749.741	1.829.844	-	1.829.844
- <b>Corporate securities</b>								
- Garantizar SGR	8003	972.489	2	972.489	1.605.801	972.489	-	972.489
- Cuyo Aval SGR	8004	56.716	2	56.716	121.473	56.716	-	56.716
- Acindar Pymes SGR	8005	7.720	2	7.720	17.354	7.720	-	7.720
<b>OTHER DEBT SECURITIES NET OF ALLOWANCES</b>		<b>47.151.972</b>		<b>54.254.727</b>	<b>23.562.296</b>	<b>54.254.727</b>	<b>-</b>	<b>54.254.727</b>
<b>Allowances</b>		<b>-</b>		<b>(42.227)</b>	<b>(205.765)</b>	<b>(42.227)</b>	<b>-</b>	<b>(42.227)</b>
<b>OTHER DEBT SECURITIES</b>		<b>47.151.972</b>		<b>54.296.954</b>	<b>23.768.061</b>	<b>54.296.954</b>	<b>-</b>	<b>54.296.954</b>
<b>Measured at fair value through profit or loss:</b>		<b>10.761.625</b>		<b>10.761.625</b>	<b>2.898.620</b>	<b>10.761.625</b>	<b>-</b>	<b>10.761.625</b>
- <b>Argentine</b>								
- <b>Government securities</b>								
- Bonar DUAL 2023- maturing on 09/29/23	9147	3.339.062	1	3.339.062	-	3.339.062	-	3.339.062
- Bonar DUAL 2023- maturing on 07/31/23	9146	2.512.822	1	2.512.822	-	2.512.822	-	2.512.822
- Boncer 2024 - maturing on 3/25/2024 (1)	5493	2.031.143	1	2.031.143	1.363.102	2.031.143	-	2.031.143
- Boncer 2023 - maturing on 3/25/2023 (1)	5492	1.461.851	1	1.461.851	1.535.518	1.461.851	-	1.461.851
- Boncer 2023 - maturing on 3/25/2023 (1)	9145	1.416.747	1	1.416.747	-	1.416.747	-	1.416.747
<b>Measured at amortized cost</b>		<b>36.390.347</b>		<b>43.535.329</b>	<b>20.869.441</b>	<b>43.535.329</b>	<b>-</b>	<b>43.535.329</b>
- <b>Argentine</b>								
- <b>Government securities</b>								
- BCRA bills (LELIQ maturing on 24.01.2023)	13933	7.091.969	1	7.148.871	-	7.148.871	-	7.148.871
- Bonar Step-Up 2035 (1)	5922	1.750.656	1	5.942.073	6.554.117	5.942.073	-	5.942.073
- BCRA bills (LELIQ maturing on 03.01.2023)	13927	4.727.979	1	4.970.122	-	4.970.122	-	4.970.122
- BCRA bills (LELIQ maturing on 01.19.2023)	13932	2.931.347	1	2.984.532	-	2.984.532	-	2.984.532
- BCRA bills (LELIQ maturing on 10.01.2023)	13929	2.600.389	1	2.695.604	-	2.695.604	-	2.695.604
- BCRA notes (NOTALIQ maturing on 02.08.2023)	21134	2.000.000	1	2.615.007	-	2.615.007	-	2.615.007
- BCRA notes (NOTALIQ maturing on 22.02.2023)	21136	2.000.000	1	2.551.178	-	2.551.178	-	2.551.178
- BCRA notes (NOTALIQ maturing on 05.04.2023)	21142	2.000.000	1	2.362.075	-	2.362.075	-	2.362.075
- BCRA notes (NOTALIQ maturing on 01.03.2023)	21137	1.500.000	1	1.889.485	-	1.889.485	-	1.889.485
- BCRA notes (NOTALIQ maturing on 19.04.2023)	21144	1.500.000	1	1.724.751	-	1.724.751	-	1.724.751
- Other		3.865.393		4.260.355	8.286.045	4.260.355	-	4.260.355
- <b>Argentine (cont.)</b>								
- <b>Corporate securities (2)</b>								
- ON YPF Energía Eléctrica SA	55291	1.808.458	2	1.809.235	2.044.384	1.809.235	-	1.809.235
- ON Generación Mediterránea Cen. Term. Roca	55292	448.587	2	443.854	747.659	443.854	-	443.854
- VD Fideicomiso Financiero NASA Series II	37935	342.926	2	342.926	654.891	342.926	-	342.926
- VD Fideicomiso Financiero Mercado Crédito 18	56687	239.031	2	190.303	-	190.303	-	190.303
- VD Fideicomiso Financiero Megabono 279 CL "A"	56687	208.740	2	184.728	-	184.728	-	184.728
- ON Pampa Energía CL.11	56290	170.130	2	176.843	-	176.843	-	176.843
- ON Invap S 1 CL 5	56326	162.278	2	167.641	-	167.641	-	167.641
- VD Fideicomiso Financiero Mercado Crédito 15	56246	138.694	2	146.330	-	146.330	-	146.330
- ON PyME Sion S 8	56263	75.561	2	73.819	-	73.819	-	73.819
- VD Fideicomiso Financiero Confibono 64 CL "A"	56305	74.488	2	71.294	-	71.294	-	71.294
- Other		753.721		784.303	2.582.345	784.303	-	784.303
<b>INVESTMENTS IN EQUITY INSTRUMENTS</b>		<b>8.302.135</b>		<b>8.302.135</b>	<b>9.380.278</b>	<b>8.302.135</b>	<b>-</b>	<b>8.302.135</b>
<b>Measured at fair value through OCI:</b>		<b>8.302.135</b>		<b>8.302.135</b>	<b>9.380.278</b>	<b>8.302.135</b>	<b>-</b>	<b>8.302.135</b>
- <b>Argentine</b>								
- Garantizar S.A.	80003	57.822	2	57.822	109.197	57.822	-	57.822
- Mercado Abierto Electrónico (over-the-counter electronic market)	80005	46.254	2	46.254	44.555	46.254	-	46.254
- Cuyo Aval S.A.	80004	1.873	2	1.873	2.715	1.873	-	1.873
- <b>Foreign</b>								
- CAF	80006	8.196.186	2	8.196.186	9.223.811	8.196.186	-	8.196.186

(1) Instruments reprofiled pursuant to Presidential Decrees No. 49/2019 (see Note 31).

(2) See Exhibits B and C

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# EXHIBIT B

## CONSOLIDATED CLASSIFICATION OF LOANS AND OTHER FINANCING FACILITIES BY SITUATION AND GUARANTEES RECEIVED AS OF DECEMBER 31, 2022 AND 2021

Figures stated in thousands of Argentine pesos - in constant currency

ITEM	12/31/2022	12/31/2021
<b>COMMERCIAL PORTFOLIO</b>		
Performing		
- With "A" preferred guarantees and counter-guarantees	3.309.199	1.195.113
- With "B" preferred guarantees and counter-guarantees	11.239.262	12.137.150
- Without preferred guarantees or counter-guarantees	39.764.187	58.598.217
	54.312.648	71.930.480
Subject to special monitoring		
In observation		
- With "B" preferred guarantees and counter-guarantees	99.832	-
- Without preferred guarantees or counter-guarantees	43.922	-
	143.754	-
In negotiation or under refinancing agreements		
- With "B" preferred guarantees and counter-guarantees	155.384	16.068
- Without preferred guarantees or counter-guarantees	-	828.572
	155.384	844.640
Troubled		
- With "B" preferred guarantees and counter-guarantees	59.907	695.244
- Without preferred guarantees or counter-guarantees	547.764	-
	607.671	695.244
With high risk of insolvency		
- With "A" preferred guarantees and counter-guarantees	829	58.438
- With "B" preferred guarantees and counter-guarantees	596.286	83.184
- Without preferred guarantees or counter-guarantees	587.154	997.357
	1.184.269	1.138.979
Irrecoverable		
- With "B" preferred guarantees and counter-guarantees	119.279	229.912
- Without preferred guarantees or counter-guarantees	173.366	1.070.671
	292.645	1.300.583
<b>TOTAL COMMERCIAL LOAN PORTFOLIO</b>	<b>56.696.371</b>	<b>75.909.926</b>
<b>CONSUMER AND/OR HOUSING BORROWING PORTFOLIO</b>		
Performing		
- With "A" preferred guarantees and counter-guarantees	12.391.138	17.103.508
- With "B" preferred guarantees and counter-guarantees	9.294.149	11.383.003
- Without preferred guarantees or counter-guarantees	7.619.354	12.483.015
	29.304.641	40.969.526
Low risk		
- With "A" preferred guarantees and counter-guarantees	328	33.473
- With "B" preferred guarantees and counter-guarantees	6.971	263.230
- Without preferred guarantees or counter-guarantees	10.451	250.823
	17.750	547.526
Medium risk		
- With "A" preferred guarantees and counter-guarantees	-	116.027
- With "B" preferred guarantees and counter-guarantees	178	2.675
- Without preferred guarantees or counter-guarantees	2.003	53.473
	2.181	172.175
High risk		
- With "A" preferred guarantees and counter-guarantees	5.852	33.738
- With "B" preferred guarantees and counter-guarantees	19.857	262.575
- Without preferred guarantees or counter-guarantees	21.339	311.098
	47.048	607.411
Irrecoverable		
- With "A" preferred guarantees and counter-guarantees	678	25.672
- With "B" preferred guarantees and counter-guarantees	-	164.259
- Without preferred guarantees or counter-guarantees	57.319	733.484
	57.997	923.415
<b>TOTAL CONSUMER AND HOME LOAN PORTFOLIO</b>	<b>29.429.617</b>	<b>43.220.053</b>
<b>GRAND TOTAL</b>	<b>86.125.988</b>	<b>119.129.979</b>
Loans and other financing facilities- IFRS ADJUSTMENTS	(266.885)	(746.349)
Other debt securities, ON/VRD (Exhibit A)	(4.391.276)	(6.029.279)
Loans and other financing facilities. ALLOWANCES FOR LOAN LOSSES (Exh	(1.663.637)	(3.759.643)
<b>TOTAL LOANS AND OTHER FINANCING FACILITIES</b>	<b>79.804.190</b>	<b>108.594.708</b>

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## EXHIBIT C

### CONSOLIDATED CONCENTRATION OF LOANS AND OTHER FINANCING FACILITIES AS OF DECEMBER 31, 2022 AND 2021

Figures stated in thousands of Argentine pesos - in constant currency

Number of customers	FINANCING			
	12/31/2022		12/31/2021	
	Outstanding amount	% of total portfolio	Outstanding amount	% of total portfolio
10 largest customers	21.258.546	25%	35.379.251	30%
50 next largest customers	25.330.692	29%	34.467.921	29%
100 next largest customers	12.822.378	15%	16.593.075	14%
Rest of customers	26.714.372	31%	32.689.732	27%
<b>Total</b>	<b>86.125.988</b>	<b>100%</b>	<b>119.129.979</b>	<b>100%</b>

Loans and other financing facilities- IFRS ADJUSTMENTS	(266.885)	(746.349)
Other debt securities, ON/VRD (Exhibit A)	(4.391.276)	(6.029.279)
Loans and other financing facilities, ALLOWANCES FOR LOSS	(1.663.637)	(3.759.643)
<b>TOTAL LOANS AND OTHER FINANCING FACILITIES</b>	<b>79.804.190</b>	<b>108.594.708</b>

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## EXHIBIT D

### CONSOLIDATED LOANS AND FINANCING-FACILITIES BREAKDOWN BY TERM AS OF DECEMBER 31, 2022

Figures stated in thousands of Argentine pesos - in constant currency

DECEMBER 31, 2022								
Item	Matured	Term remaining to maturity						Total
		1 month	3 months	6 months	12 months	24 months	Over 24 months	
Nonfinancial government sector	-	1.547.158	175.864	231.102	302.866	-	-	2.256.990
BCRA	-	-	-	-	-	-	-	-
Financial sector	8	1.272.561	566.728	1.161.953	1.730.506	1.748.689	581.001	7.061.446
Nonfinancial private sector and foreign residents	836.900	16.643.467	10.263.555	12.259.079	18.531.080	31.032.048	69.792.036	159.358.165
<b>TOTAL</b>	<b>836.908</b>	<b>19.463.186</b>	<b>11.006.147</b>	<b>13.652.134</b>	<b>20.564.452</b>	<b>32.780.737</b>	<b>70.373.037</b>	<b>168.676.601</b>

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PATRICIA M. ZEISEL  
Partner  
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EDUARDO PRINA  
GENERAL MANAGER

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WALTER A. PARDI  
BY STATUTORY AUDIT COMMITTEE

MARIANO DE MIGUEL  
CHAIRPERSON

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CLAUDIO SALA  
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## EXHIBIT “F”

### CONSOLIDATED CHANGES IN BANK PREMISES AND EQUIPMENT AS OF DECEMBER 31, 2022 AND 2021

Figures stated in thousands of Argentine pesos - in constant currency

Item	Original value at beginning of year	Total estimated useful life in years	Additions	Retirements	Depreciation				Residual value as of 12/31/2022	Residual value as of 12/31/2021
					Accumulated at beginning of year	Retiremen ts	For the year	At year-end		
MEASUREMENT AT COST										
- Real property	1.043.959	between 46 and 5	-	-	(200.600)	-	(82.099)	(282.699)	761.260	843.359
- Furniture and fixtures	409.208	5	5.536	(51.148)	(313.430)	51.127	(41.229)	(303.532)	60.064	95.778
- Machinery and equipment	718.076	5	186.082	(103.279)	(506.363)	102.256	(102.783)	(506.890)	293.989	211.713
- Vehicles	21.342	5	7.599	-	(20.557)	-	(1.799)	(22.356)	6.585	785
- Rights to use leased real property (*)	1.193.135	(**)	26.060	(13.425)	(750.214)	13.425	(247.570)	(984.359)	221.411	442.921
TOTAL BANK PREMISES AND EQUIPMENT	3.385.720		225.277	(167.852)	(1.791.164)	166.808	(475.480)	(2.099.836)	1.343.309	1.594.556

(\*) The original value is related to assets recognized for the right to use lease contracts pursuant to IFRS 16 (see note 9).

(\*\*) According to the term of each lease contract.

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## EXHIBIT F BIS

### CONSOLIDATED CHANGES IN INVESTMENT PROPERTIES AS OF DECEMBER 31, 2022 AND 2021

Figures stated in thousands of Argentine pesos - in constant currency

Item	Original value at beginning of year	Total estimated useful life in years	Additio ns	Depreciation			Residual value as of 12/31/2022 (1)	Residual value as of 12/31/2021 (1)
				Accumulated at beginning of year	For the year	At year-end		
MEASUREMENT AT COST								
- Real property	884.665	50	-	(85.730)	(17.782)	(103.512)	781.153	798.935
TOTAL INVESTMENT PROPERTIES	884.665		-	(85.730)	(17.782)	(103.512)	781.153	798.935

(1) Note 14.3

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## EXHIBIT G

### CONSOLIDATED CHANGES IN INTANGIBLE ASSETS AS OF DECEMBER 31, 2022 AND 2021

Figures stated in thousands of Argentine pesos - in constant currency

Item	Original value at beginning of year	Total estimated useful life in years	Additions	Amortization			Residual value as of 12/31/2022	Residual value as of 12/31/2021
				Accumulated at beginning of year	For the year	At year-end		
MEASUREMENT AT COST								
- Licenses	1.114.012	2 to 5	301.152	(851.030)	(135.264)	(986.294)	428.870	262.982
- Other intangible assets	17.677	5	-	(17.677)	-	(17.677)	-	-
TOTAL INTANGIBLE ASSETS	1.131.689		301.152	(868.707)	(135.264)	(1.003.971)	428.870	262.982

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## EXHIBIT “H”

### CONSOLIDATED DEPOSIT CONCENTRATION AS OF DECEMBER 31, 2022 AND 2021

Figures stated in thousands of Argentine pesos - in constant currency

Number of customers	DEPOSITS			
	12/31/2022		12/31/2021	
	Outstanding amount	% of total portfolio	Outstanding amount	% of total portfolio
10 largest customers	77.763.582	95%	102.618.691	93%
50 next largest customers	3.816.197	5%	8.300.164	7%
<b>TOTAL</b>	<b>81.579.779</b>	<b>100%</b>	<b>110.918.855</b>	<b>100%</b>

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# EXHIBIT I

## CONSOLIDATED BREAKDOWN OF FINANCIAL LIABILITIES BY REMAINING TERM AS OF DECEMBER 31, 2022

Figures stated in thousands of Argentine pesos - in constant currency

DECEMBER 31, 2022							
Item	Term remaining to maturity						Total
	1 month	3 months	6 months	12 months	24 months	Over 24 months	
<b>Deposits</b>	56.031.478	29.075.478	1.677.057	364.107	-	-	87.148.120
- Nonfinancial government sector	35.271.706	13.182.182	549.953	-	-	-	49.003.841
- Nonfinancial private sector and foreign residents	20.759.772	15.893.296	1.127.104	364.107	-	-	38.144.279
<b>Derivatives</b>	-	-	-	-	-	-	-
<b>Other financial liabilities</b>	6.156.933	1.622.950	279.747	1.229.327	2.832.374	28.510.501	40.631.832
<b>Financing obtained from the BCRA and other financial institutions</b>	91.016	1.434.174	4.059.836	4.663.129	7.446.344	10.444.641	28.139.140
<b>TOTAL</b>	<b>62.279.427</b>	<b>32.132.602</b>	<b>6.016.640</b>	<b>6.256.563</b>	<b>10.278.718</b>	<b>38.955.142</b>	<b>155.919.092</b>

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## EXHIBIT J

### CONSOLIDATED CHANGES IN PROVISIONS AS OF DECEMBER 31, 2022 AND 2021

Figures stated in thousands of Argentine pesos - in constant currency

Breakdown	Balances at beginning of year	Increases	Decreases		Monetary gain/loss provided by provisions	Balance as of 12/31/2022	Balance as of December 31, 2021
			Reversals	Utilizations			
INCLUDED IN LIABILITIES							
- Provisions for contingencies	264.471	90.624 (1)	-	(68.689)	(132.742)	153.664	264.471
- Provision for post-employment benefits (Note 12.3)	510.898	463.441 (2)	-	(2.451)	(354.679)	617.209	510.898
<b>TOTAL PROVISIONES</b>	<b>775.369</b>	<b>554.065</b>	<b>-</b>	<b>(71.140)</b>	<b>(487.421)</b>	<b>770.873</b>	<b>775.369</b>

(1) Included in line "Other operating expenses" of Statement of income (Note 19.6).

(2) Included in line "Employee benefits" of Statement of income (Note 19.4).

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## ANEXO K

### CONSOLIDATED CAPITAL STRUCTURE AS OF DECEMBER 31, 2022

Figures stated in thousands of Argentine pesos - in constant currency

31 DE DICIEMBRE DE 2022 (1)							
Shares				Capital stock			
Class	Quantity	Nominal vote per share	Votes per share	Issued	Pending issuance or distribution	Paid-in	Not paid-in
				Outstanding			
Book-entry shares of common stock	7.010.465	1.000	1	7.010.465	345.196	7.355.661	-
Book-entry shares of preferred stock Cumulative dividend eq	4.524.568	1.000	-	4.524.568	-	4.524.568	-
<b>Total</b>	<b>11.535.033</b>			<b>11.535.033</b>	<b>345.196</b>	<b>11.880.229</b>	<b>-</b>

(1) See Note 1.2

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# EXHIBIT L

## CONSOLIDATED FOREIGN CURRENCY AMOUNTS AS OF DECEMBER 31, 2022 AND 2021

Figures stated in thousands of Argentine pesos - in constant currency

ACCOUNTS	Head office and Argentina branches	Total al 31/12/2022	Total al 31/12/2022 (por moneda)		Total al 31/12/2021
			Euros	US dollar	
ASSETS					
CASH AND DEPOSITS WITH BANKS	13.921.037	13.921.037	602.859	13.318.178	9.651.805
SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	4.473.700	4.473.700	-	4.473.700	1.088.779
OTHER FINANCIAL ASSETS	579.121	579.121	-	579.121	662.607
LOANS AND OTHER FINANCING FACILITIES	40.013.015	40.013.015	-	40.013.015	60.040.064
- Nonfinancial government sector	773.239	773.239	-	773.239	-
- Other financial institutions	2.442.065	2.442.065	-	2.442.065	5.125.318
- Nonfinancial private sector and foreign residents	36.797.711	36.797.711	-	36.797.711	54.914.746
OTHER DEBT SECURITIES	15.810.833	15.810.833	-	15.810.833	11.279.860
FINANCIAL ASSETS DELIVERED IN GUARANTEE	224	224	-	224	253
INVESTMENTS IN EQUITY INSTRUMENTS	8.196.187	8.196.187	-	8.196.187	9.223.812
OTHER NONFINANCIAL ASSETS	2.657	2.657	-	2.657	3.002
TOTAL ASSETS	82.996.774	82.996.774	602.859	82.393.915	91.950.182
LIABILITIES					
DEPOSITS	(42.786.206)	(42.786.206)	-	(42.786.206)	(46.607.662)
- Nonfinancial government sector	(34.642.388)	(34.642.388)	-	(34.642.388)	(43.698.486)
- Nonfinancial private sector and foreign residents	(8.143.818)	(8.143.818)	-	(8.143.818)	(2.909.176)
OTHER FINANCIAL LIABILITIES	(4.889.994)	(4.889.994)	-	(4.889.994)	(9.388.148)
FINANCING OBTAINED FROM THE BCRA AND OTHER FINANCIAL INSTI	(22.830.150)	(22.830.150)	(8.105.775)	(14.724.375)	(33.551.136)
OTHER NONFINANCIAL LIABILITIES	(349.948)	(349.948)	-	(349.948)	(409.050)
TOTAL LIABILITIES	(70.856.298)	(70.856.298)	(8.105.775)	(62.750.523)	(89.955.996)

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## EXHIBIT O

### CONSOLIDATED DERIVATIVE FINANCIAL INSTRUMENTS AS OF DECEMBER 31, 2022

Figures stated in thousands of Argentine pesos - in constant currency

Type of contract	Purpose of transactions	Type of agreement	Underlying asset	Type of settlement	Negotiation environment or counter party	Originally agreed-upon average weighted term (*)	Residual average weighted term (*)	Average weighted term of settlement of differences (**)	Amount as of 12/31/2022
Repo transactions	Intermediation on own account	Other	Argentine Government Securities	With delivery of underlying asset	MAE	-	-	3	3.199.189
Forward contracts in foreign currency	Intermediation- foreign currency	Other	Foreign currency	Daily settlement of differences	ROFEX	6	4	1	456.900

(\*) Stated in months

(\*\*) Stated in days

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# EXHIBIT P

## CONSOLIDATED CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES AS OF DECEMBER 31, 2022

Figures stated in thousands of Argentine pesos - in constant currency

DECEMBER 31, 2022							
ITEMS	Amortized cost	Fair value through other comprehensive income	Fair value through profit		Fair value hierarchy		
			Initially designated in accordance with IFRS 9, paragraph 6.7.1	Mandatory measurement	Level 1	Level 2	Level 3
CASH AND DEPOSITS WITH BANKS	30.407.530	-	-	-	-	-	-
Cash	665	-	-	-	-	-	-
Financial institutions and correspondents	30.406.865	-	-	-	-	-	-
- BCRA	13.358.199	-	-	-	-	-	-
- Other in Argentina and abroad	17.048.666	-	-	-	-	-	-
SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	-	-	-	18.755.627	17.718.702	1.036.925	-
DERIVATIVES	-	-	-	700	700	-	-
REPO TRANSACTIONS	3.199.189	-	-	-	-	-	-
OTHER FINANCIAL ASSETS	8.457.531	-	-	411.842	411.842	-	-
LOANS AND OTHER FINANCING FACILITIES	79.804.190	-	-	-	-	-	-
- Nonfinancial government sector	1.982.227	-	-	-	-	-	-
- Other financial institutions	4.536.408	-	-	-	-	-	-
- Nonfinancial private sector and foreign residents	73.285.555	-	-	-	-	-	-
- Notes	39.265.025	-	-	-	-	-	-
- Mortgage loans	16.684.711	-	-	-	-	-	-
- Collateral loans	950.691	-	-	-	-	-	-
- Finance lease	6.419.125	-	-	-	-	-	-
- Other	9.966.003	-	-	-	-	-	-
OTHER DEBT SECURITIES	43.493.102	10.761.625	-	-	10.761.625	-	-
FINANCIAL ASSETS DELIVERED IN GUARANTEE	5.425	1.513.515	-	-	1.513.515	-	-
INVESTMENTS IN EQUITY INSTRUMENTS	-	-	-	8.302.135	-	8.302.135	-
<b>TOTAL FINANCIAL ASSETS</b>	<b>165.366.967</b>	<b>12.275.140</b>	<b>-</b>	<b>27.470.304</b>	<b>30.406.384</b>	<b>9.339.060</b>	<b>-</b>
DEPOSITS	81.579.779	-	-	-	-	-	-
- Nonfinancial government sector	47.824.227	-	-	-	-	-	-
- Nonfinancial private sector and foreign residents	33.755.552	-	-	-	-	-	-
OTHER FINANCIAL LIABILITIES	34.203.979	-	-	-	-	-	-
FINANCING OBTAINED FROM THE BCRA AND OTHER FINANCIAL INSTITUTIONS	22.989.762	-	-	-	-	-	-
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>138.773.520</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**EXHIBIT Q**
**CONSOLIDATED BREAKDOWN OF PROFIT (LOSS)**

for the years ended December 31, 2022 and 2021

Figures stated in thousands of Argentine pesos - in constant currency

Items	Mandatory measurement	
	Financial income /(expense), net	
	12/31/2022	12/31/2021
<b>From financial assets at fair value through profit or loss</b>		
Profit from government securities	10.623.417	9.985.135
Profit from derivative financial instruments	245.674	198.956
- Forward transactions	245.674	198.956
Investments in equity instruments	691.148	852.553
Gain/loss on financial assets at fair value sold or derecognized	(5.046)	(8)
<b>TOTAL</b>	<b>11.555.193</b>	<b>11.036.636</b>
<b>Interest and adjustments due to the application of the effective interest rate on financial assets and liabilities measured at amortized cost</b>		
<b>Interest income</b>		
Cash and deposits with banks	96.457	21.620
Corporate securities	1.393.311	848.309
Government securities	20.892.783	7.366.474
Loans and other financings	18.139.976	19.896.431
- To the financial sector	1.696.734	2.084.553
- Notes	9.868.310	9.449.982
- Mortgage loans	3.431.469	3.828.547
- Collateral loans	357.216	528.875
- Finance lease	2.725.024	3.963.942
- Other	61.223	40.532
Repo transactions (Note 5)	6.309.399	9.842.908
BCRA	5.918.802	9.799.576
- Other financial institutions	390.597	43.332
<b>TOTAL</b>	<b>46.831.926</b>	<b>37.975.742</b>
<b>Interest expense</b>		
Deposits	(23.130.560)	(20.265.855)
- Certificates of deposit and term investments	(23.130.560)	(20.265.855)
Financing obtained from the BCRA and other financial institutions	(2.499.887)	(2.340.283)
Other financial liabilities	(45.246)	(88.135)
Corporate bonds issued	-	(83.070)
<b>TOTAL</b>	<b>(25.675.693)</b>	<b>(22.777.343)</b>
<b>Interest and adjustments due to the application of the effective interest rate on financial assets measured at fair value through profit or loss</b>		
<b>Net income or loss</b>		
<b>12/31/2022</b>		
Government debt securities	2.632.055	2.306.738
<b>TOTAL</b>	<b>2.632.055</b>	<b>2.306.738</b>
<b>Interest and adjustments due to the application of the effective interest rate on financial assets measured at fair value through profit or loss</b>		
<b>ORI</b>		
<b>12/31/2022</b>		
Government debt securities	(649.954)	418.115
<b>TOTAL</b>	<b>(649.954)</b>	<b>418.115</b>
<b>Commission income</b>		
<b>12/31/2022</b>		
Commissions from receivables	36.620	68.307
Commissions on loan commitments and financial guarantees	10.998	10.747
Commissions from foreign exchange transactions	29.437	28.409
Other	80.213	50.490
<b>TOTAL</b>	<b>157.268</b>	<b>157.953</b>
<b>Commission expense</b>		
<b>12/31/2022</b>		
Other	(133.111)	(562.222)
<b>TOTAL</b>	<b>(133.111)</b>	<b>(562.222)</b>

MARIA VICTORIA JARSUN  
ADMINISTRATION MANAGER

SIGNED FOR IDENTIFICATION  
PURPOSES  
DATED MARCH 9, 2023  
KPMG  
C.P.C.E.C.A.B.A. Vol. 2 Fo. 6

PATRICIA M. ZEISEL  
Partner  
PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. Vol. 286 Fo. 106

EDUARDO PRINA  
GENERAL MANAGER

SIGNED FOR IDENTIFICATION  
PURPOSES  
DATED MARCH 9, 2023

WALTER A. PARDI  
BY STATUTORY AUDIT COMMITTEE

MARIANO DE MIGUEL  
CHAIRPERSON

SIGNED FOR IDENTIFICATION  
PURPOSES  
DATED MARCH 9, 2023  
AUDITORIA GENERAL DE LA NACIÓN

CLAUDIO SALA  
PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. Vol. 138 Fo. 236



# EXHIBIT R

## ADJUSTMENT DUE TO LOSSES. ALLOWANCES FOR LOAN LOSSES AS OF DECEMBER 31, 2022 AND 2021

Figures stated in thousands of Argentine pesos - in constant currency

Breakdown	Balances at beginning of year	Increases	Decreases		Monetary gain/loss provided by provisions	Balance as of 12/31/2022	Balance as of 12/31/2021
			Reversals	Utilizations			
Other financial assets	284.002	76.008	-	-	(142.817)	217.193	284.002
Loans and other financing facilities (3)							
Other financial institutions	93.943	45.160	(36.012)	-	(57.272)	45.819	93.943
Nonfinancial private sector and foreign residents							
Notes	1.692.219	1.732.067	(473.986)	(727.127)	(1.133.742)	1.089.431	1.692.219
Mortgage loans	343.529	83.699	(58.227)	(9.138)	(172.846)	187.017	343.529
Collateral loans	87.100	4.006	(32.589)	(1.206)	(42.442)	14.869	87.100
Finance lease (4)	1.171.297	168.423	(103.716)	(442.077)	(572.719)	221.208	1.171.297
Other	371.555	222.053	(211.534)	(58.790)	(217.991)	105.293	371.555
Other debt securities	205.765	216.051	(52.088)	(174.522)	(152.979)	42.227	205.765
<b>TOTAL ALLOWANCES FOR LOAN LOSSES</b>	<b>4.249.410</b>	<b>2.547.467</b> (1)	<b>(968.152)</b> (2)	<b>(1.412.860)</b>	<b>(2.492.808)</b>	<b>1.923.057</b>	<b>4.249.410</b>

The allowance for loan losses is set up based on the uncollectibility risk of the portfolio. (Note 6)

(1) Included in line "Other operating expenses" of Statement of income.

(2) Included in line "Other operating income" of Statement of income (Note 19.3).

(3) Exhibit B, C and Note 6

(4) Note 9.2

MARIA VICTORIA JARSUN  
ADMINISTRATION MANAGER

SIGNED FOR IDENTIFICATION  
PURPOSES  
DATED MARCH 9, 2023  
KPMG  
C.P.C.E.C.A.B.A. Vol. 2 Fo. 6

PATRICIA M. ZEISEL  
Partner  
PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. Vol. 286 Fo. 105

EDUARDO PRINA  
GENERAL MANAGER

SIGNED FOR IDENTIFICATION  
PURPOSES  
DATED MARCH 9, 2023

WALTER A. PARDI  
BY STATUTORY AUDIT COMMITTEE

MARIANO DE MIGUEL  
CHAIRPERSON

SIGNED FOR IDENTIFICATION  
PURPOSES  
DATED MARCH 9, 2023  
AUDITORIA GENERAL DE LA NACION

CLAUDIO SALA  
PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. Vol. 138 Fo. 236

## **INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

To the Chairman and Directors of  
Banco de Inversión y Comercio Exterior S.A.  
Taxpayer identification number [C.U.I.T.]: 30-65112908-3  
Registered office: Bartolomé Mitre 836 - City of Buenos Aires

### *1. Report on financial statements*

We have audited the accompanying consolidated financial statements of Banco de Inversión y Comercio Exterior S.A. (the "Bank") and its subsidiaries, which comprise: the consolidated statement of financial position as of December 31, 2022, the consolidated statements of income and other comprehensive income, changes in equity and cash flows for the year then ended, and Notes 1 to 35 and Exhibits A to D, F to L and O to R.

### *2. Board of Directors' and Management's Responsibility for the financial statements*

The Bank's Board of Directors and Management are responsible for the preparation and fair presentation of the accompanying financial statements in conformity with the accounting framework established by the BCRA (Central Bank of Argentina) which, as indicated in Note 2 to those financial statements, is based on the International Financial Reporting Standards (IFRS ) as issued by the IASB (International Accounting Standards Board) and adopted by the FACPCE (Argentine Federation of Professional Councils of Economic Sciences), subject to the exceptions described in Note 2. The Bank's Board of Directors and Management are also responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement whether due to error or irregularities.

### *3. Auditors' responsibility*

Our responsibility is to express an opinion on these accompanying consolidated financial statements based on our audit. We conducted our audit in accordance with the auditing standards set forth by Technical Resolution No. 37 of the Argentine Federation of Professional Councils of Economic Sciences and the auditing standards issued by the BCRA applicable to the audit of financial statements ("Minimum Requirements on External Audits"). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a selective test basis, evidence supporting the accounting information included in the financial statements. We relied on our professional judgment to select the procedures to be performed, including assessing the risk that the financial statements may include material misstatements. When performing this risk assessment, we considered the Bank's existing internal controls on the preparation and presentation of financial statements for the purposes of selecting the adequate auditing procedures, but not of expressing an opinion on the efficiency of the Bank's internal controls. An audit also includes assessing the accounting principles used and the reasonableness of the significant estimates made by the Board of Directors as well as evaluating the overall financial statement presentation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### 4. *Opinion*

In our opinion, the consolidated financial statements mentioned in paragraph 1 present fairly, in all material respects, the financial position of Banco de Inversión y Comercio Exterior S.A. as of December 31, 2022, as well as the results of its operations, changes in shareholders' equity and cash flows for the year then ended, in conformity with the accounting information framework established by the BCRA mentioned in paragraph 2.

#### 5. *Emphasis on certain aspects disclosed in the financial statements*

Without further modifying our opinion, we draw the attention of the users of this report on the information disclosed in Note 2 to the accompanying consolidated financial statements, which states that they have been prepared by the Bank's Board of Directors and Management in accordance with the accounting information framework established by the BCRA. Such accounting framework differs from the IFRS in the aspects described in said note. The situations specified in such note do not modify the opinion stated in paragraph 4, but they should be taken into account by the users of IFRS for interpreting the accompanying financial statements mentioned in paragraph 1.

6. We also issued a separate report on the financial statements of Banco de Inversión y Comercio Exterior S.A. at the same date and for the same period indicated in paragraph 1.

#### 7. *Report on other legal and regulatory requirements*

In compliance with legal requirements in force, we report that:

- i) The Bank's consolidated financial statements mentioned in paragraph 1 have been transcribed into the Inventory Book and arise from the Bank's accounting records kept, in all material respects, pursuant to current legal requirements and conditions established by the I.G.J. (Supervisory Board of Companies) Authorization No. 06722 dated January 24, 2008;
- ii) As of December 31, 2022, as stated in Note 29 to the consolidated financial statements mentioned in paragraph 1, the Bank's equity and its eligible assets exceed the minimum amounts required by the regulations of the Argentine Securities and Exchange Commission (CNV); and
- iii) As of December 31, 2022, the accrued liability for retirement and pension contributions payable to the Argentine Pension Fund System arising from the accounting records of the Bank amounted to ARS 139,942,379, no amounts being due as of that date.

City of Buenos Aires, March 9, 2023

KPMG

AUDITORÍA GENERAL DE LA NACIÓN

Patricia M. Zeisel  
*Partner*  
Public Accountant (UBA)

Claudio Sala  
Public Accountant (UBA)



*Presidencia de la Nación*  
*Sindicatura General de la Nación*

## **STATUTORY AUDIT COMMITTEE'S REPORT**

To the Shareholders, Chairman and Directors of  
Banco de Inversión y Comercio Exterior S.A.  
Bartolomé Mitre 836  
City of Buenos Aires  
Taxpayer identification number [CUIT]: 30-65112908-3

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### **Introduction**

In our capacity as members of the Statutory Audit Committee of Banco de Inversión y Comercio Exterior S.A., we have performed a review of the consolidated financial statements as of December 31, 2022 of the Entity and its subsidiary, which comprise (a) the consolidated statement of financial position, (b) the consolidated statement of income, (c) the consolidated statement of other comprehensive income, (d) the consolidated statement of changes in equity, (e) the consolidated statement of cash flows for the year then ended, Notes 1 through 35 and exhibits A through D and F through L and O through R. Additionally, we have examined the Letter to Shareholders for such year.

### **Management's responsibilities**

The Bank's Board of Directors is responsible for the preparation and fair presentation of the accompanying consolidated financial statements in conformity with the accounting information framework established by the BCRA (Central Bank of Argentina) which, as indicated in Note 2 to the consolidated financial statements, is based on the International Financial Reporting Standards (IFRS) approved by the IASB (International Accounting Standards Board) and adopted by the FACPCE (Argentine Federation of Professional Councils in Economic Sciences), subject to the exceptions described in Note 2. The Board of Directors is also responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement whether due to error or irregularities.

### **Statutory Audit Committee's responsibility**

Our examination was made in compliance with the statutory auditors' standards in force. Those standards require that the review of the documents detailed in the "Introduction" paragraph be made in conformity with the auditing standards applicable to the review of financial statements for annual periods. The review of financial statements for annual periods consists in verifying the fairness of the significant information of the documents examined and their consistency with the information on the corporate decisions of which we became aware, as disclosed in the minutes of the Board of Directors' and Shareholders' Meetings as well as the compliance of such decisions with legal regulations and the bylaws in all formal and documentary respects.



*Presidencia de la Nación*  
*Sindicatura General de la Nación*

To perform our professional work in connection with the documents detailed in the “Introduction” paragraph, we reviewed the work performed by the external auditors, Auditoría General de la Nación and KPMG, who issued a report dated March 9, 2023.

Such review included the verification of the audit planning, nature, scope and procedures applied as well as the results of the review performed by such professional firms.

As it is not the Statutory Audit Committee’s responsibility to exercise management control, we have not considered the business criteria and decisions adopted by the Bank, since they are the exclusive responsibility of the Board of Directors.

### **Conclusion**

Based on our review, the consolidated financial statements mentioned in the “Introduction” paragraph present fairly, in all material respects, the financial position of Banco de Inversión y Comercio Exterior S.A. as of December 31, 2022, as well as the results of its operations, changes in shareholders’ equity and cash flows for the year then ended, in conformity with the accounting information framework established by the BCRA mentioned in the “Management’s responsibility” paragraph.

### **Emphasis of matter**

Without further modifying our conclusion, we draw the attention of the users of this report to the information disclosed in Note 2 to the consolidated financial statements mentioned in the “Introduction” paragraph, which states that they have been prepared by the Bank’s Board of Directors and Management in accordance with the accounting information framework established by the BCRA. Such accounting framework differs from the IFRS in the aspects described in said Note.

The situations above do not modify the conclusion stated in the “Conclusion” paragraph, but they should be taken into account by the users of IFRS for interpreting the financial statements mentioned in the “Introduction” paragraph.

### **Report on Legal and Regulatory Requirements**

In compliance with legal requirements in force, we report that:

- a) The financial statements of Banco de Inversión y Comercio Exterior S.A. mentioned in the “Introduction” paragraph have been transcribed into the Inventory Book and arise from the Entity’s accounting records, which, in their formal aspects, are kept pursuant to the legal provisions in force.
- b) We have no observations, as it relates to our area of responsibility, regarding the Board of Directors’ Letter to Shareholders for the year ended December 31, 2022, while it should be noted that any assertions under 2023 prospects are the exclusive responsibility of the Board of Directors.
- c) We have performed the anti-money laundering and terrorist financing procedures set forth by the applicable professional standards.
- d) We have no observations, as it relates to our area of responsibility, about the information included in Note 29 to the financial statements mentioned in the “Introduction” paragraph as



*Presidencia de la Nación*  
*Sindicatura General de la Nación*

of December 31, 2022, in connection with the minimum net equity and counterparty requirements imposed by the Argentine Securities and Exchange Commission (CNV).

- e) We have verified compliance with the acting directors' bonds to the date of issuance of the accompanying financial statements.
- f) The provisions of section 294, Argentine Companies Law, were met.

City of Buenos Aires, March 9, 2023

By Statutory Audit Committee

Walter A. Pardi  
Statutory Auditor

**SEPARATE FINANCIAL STATEMENTS  
AS OF 12-31-2022**

# **SEPARATE FINANCIAL STATEMENTS AS OF 12-31-2022**

## **CONTENTS**

- ✓ Separate statement of financial position
- ✓ Separate statement of income
- ✓ Separate statement of other comprehensive income
- ✓ Separate statement of changes in equity
- ✓ Separate statement of cash flows
- ✓ Notes to the separate financial statements
- ✓ Exhibits to the separate financial statements
- ✓ Independent auditors' report
- ✓ Statutory Audit Committee's report

Quantitative and qualitative information about "Market discipline" is available at [www.bice.com.ar](http://www.bice.com.ar)



Registered office: Bartolomé Mitre 836 - City of Buenos Aires

Expiration date of the articles of incorporation: See Note 1.3.

Name of the undersigned auditors:	Claudio Sala and Patricia M. Zeisel
External auditors	Auditoría General de la Nación and KPMG
Report on separate financial statements as of 12/31/2022	Code: 1

## SEPARATE STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31, 2022 AND 2021

Figures stated in thousands of Argentine pesos - in constant currency

ASSETS	Notes/Exhibits	12/31/2022	12/31/2021
CASH AND DEPOSITS WITH BANKS		30.371.944	15.772.286
Financial institutions and correspondents			
- BCRA		13.358.199	6.540.998
- Other in Argentina and abroad		17.013.745	8.730.913
Other		-	500.375
SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	A	16.860.722	24.226.035
DERIVATIVES	8	700	1.247
REPO TRANSACTIONS	5	3.199.189	52.200.549
OTHER FINANCIAL ASSETS	14.1	7.619.092	968.784
LOANS AND OTHER FINANCING FACILITIES	B/C	78.705.496	107.404.915
- Nonfinancial government sector		1.982.227	936.566
- Other financial institutions		4.536.408	9.300.253
- Nonfinancial private sector and foreign residents		72.186.861	97.168.096
OTHER DEBT SECURITIES	A	53.143.451	23.263.978
FINANCIAL ASSETS DELIVERED IN GUARANTEE	4	1.515.771	2.638.943
CURRENT INCOME TAX ASSETS	17.1	-	290.257
INVESTMENTS IN EQUITY INSTRUMENTS	A	8.302.135	9.380.278
INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES	10/E	4.855.901	4.240.574
BANK PREMISES AND EQUIPMENT	13.1/F	594.651	832.322
INTANGIBLE ASSETS	13.3/G	391.598	240.293
DEFERRED INCOME TAX ASSETS	17.1	-	2.588.797
OTHER NONFINANCIAL ASSETS	14.3	1.837.326	1.989.421
<b>TOTAL ASSETS</b>		<b>207.397.976</b>	<b>246.038.679</b>

Notes 1 to 35 and Exhibits A to L and O to R to the accompanying separate financial statements are an integral part of these separate financial statements.

CPA MARIA VICTORIA JARSUN  
ADMINISTRATION MANAGER

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023  
KPMG  
C.P.C.E.C.A.B.A. Vol. 2 Fo. 6

PATRICIA M. ZEISEL  
Socia  
CONTADORA PÚBLICA (U.B.A.)  
C.P.C.E.C.A.B.A. T° 288 F° 105

CPA EDUARDO PRINA  
GENERAL MANAGER

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023

CPA WALTER A. PARDI  
By SUPERVISORY COMMITTEE

Ux. MARIANO DE MIGUEL  
PRESIDENTE

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023  
AUDITORIA GENERAL DE LA NACION

CPA CLAUDIO SALA  
CERTIFIED PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. T°138 F°236

**SEPARATE STATEMENTS OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2022 AND 2021**  
Figures stated in thousands of Argentine pesos - in constant currency

LIABILITIES	Notes/ Exhibits	12/31/2022	12/31/2021
DEPOSITS	H	81.579.779	110.918.855
- Nonfinancial government sector		47.824.227	91.629.158
- Nonfinancial private sector and foreign residents		33.755.552	19.289.697
DERIVATIVES	8	-	448
OTHER FINANCIAL LIABILITIES	14.2	34.203.979	33.668.669
FINANCING OBTAINED FROM THE BCRA AND OTHER FINANCIAL INSTITUTIONS	15	22.989.762	34.564.792
CURRENT INCOME TAX LIABILITIES	17.1	160.846	-
PROVISIONS	16/J	643.102	600.425
DEFERRED INCOME TAX LIABILITIES	17.1	789.069	-
OTHER NONFINANCIAL LIABILITIES	14.4	3.618.217	3.580.251
<b>TOTAL LIABILITIES</b>		<b>143.984.754</b>	<b>183.333.440</b>

SHAREHOLDERS' EQUITY	Notes/ Exhibits	12/31/2022	12/31/2021
CAPITAL STOCK	K	11.880.229	11.880.229
CAPITAL ADJUSTMENT		48.750.052	48.750.052
RETAINED EARNINGS		2.267.132	-
OTHER ACCUMULATED COMPREHENSIVE INCOME (LOSS)		(614.745)	(192.174)
NET INCOME		1.130.554	2.267.132
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>63.413.222</b>	<b>62.705.239</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>207.397.976</b>	<b>246.038.679</b>

Notes 1 to 35 and Exhibits A to L and O to R to the accompanying separate financial statements are an integral part of these separate financial statements.

CPA. MARIA VICTORIA JARSUN  
ADMINISTRATION MANAGER

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023  
KPMG  
C.P.C.E.C.A.B.A. Vol. 2 Fo. 6

PATRICIA M. ZEISEL  
Socia  
CONTADORA PUBLICA (U.B.A.)  
C.P.C.E.C.A.B.A. T° 288 F° 105

CPA EDUARDO PRINA  
GENERAL MANAGER

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023

CPA WALTER A. PARDI  
By SUPERVISORY COMMITTEE

Lt. MARIANO DE MIGUEL  
PRESIDENTE

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023  
AUDITORIA GENERAL DE LA NACION

CPA CLAUDIO SALA  
CERTIFIED PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. T°138 F°238

**SEPARATE STATEMENTS OF INCOME**  
for the fiscal years ended December 31, 2022 and 2021  
Figures stated in thousands of Argentine pesos - in constant currency

STATEMENTS OF INCOME	Notes/Exhibits	Accumulated as of 12/31/2022	Accumulated as of 12/31/2021
- Interest income	Q	45.901.066	37.470.903
- Income from adjustments	Q	174.838	205.842
- Interest expense	Q	(25.675.693)	(22.777.343)
INTEREST INCOME (EXPENSE) NET		20.400.211	14.899.402
- Commission income	19.1 / Q	157.268	157.953
- Commission expense	Q	(133.111)	(562.222)
COMMISSION INCOME (EXPENSE) NET		24.157	(404.269)
- Net gain on financial instruments at fair value through profit or loss	Q	10.672.469	10.425.882
- Difference in quoted prices of foreign currency	19.2	5.607.823	11.386.148
- Other operating income	19.3	17.027.648	3.593.204
- Allowance for loan losses	R	(2.522.423)	(3.358.955)
NET OPERATING INCOME		51.209.885	36.541.412
- Employee benefits	19.4	(6.398.783)	(5.440.938)
- Administrative expenses	19.5	(2.211.028)	(2.285.334)
- Depreciation and impairment in value of assets	F/F BIS/G	(567.098)	(552.741)
- Other operating expenses	19.6	(5.952.143)	(4.542.358)
OPERATING PROFIT (LOSS)		36.080.833	23.720.041
GAINS ON INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES		614.370	453.344
GAIN/LOSS FROM NET MONETARY POSITION		(31.446.775)	(18.255.309)
PROFIT BEFORE INCOME TAX		5.248.428	5.918.076
INCOME TAX	17.1	(4.117.874)	(3.650.944)
<b>NET INCOME</b>		<b>1.130.554</b>	<b>2.267.132</b>

Notes 1 to 35 and Exhibits A to L and O to R to the accompanying separate financial statements are an integral part of these separate financial statements.

CPA MARIA VICTORIA JARSUN  
ADMINISTRATION MANAGER  
Signed for identification purposes  
DE FECHA 9 DE MARZO DE 2023  
KPMG  
C.P.C.E.C.A.B.A. Vol. 2 Fo. 6

PATRICIA M. ZEISEL  
Sosa  
CONTADORA PUBLICA (U.B.A.)  
C.P.C.E.C.A.B.A. T° 289 F° 105

CPA EDUARDO PRINA  
GENERAL MANAGER  
Signed for identification purposes  
DE FECHA 9 DE MARZO DE 2023

CPA WALTER A. PARDI  
By SUPERVISORY COMMITTEE

Uc. MARIANO DE MIGUEL  
PRESIDENTE  
Signed for identification purposes  
DE FECHA 9 DE MARZO DE 2023  
AUDITORIA GENERAL DE LA NACION

CPA CLAUDIO SALA  
CERTIFIED PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. T°138 F°236

# SEPARATE STATEMENTS OF OTHER COMPREHENSIVE INCOME

for the fiscal years ended December 31, 2022 and 2021

Figures stated in thousands of Argentine pesos - in constant currency

OTHER COMPREHENSIVE INCOME /(LOSS)	Notes/Exhibits	Accumulated as of 12/31/2022	Accumulated as of 12/31/2021
<b>NET INCOME</b>		1.130.554	2.267.132
<b>Components of other comprehensive income (loss) to be reclassified to profit for the year:</b>			
GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (LOSS) (IFRS 9, paragraph 4.1.2a)			
- Gains or losses on financial instruments carried at fair value through OCI	Q	(649.954)	418.115
- Income tax	17.1	227.383	(145.840)
<b>TOTAL OTHER COMPREHENSIVE INCOME (LOSS)</b>		<b>(422.571)</b>	<b>272.275</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>707.983</b>	<b>2.539.407</b>

Notes 1 to 35 and Exhibits A to L and O to R to the accompanying separate financial statements are an integral part of these separate financial statements.

CPA MARIA VICTORIA JARSUN  
ADMINISTRATION MANAGER  
Signed for identification purposes  
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CPA EDUARDO PRINA  
GENERAL MANAGER  
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DE FECHA 9 DE MARZO DE 2023

U.º MARIANO DE MIGUEL  
PRESIDENTE  
Signed for identification purposes  
DE FECHA 9 DE MARZO DE 2023  
AUDITORIA GENERAL DE LA NACION

PATRICIA M. ZEISEL  
Socia  
CONTADORA PUBLICA (U.B.A.)  
C.P.C.E.C.A.B.A. Tº 289 Fº 105

CPA WALTER A. PARDI  
By SUPERVISORY COMMITTEE

CPA CLAUDIO SALA  
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**SEPARATE STATEMENT OF CHANGES IN EQUITY**  
**for the fiscal years ended December 31, 2022 and 2021**  
Figures stated in thousands of Argentine pesos - in constant currency

Changes	Capital stock	Contributions not converted into equity	Adjustments to equity	Other comprehensive income (loss)		Retained earnings		Unappropriated retained earnings	Total shareholders' equity as of 12/31/2022
	Outstanding	Additional paid-in capital		Accumulated gains or losses from postemployment defined benefit plans	Accumulated gains or losses from financial interest at fair value through OCI	Legal reserve	Optional reserve		
Restated amounts at beginning of year	11.880.229	-	48.750.052	(100.270)	(91.904)	-	-	2.267.132	62.705.239
Total comprehensive income (loss)									
- Total comprehensive income (loss)									
- Profit for the year	-	-	-	-	-	-	-	1.130.554	1.130.554
- Other comprehensive income(loss) for the year	-	-	-	-	(422.571)	-	-	-	(422.571)
- Distribution of unappropriated retained earnings approved by the Shareholders' Meeting held on April 29, 2022 (1)									
- Legal reserve	-	-	-	-	-	2.267.132	-	(2.267.132)	-
Amounts at year-end	11.880.229	-	48.750.052	(100.270)	(514.475)	2.267.132	-	1.130.554	63.413.222

Changes	Capital stock	Contributions not converted into equity	Adjustments to equity	Other comprehensive income (loss)		Retained earnings		Unappropriated retained earnings	Total shareholders' equity as of 12/31/2021
	Outstanding	Additional paid-in capital		Accumulated gains or losses from postemployment defined benefit plans	Accumulated gains or losses from financial interest at fair value through OCI	Legal reserve	Optional reserve		
Restated amounts at beginning of year	11.880.229	1.764	178.564.820	(100.270)	(342.141)	5.135.238	4.822.503	(139.774.273)	60.187.870
Total comprehensive income (loss)									
- Total comprehensive income (loss)									
- Profit for the year	-	-	-	-	-	-	-	2.267.132	2.267.132
- Other comprehensive income(loss) for the year	-	-	-	-	272.275	-	-	-	272.275
- Absorption of accumulated losses approved by the Shareholders' Meeting held on April 29, 2021 (1)	-	(1.764)	(129.814.768)	-	-	(5.135.238)	(4.822.503)	139.774.273	-
- Reversal of reserves	-	-	-	-	(22.038)	-	-	-	(22.038)
Amounts at year-end	11.880.229	-	48.750.052	(100.270)	(91.904)	-	-	2.267.132	62.705.239

Notes 1 to 35 and Exhibits A to L and O to R to the accompanying separate financial statements are an integral part of these separate financial statements.

(1) Note 1.2 to the consolidated financial statements.

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**SEPARATE STATEMENTS OF CASH FLOWS**  
**for the fiscal years ended December 31, 2022 and 2021**  
Figures stated in thousands of Argentine pesos - in constant currency

CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	Notes	12/31/2022	12/31/2021
<b>Profit for the year before income tax</b>		<b>5.248.428</b>	<b>5.918.076</b>
<b>Adjustments from total monetary gain/loss for the year</b>		<b>31.446.775</b>	<b>18.255.309</b>
<b>Adjustments to determine cash flows provided by operating activities:</b>		<b>(32.432.001)</b>	<b>(18.650.236)</b>
Amortization, depreciation and impairment in value	F/F BIS/G	567.098	552.741
Allowance for loan losses	R	2.522.423	3.358.955
Other adjustments		(35.521.522)	(22.561.932)
<b>Net increase from operating assets:</b>		<b>53.131.812</b>	<b>42.728.362</b>
Securities at fair value through profit or loss		7.365.313	(768.690)
Derivatives		547	1.164
Repo transactions		49.001.360	(23.016.590)
Loans and other financing facilities			
Nonfinancial government sector		(1.045.661)	206.668
Other financial institutions		4.811.969	10.253.927
Nonfinancial private sector and foreign residents		27.028.197	41.196.608
Other debt securities		(29.692.918)	12.834.007
Financial assets delivered in guarantee		1.123.172	(607.948)
Investments in equity instruments		1.078.143	2.079.749
Other assets		(6.538.310)	549.467
<b>Net decrease from operating liabilities:</b>		<b>(28.684.394)</b>	<b>(23.974.451)</b>
Deposits			
Nonfinancial government sector		(43.804.931)	(15.781.547)
Nonfinancial private sector and foreign residents		14.465.855	1.896.496
Derivatives		(448)	(199)
Other liabilities		655.130	(10.089.201)
<b>Income tax payments</b>		<b>105.418</b>	<b>-</b>
<b>TOTAL OPERATING ACTIVITIES</b>		<b>28.816.038</b>	<b>24.277.060</b>

Notes 1 to 35 and Exhibits A to L and O to R to the accompanying separate financial statements are an integral part of these separate financial statements.

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**SEPARATE STATEMENTS OF CASH FLOWS**  
**for the fiscal years ended December 31, 2022 and 2021**  
Figures stated in thousands of Argentine pesos - in constant currency

<b>CASH FLOWS PROVIDED BY INVESTING ACTIVITIES</b>	<b>Notes</b>	<b>12/31/2022</b>	<b>12/31/2021</b>
<b>Payments:</b>			
Purchase of bank premises and equipment, intangible assets and other assets	F / G	(427.432)	(133.367)
Control gained over subsidiaries or other businesses		(500)	-
Other payments related to investing activities		(26.060)	(40.457)
<b>Collections:</b>			
Sale of bank premises and equipment, intangible assets and other assets		-	-
Sale and reimbursement of debt or equity instruments issued by other		-	-
Control lost over subsidiaries or other businesses		-	-
Other collections related to investing activities		276.554	25.437
<b>TOTAL INVESTING ACTIVITIES</b>		<b>(177.438)</b>	<b>(148.387)</b>
<b>CASH FLOWS PROVIDED BY FINANCING ACTIVITIES</b>			
<b>Payments:</b>			
Unsubordinated corporate bonds		-	(8.246.038)
BCRA (Central Bank of Argentina)		(105)	(783)
Financing received from financial institutions		(13.004.288)	(23.981.021)
<b>TOTAL FINANCING ACTIVITIES</b>		<b>(13.004.393)</b>	<b>(32.227.842)</b>
<b>EFFECT OF CHANGES IN THE EXCHANGE RATE</b>		<b>6.640.797</b>	<b>4.786.976</b>
<b>EFFECT OF CASH FLOWS MONETARY GAINS/LOSS</b>		<b>(7.675.346)</b>	<b>(9.721.945)</b>
<b>TOTAL CHANGES IN CASH FLOWS</b>		<b>14.599.658</b>	<b>(13.034.138)</b>
<b>NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>14.599.658</b>	<b>(13.034.138)</b>
<b>RESTATED CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	20	<b>15.772.286</b>	<b>28.806.424</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	20	<b>30.371.944</b>	<b>15.772.286</b>

Notes 1 to 35 and Exhibits A to L and O to R to the accompanying separate financial statements are an integral part of these separate financial statements.

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## Notes to the separate financial statements

correspondientes al ejercicio finalizado el 31 de diciembre de 2022 presentados en forma comparativa - en moneda constante.

### Note 1 - CORPORATE INFORMATION

Note 1 to the consolidated financial statements contains the corporate information of Banco de Inversión y Comercio Exterior S.A. (the "Bank" or "BICE").

On March 09, 2023, the Bank's Board of Directors approved the issuance of these financial statements.

#### 1.1. The Bank's operations

Note 1.1 to the consolidated financial statements describes the main transactions performed by the Bank.

#### 1.2. Equity interest

Note 1.2 to the consolidated financial statements describes the Bank's capital stock structure.

#### 1.3. Expiration date of the articles of incorporation

Note 1.3 to the consolidated financial statements describes the expiration date of the articles of incorporation.

### NOTE 2- CRITERIA FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

Note 2 to the consolidated financial statements includes a detail of the criteria for the preparation of the financial statements.

### NOTE 3- BASIS FOR PRESENTATION OF THE FINANCIAL STATEMENTS

#### 3.1. Significant accounting policies

Note 3.1 through 3.8 to the consolidated financial statements thoroughly explains the significant accounting policies used in the financial statements and the new resolutions issued but not yet in effect as of the date of issuance of these financial statements. Everything explained there, except for Note 3.6, is applicable to the separate financial statements.

The Bank has consistently applied the accounting policies detailed in Note 3.4 to the consolidated financial statements to all years presented in these financial statements.

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## Notes to the separate financial statements

correspondientes al ejercicio finalizado el 31 de diciembre de 2022 presentados en forma comparativa - en moneda constante.

### NOTE 4. FINANCIAL ASSETS DELIVERED IN GUARANTEE AND RESTRICTED ASSETS

As of December 31, 2022 and 2021, the Bank delivered as guarantee the financial assets detailed below:

Description	Beginning date	Purpose of the coverage	Amount guaranteed	Rate	Effective term	Carrying amount as of 12/31/2022
Securities delivered in guarantee for transactions carried out with the BCRA						
- DESARROLLO SAN JUAN program	03/12/2015	Auction	6,000	10 %	Up to 15 years	-
Securities delivered in guarantee for transactions carried out with the MAE	05/15/2017	Transaction	N/A	N/A	N/A	321,000
Securities delivered in guarantee for transactions carried out with ROFEX	12/12/2017	Transaction	N/A	N/A	N/A	1,187,700
Securities delivered in guarantee for transactions carried out with BYMA	09/11/2020	Transaction	N/A	N/A	N/A	4,815
Lease security deposits in cash	(*)	Rentals	N/A	N/A	N/A	502
Guarantee account with the BCRA	N/A	Transaction	N/A	N/A	N/A	1,754
<b>Total</b>						<b>1,515,771</b>

Description	Beginning date	Purpose of the coverage	Amount guaranteed	Rate	Effective term	Carrying amount as of 12/31/2021
Securities delivered in guarantee for transactions carried out with the BCRA						
- DESARROLLO SAN JUAN program	03/12/2015	Auction	6,000	10 %	Up to 15 years	7,971
Securities delivered in guarantee for the program FONDEFIN	04/10/2017	Auction	4,000	11.1 %	Working capital 1 year / Investment: 3 to 10 years	9,058
Securities delivered in guarantee for transactions carried out with the MAE	05/15/2017	Transaction	N/A	N/A	N/A	362,315
Securities delivered in guarantee for transactions carried out with ROFEX	12/12/2017	Transaction	N/A	N/A	N/A	2,253,003
Securities delivered in guarantee for transactions carried out with BYMA	09/11/2020	Transaction	N/A	N/A	N/A	5,435
Lease security deposits in cash	(*)	Rentals	N/A	N/A	N/A	795
Guarantee account with the BCRA	N/A	Transaction	N/A	N/A	N/A	366
<b>Total</b>						<b>2,638,943</b>

(\*) Rentals effective at year-end.

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## Notes to the separate financial statements

correspondientes al ejercicio finalizado el 31 de diciembre de 2022 presentados en forma comparativa - en moneda constante.

Bank Management estimates that there will be no losses as a result of the restrictions on the abovementioned assets.

### NOTE 5 – REPO TRANSACTIONS

Note 5 to the consolidated financial statements details the repo transactions executed with the BCRA and other financial institutions as of December 31, 2022 and 2021.

### NOTE 6. ADJUSTMENT DUE TO LOSSES. ALLOWANCE FOR LOAN LOSSES AND OTHER FINANCING FACILITIES

The changes in this allowance during the years ended December 31, 2022 and 2021 are disclosed in Exhibit R “Adjustment due to losses. Allowance for loan losses”.

The following tables show the changes in the allowance by portfolio of loans and other financing facilities:

	Commercial loan portfolio	Consumer and housing borrowing portfolio	Total
	Allowance determined individually	Allowance not determined individually	
<b>As of December 31, 2021</b>	<b>2,443,585</b>	<b>1,304,154</b>	<b>3,747,739</b>
Charges (Exhibit R)	1,702,371	548,164	2,250,535
Reversals (Exhibit R)	( 745,998)	( 170,066)	( 916,064)
Utilizations (Exhibit R)	( 1,024,900)	( 213,438)	( 1,238,338)
Monetary gains/losses (Exhibit R)	( 1,734,570)	( 456,649)	( 2,191,219)
<b>As of December 31, 2022 (*)</b>	<b>640,488</b>	<b>1,012,165</b>	<b>1,652,653</b>

	Commercial loan portfolio	Consumer and housing borrowing portfolio	Total
	Allowance determined individually	Allowance not determined individually	
<b>As of December 31, 2020</b>	<b>7,029,630</b>	<b>1,971,527</b>	<b>9,001,157</b>
Charges	1,600,510	1,080,623	2,681,133
Reversals	( 582,457)	( 807,334)	( 1,389,791)
Utilizations	( 3,016,894)	( 240,794)	( 3,257,688)
Monetary gains/losses	( 2,587,204)	( 699,868)	( 3,287,072)
<b>As of December 31, 2021 (*)</b>	<b>2,443,585</b>	<b>1,304,154</b>	<b>3,747,739</b>

(\*) Exhibits B, C and R

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## Notes to the separate financial statements

correspondientes al ejercicio finalizado el 31 de diciembre de 2022 presentados en forma comparativa - en moneda constante.

### NOTE 7. CONTINGENT TRANSACTIONS

Note 7 to the consolidated financial statements details the contingent transactions as of December 31, 2022 and 2021.

### NOTE 8 - DERIVATIVE FINANCIAL INSTRUMENTS

Note 8 to the consolidated financial statements includes the information related to the Bank's derivative financial instruments as of December 31, 2022 and 2021.

### NOTE 9 - LEASES

According to IFRS 16, as from the year beginning on January 1, 2019, the Bank and its subsidiaries assess all the contracts executed to identify whether they contain a lease, i.e. the right to control the use of an identified asset for a period of time for consideration.

#### 9.1. - Operating lease commitments: Bank as lessee:

Note 9.1 to the consolidated financial statements includes the information related to the Bank's operating lease commitments as lessee as of December 31, 2022 and 2021.

#### 9.2- Finance lease commitments and capital lease options:

Note 9.2 to the consolidated financial statements includes the information related to the Bank's finance lease commitments and capital lease options as of December 31, 2022 and 2021.

#### 9.3- Operating lease commitments: Bank as lessor:

The Bank entered into commercial contracts to lease its investment property, including three pieces of real property. The term for these leases is as follows:

Real property	Term
Piece of real property at 25 de Mayo 526	5 years
Piece of real property at Carlos Pellegrini 675	3 years
Piece of real property Puerto Deseado	2 years

The minimum future payments for non-cancellable operating lease contracts are as follows:

Term	12/31/2022	12/31/2021
Up to 1 year (*)	46,337	67,143
From 1 to 3 years	24,088	87,345
<b>Total</b>	<b>70,425</b>	<b>154,488</b>

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## Notes to the separate financial statements

correspondientes al ejercicio finalizado el 31 de diciembre de 2022 presentados en forma comparativa - en moneda constante.

(\*) The contract for the piece of real property Puerto Deseado is monthly extended as provided for by Presidential Decree 766/2020.

### NOTE 10 – INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Note 10 to the consolidated financial statements includes the information related to the Bank's subsidiaries as of December 31, 2022 and 2021.

The Bank does not have any investments in associates or joint ventures to the date of issuance of these financial statements.

### NOTE 11 – RELATED PARTIES

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

- has control or joint control over the Bank;
- has significant influence over the Bank;
- is a member of the key management personnel of the Bank or of a parent of the Bank;
- is a member of the same group.

Pursuant to IAS 24, key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Bank, directly or indirectly. Based on such definition, as of December 31, 2022, the Bank considers that key personnel include the Board members and the General Manager.

Below is a breakdown of the most significant transactions and balances with related parties, subject to the exception of paragraph 25 of IAS 24 and considering that the shareholders are BNA and the Ministry of Economy.

	<u>12/31/2022</u>	<u>12/31/2021</u>
<b>Ministry of Economy</b>		
Loans and other financing facilities	1,163,698	932,615
Other financial assets	7,138,516	245,194
Time deposits	( 2,509,114)	-
Other financial liabilities (Note 14.2)	( 33,595,947)	( 29,878,060)

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PRESIDENTE

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purposes  
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.....  
CPA CLAUDIO SALA  
CERTIFIED PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. T°138 F°236

## Notes to the separate financial statements

correspondientes al ejercicio finalizado el 31 de diciembre de 2022 presentados en forma comparativa - en moneda constante.

	<u>12/31/2022</u>	<u>12/31/2021</u>
<b>BNA</b>		
Cash and deposits with banks	12,931,083	3,273,560
Loans and other financing facilities	8,857,575	17,833,403
Financing obtained from the BCRA and other financial institutions (Note 15)	(705,637)	(1,013,656)
Other financial liabilities (Note 14.2)	(226,228)	(352,542)

Profit or loss arising from transactions with related parties are detailed below:

	<u>Accumulated as of 12/31/2022</u>	<u>Accumulated as of 12/31/2021</u>
<b>Ministry of Economy</b>		
Interest income	79,025	386,039
Interest expense	( 4,745,690)	( 452,131)
Commission income	227	3,437
<b>BNA</b>		
Interest income	84,163	7,046
Interest expense	(64,462)	(282,680)
Commission expense	(64)	(31,045)
Other operating income	115,068	-
Allowance for loan losses	-	(15,661)

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

Directors do not assume any executive positions at the Bank and, therefore, they do not earn any other remuneration, and the Bank's policy does not contemplate the possibility of granting other benefits such as equity interests.

The Bank has not granted share-backed loans to directors or other key management personnel. The compensation of key management personnel comprising salaries, fees and bonuses amounts to thousands of \$ 164,821 and thousands of \$ 152,942 as of December 31, 2022, and 2021, respectively.

As of December 31, 2022 and 2021, loans to employees amount to thousands of \$ 117,490 and thousands of \$ 27,201 respectively.

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### NOTE 12. EMPLOYEE BENEFITS PAYABLE

#### 12.1. Short-term benefits

The amounts payable to employee on account of short-term benefits are as follows:

	<u>12/31/2022</u>	<u>12/31/2021</u>
Payroll and social security contributions payable	154,437	186,869
Provision for vacation days not taken	402,652	485,894
Provision for performance bonus	473,846	-
<b>Total short-term benefits (Note 14.4)</b>	<b>1,030,935</b>	<b>672,763</b>

#### 12.2. Long-term benefits

The provision set up for long-term benefits is broken down below:

	<u>12/31/2022</u>	<u>12/31/2021</u>
5-year award	249	251
10-year award	4,934	6,561
20-year award	8,406	9,969
30-year award	5,158	-
<b>Total long-term benefits (Note 14.4)</b>	<b>18,747</b>	<b>16,781</b>

#### 12.3. Post employment benefits:

The provision set up for the abovementioned benefits is broken down below:

	<u>12/31/2022</u>	<u>12/31/2021</u>
Post-employment benefit (Note 16 and Exhibit J)	617,209	510,898
<b>Total Post employment benefits</b>	<b>617,209</b>	<b>510,898</b>

#### 12.4. Key assumptions used in measuring the present value of benefit liabilities

Note 12.4 to the consolidated financial statements as of December 31, 2022 discloses the main key assumptions used in determining the liabilities arising from post-employment benefit plans.

### NOTE 13 – FIXED ASSETS

#### 13.1. Bank premises and equipment

The account includes the assets owned by the Bank, used for its specific activity.

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The changes in these assets as of December 31, 2022 and 2021 are disclosed in Exhibit F "Changes in Bank premises and equipment".

### 13.2. Investment properties

The account includes the investment properties owned by the Bank, used for its specific activity.

The changes in these assets as of December 31, 2022 and 2021 are disclosed in Exhibit F BIS "Changes in investment properties".

### 13.3. Intangible assets

The account includes the intangible assets owned by the Bank, used for its specific activity.

The changes in these assets as of December 31, 2022 and 2021 are disclosed in Exhibit G "Changes in intangible assets".

## NOTE 14 – OTHER ASSETS AND LIABILITIES

### 14.1. Other financial assets

The Other financial assets held by the Bank are as follows:

Item	Amount as of 12/31/2022	Amount as of 12/31/2021
Sundry receivables	7,567,845	905,521
Investment in financial assets	177,128	200,150
<b>Subtotal Other financial assets</b>	<b>7,744,973</b>	<b>1,105,671</b>
Allowance for loan losses (Exhibit R)	( 125,881)	(136,887)
<b>Total Other financial assets</b>	<b>7,619,092</b>	<b>968,784</b>

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### 14.2. Other financial liabilities

The Other financial liabilities held by the Bank are as follows:

	Payables as of 12/31/2022	Payables as of 12/31/2021
Productive Transformation Department (Ministry of Economy) - PROCER (Note 11)	439,229	905,917
Productive Transformation Department (Ministry of Economy) - FONCER (Note 11)	136,309	265,521
Finance Fund for Developing the Río de la Plata- FONPLATA (Ministry of Economy) (Note 11)	605,522	1,716,539
Banco Europeo de Inversiones (BEI) line – (Ministry of Economy) (Note 11)	1,986,293	7,410,929
FONDEP line (Ministry of Production Development) (Note 11)	5,454,732	-
World Bank line (Ministry of Economy) (Note 11)	6,013,330	8,179,477
IDB-GCF line (Ministry of Economy) (Note 11)	6,316,878	4,924,087
Productive Transformation Department (Ministry of Economy) - PROCER II (Note 11)	11,287,078	4,942,697
Finance lease	195,979	427,362
Administration of the program to boost the competitiveness of regional economies (PROCER – Ministry of Economy) (Note 11)	1,356,576	1,532,893
Interest on BNA preferred stock (Note 11)	226,228	352,542
<b>Subtotal Other financial liabilities</b>	<b>34,018,154</b>	<b>30,657,964</b>
Other financial liabilities	185,825	3,010,705
<b>Total Other financial liabilities</b>	<b>34,203,979</b>	<b>33,668,669</b>

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### 14.3. Other nonfinancial assets

The Other nonfinancial assets held by the Bank are as follows:

Item	Amount as of 12/31/2022	Amount as of 12/31/2021
Directors' and statutory auditors' fee advances	118,896	156,092
Advances to personnel	117,490	27,201
Prepayments	81,790	47,214
Prepayments for the purchase of assets	2,363	179,477
Investment properties (Exhibit F BIS)	1,482,617	1,510,734
Tax withholdings and collections	22,273	46,554
<b>Subtotal Other nonfinancial assets</b>	<b>1,825,429</b>	<b>1,967,272</b>
Other nonfinancial assets	11,897	22,149
<b>Total Other nonfinancial assets</b>	<b>1,837,326</b>	<b>1,989,421</b>

### 14.4. Other nonfinancial liabilities

The Other nonfinancial liabilities held by the Bank are as follows:

Item	Payables as of 12/31/2022	Payables as of 12/31/2021
Provision for Directors' fees	137,852	191,213
Provision for Statutory Auditors' fees	32,711	38,595
Bonus collected in advance	168,342	440,419
Collections made in advance	34,308	86,214
Interest collected in advance	80	156
Provision for short-term employee benefits (Note 12.1)	1,030,935	672,763
Provision for long-term employee benefits (Note 12.2)	18,747	16,781
Other taxes payable	2,044,012	1,447,166
Other creditors	132,568	669,245
<b>Subtotal Other nonfinancial liabilities</b>	<b>3,599,555</b>	<b>3,562,552</b>
Other nonfinancial liabilities	18,662	17,699
<b>Total Other nonfinancial liabilities</b>	<b>3,618,217</b>	<b>3,580,251</b>

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### NOTE 15. FINANCING OBTAINED FROM THE BCRA AND OTHER FINANCIAL INSTITUTIONS

The table below details the financing received:

Item	Payables as of 12/31/2022	Payables as of 12/31/2021
China Development Bank (CDB)	10,763,097	18,062,809
Inter-American Development Bank (IDB)	2,078,142	2,345,524
Inter-American Development Bank (IDB)- sustainable bond	1,337,111	2,992,776
French Development Agency (AFD)	8,105,775	10,150,027
Financing of BNA NY (Note 11)	546,025	-
Banco de la Nación Argentina (Note 11)	159,612	1,013,656
<b>Total financing obtained from the BCRA and other financial institutions</b>	<b>22,989,762</b>	<b>34,564,792</b>

### NOTE 16 - PROVISIONS

It includes the amounts estimated to meet current obligations that are probable.

Exhibit J "Changes in provisions" shows the changes in provisions over the year ended December 31, 2022. The increases in provisions in Exhibit J include the increase in the amount discounted as a result of the time elapsed and the effect of the change in the discount rate.

As of December 31, 2022 and 2021, the main provisions are as follows:

- Provisions for contingencies: Including the following provisions:
  - ✓ Provision for court expenses arising from the turnover tax claim for the 2002-2004 period: Related to the provision for fees that may be set for the professionals involved in Case No. 14656/2009 (accountant expert witness and Buenos Aires City's legal counsel). It is estimated that such amount and payment request as of December 31, 2022 and 2021 totals thousands of \$ 502 and thousands of \$ 977, respectively.
  - ✓ Other contingencies involving labor lawsuits filed against the Bank. It is estimated that such amount and payment request as of December 31, 2022 and 2021 totals thousands of \$ 25,391 and thousands of \$ 88,550, respectively.
  - ✓ Provision for post-employment defined benefit plans: related to the provision for post-employment benefits detailed in Note 12.3.

In the opinion of the Bank's Management and its legal counsels, there are no significant effects other than those disclosed in these separate financial statements, the amounts and payment terms of which were

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recorded based on the current value of those estimates as well as the probable date of their final resolution.

### NOTE 17 - INCOME TAX

#### 17.1. Income tax and deferred tax

The Income tax shall be recognized by applying the deferred method, which consists in recognizing (as a credit or debit) the tax effect of temporary differences between the carrying amount and tax base of assets and liabilities, and subsequently recording them in the statement of income for the years in which such differences are reversed, also considering the use of the tax loss carryforwards in the future.

The current income tax liabilities / assets disclosed in the statement of financial position are as follows:

<b>Income Tax</b>	<b>12/31/2022</b>	<b>12/31/2021</b>
Income tax prepayments	156,410	-
Other credits	100,476	105,418
Minimum presumed income tax (Note 17.3)	94,890	184,839
Provision for income tax	( 512,622)	-
<b>Current income tax (liabilities)/ assets as of 12/31/2022</b>	<b>(160,846)</b>	<b>290,257</b>

As of December 31, 2022, deferred liabilities amount to thousands of \$ 789,069 and as of December 31, 2021, the Entity's deferred tax assets amounted to thousands of \$ 2,588,797, respectively. The deferred tax assets and liabilities included in the statement of financial position are as follows:

	<b>12/31/2022</b>	<b>12/31/2021</b>
<b><u>Deferred tax assets:</u></b>		
Loans	528,528	596,108
Other nonfinancial assets	43,389	16,594
Provisions included in liabilities	225,085	210,149
Inflation adjustment	1,437,631	3,937,429
Tax loss 2019	-	226,722
Employee benefits	147,478	175,937
Other	351	5,499
<b>Total deferred assets</b>	<b>2,382,462</b>	<b>5,168,438</b>

#### **Deferred tax liabilities:**

Financial Instruments	( 2,469,556)	(1,451,316)
Investments in equity instruments	-	( 561,147)
Corporate bonds	-	( 43,388)
Loans and other financing facilities	( 59,216)	( 113,185)
Finance lease	8,903	5,446

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Other	( 85,508)	103,646
Bank premises and equipment	( 566,154)	( 519,697)
<b>Total deferred liabilities</b>	<b>( 3,171,531)</b>	<b>( 2,579,641)</b>
<b>Deferred tax (liabilities) / assets, net</b>	<b>( 789,069)</b>	<b>2,588,797</b>

The changes in net deferred tax assets and liabilities as of December 31, 2022 and 2021 are summarized as follows:

	<b>Position as of 12/31/2022</b>	<b>Position as of 12/31/2021</b>
Deferred tax assets at beginning of year, net	2,588,797	6,385,581
Monetary gains/losses	( 2,499,798)	( 2,133,798)
Deferred tax expense through profit or loss (net of the reversal of the provision)	( 423,963)	( 834,682)
Use of the tax loss in connection with the income tax	( 226,722)	( 682,464)
Deferred tax expense through other comprehensive income	(227,383)	(145,840)
<b>Deferred (liabilities) / assets as of 12/31/2022</b>	<b>(789,069)</b>	<b>2,588,797</b>

The income tax expense disclosed in the income statement differs from the income tax expense that would result if all profits had been subject to the current tax rate. The following table shows a reconciliation between the income tax expense and the amounts arising from applying the effective tax rate in Argentina to taxable income:

	<b>12/31/2022</b>	<b>12/31/2021</b>
Income before income tax	5,248,428	5,918,076
Other comprehensive income (loss) before income tax	( 649,954)	418,115
<b>Total comprehensive income (loss) before income tax</b>	<b>4,598,474</b>	<b>6,336,191</b>
Statutory income tax rate	35 %	35 %
Tax on income	<b>(1,609,466)</b>	<b>(2,217,667)</b>
Permanent differences		
Non-deductible expenses (Law 24475)	( 1,357)	(1,960)
Adjustment due to change in tax rate	-	950,813
Investments in equity instruments	85,639	95,862
Other equity interests	921,618	574,975
Other adjustments	281,218	(258,531)
Reversal of tax loss carryforward	-	676,862
Tax inflation adjustment	7,564,036	4,649,569
Accounting inflation adjustment	( 11,132,179)	(8,266,707)
<b>Total income tax expense</b>	<b>(3,890,491)</b>	<b>(3,796,784)</b>

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As of December 31, 2022 and 2021 effective income tax is 84.60% and 59.92% respectively. The income tax expense disclosed in the statement of income is broken down as follows:

	Accumulated as of 12/31/2022	Accumulated as of 12/31/2021
Current income tax expense	(629,014)	-
Deferred tax expense for the year	(3,488,860)	(3,650,944)
Deferred tax benefit/(expense) through other comprehensive income	227,383	(145,840)
<b>Total income tax expense</b>	<b>(3,890,491)</b>	<b>(3,796,784)</b>

As of December 31, 2022, the Bank offset against the income tax the amount of thousands of \$ 466,745 related to the tax loss carryforward for fiscal year 2019.

### 17.2. Corporate income tax rate

Law No. 27430, subsequently amended by the Social Solidarity and Production Reactivation Law within the framework of the Public Emergency (the "Public Emergency Law") established the following income tax rates:

- 30% for fiscal years beginning on or after January 1, 2018 and to 25% for fiscal years beginning as from 2022; and
- dividends distributed to individuals and foreign beneficiaries by the entities as from the fiscal years indicated above shall be taxed at the 7% and 13% rates, respectively.

On June 16, 2021, the Executive Branch passed and published Law No. 27630 that rendered ineffective the general rate reduction explained above, and a system of tax brackets in force for fiscal years beginning on or after January 1, 2021 was introduced.

The amounts of the tax brackets published in the aforementioned law will be adjusted annually as from January 1, 2022, based on the variations in the consumer price index (IPC) measured as of October of each year.

The adjusted amounts for fiscal year 2022 are as follows:

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correspondientes al ejercicio finalizado el 31 de diciembre de 2022 presentados en forma comparativa - en moneda constante.

Accumulated taxable income		Amount payable ARS	Plus %	Over the excess of ARS
From ARS	To ARS			
0	\$ 7,604,949	0	25 %	0
\$ 7,604,949	\$ 76,049,486	\$ 1,901,237	30 %	\$ 7,604,949
\$ 76,049,486	Or more	\$ 22,434,598	35 %	\$ 76,049,486

Moreover, the rate applicable to dividends on profits generated in fiscal years beginning on or after January 1, 2018 was unified at 7%.

As a consequence of the amendment mentioned, as of December 31, 2022, the current income tax was stated by applying the progressive tax rates to taxable income assessed at such date, while the deferred tax balances were stated by applying the progressive tax rate expected to prevail when temporary differences be reversed.

### 17.3. Minimum presumed income tax

The minimum presumed income tax was established in fiscal year 1998 by Law No. 25063 for a term of ten fiscal years. At present, after successive extensions and considering the provisions of Law No. 27260, the referred tax was repealed for the fiscal years beginning on or after January 1, 2019. The minimum presumed income tax was supplementary to the income tax because, whereas the latter was levied on taxable income for the year, minimum presumed income tax was a minimum levy on the potential income of certain productive assets at a 1% rate. Therefore, the Company's tax liability was represented by the highest of the two taxes.

However, if minimum presumed income tax exceeded income tax in a given fiscal year, such excess could be computed as a credit towards future income taxes, in excess of minimum presumed income tax, occurring in any of the next ten fiscal years, once the accumulated tax loss carryforwards have been used.

As of December 31, 2022, no minimum presumed income tax was assessed because it was repealed. A minimum presumed income tax credit balance of thousands of ARS 94,890 remains, as assessed in 2018 (Note 17.1).

### 17.4. Tax inflation adjustment

Law No. 27430, as amended by the Public Emergency Law, established the mandatory adoption of the inflation adjustment following the procedure set forth in the Income Tax Law, as from the fiscal year in which the applicable statutory criteria are met, that is, the fiscal year ended December 31, 2019.

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Socia  
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CPA EDUARDO PRINA  
GENERAL MANAGER

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CPA WALTER A. PARDI  
By SUPERVISORY COMMITTEE

.....  
Lic. MARIANO DE MIGUEL  
PRESIDENTE

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## Notes to the separate financial statements

correspondientes al ejercicio finalizado el 31 de diciembre de 2022 presentados en forma comparativa - en moneda constante.

In line with the transition methodology provided for by the Income Tax Law, the effect of the tax inflation adjustment is recognized in the taxable income or loss in six annual installments as from the year corresponding to the calculation. For fiscal years beginning on or after January 1, 2021, the effect of the inflation adjustment for tax purposes is recognized in taxable income/loss for that fiscal year.

The deferred tax inflation adjustment recognized is as follows:

Fiscal year ended	Impact of inflation adjustment	Recognized in taxable income/loss as of				Deferred assets as of 12/31/2022	At the tax rate (35%)
		12/31/2019	12/31/2020	12/31/2021	12/31/2022		
12/31/ 2019	5,374,152	895,692	895,692	895,692	895,692	1,791,384	626,984
12/31/2020	4,632,265	-	772,044	772,044	772,044	2,316,133	810,647
<b>TOTAL DEFERRED TAX ASSETS FROM TAX INFLATION ADJUSTMENT AS OF 12/31/2022</b>						<b>4,107,517</b>	<b>1,437,631</b>

## **NOTE 18. 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, 2022 and 2021:

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## NOTAS A LOS ESTADOS FINANCIEROS SEPARADOS

correspondientes al ejercicio finalizado el 31 de diciembre de 2022 presentados en forma comparativa - en moneda constante.

	Past due/ with no due date	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
Cash and deposits with banks	30,371,944	-	-	-	-	-	-	30,371,944
Securities at fair value through profit or loss	-	4,395,458	2,238,227	4,506,684	4,254,415	1,430,241	35,697	16,860,722
Derivative instruments	-	700	-	-	-	-	-	700
Repo transactions	-	3,199,189	-	-	-	-	-	3,199,189
Other financial assets (not including allowances)	7,567,845	-	-	-	-	-	177,128	7,744,973
Loans and other financing facilities (not including allowances)	836,908	13,130,049	6,212,856	7,244,742	8,213,532	11,652,488	33,067,574	80,358,149
- Nonfinancial government sector	-	1,500,977	96,250	144,375	240,625	-	-	1,982,227
- Other financial institutions	8	342,498	327,996	819,149	1,206,616	1,308,072	577,888	4,582,227
- Nonfinancial private sector and foreign residents	836,900	11,286,574	5,788,610	6,281,218	6,766,291	10,344,416	32,489,686	73,793,695
Other debt securities (not including allowances)	45,554	20,862,855	7,317,808	6,811,427	7,828,686	3,047,973	7,271,375	53,185,678
Financial assets delivered in guarantee	1,754	48	-	-	454	1,513,515	-	1,515,771
Investments in equity instruments	8,302,135	-	-	-	-	-	-	8,302,135
Allowances deducted from assets (Exhibit R)	( 1,820,761)	-	-	-	-	-	-	( 1,820,761)
<b>TOTAL ASSETS</b>	<b>45,305,379</b>	<b>41,588,299</b>	<b>15,768,891</b>	<b>18,562,853</b>	<b>20,297,087</b>	<b>17,644,217</b>	<b>40,551,774</b>	<b>199,718,500</b>
Deposits	-	53,421,429	26,733,650	1,260,201	164,499	-	-	81,579,779
- Nonfinancial government sector	-	34,230,893	13,047,161	546,173	-	-	-	47,824,227
- Nonfinancial private sector and foreign residents	-	19,190,536	13,686,489	714,028	164,499	-	-	33,755,552
Other financial liabilities	-	5,460,141	1,441,012	240,316	645,457	1,616,214	24,800,839	34,203,979
Financing facilities obtained from the BCRA and other financial institutions	-	71,001	1,173,660	3,542,738	3,782,855	6,298,550	8,120,958	22,989,762
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>58,952,571</b>	<b>29,348,322</b>	<b>5,043,255</b>	<b>4,592,811</b>	<b>7,914,764</b>	<b>32,921,797</b>	<b>138,773,520</b>

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Lic. MARIANO DE MIGUEL  
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## NOTAS A LOS ESTADOS FINANCIEROS SEPARADOS

correspondientes al ejercicio finalizado el 31 de diciembre de 2022 presentados en forma comparativa - en moneda constante.

	Past due/ with no due date	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 12/31/2021
Cash and deposits with banks	15,772,286	-	-	-	-	-	-	15,772,286
Securities at fair value through profit or loss	-	6,341,730	9,658,452	5,102,734	2,896,343	181,748	45,028	24,226,035
Derivative instruments	-	1,247	-	-	-	-	-	1,247
Repo transactions	-	52,200,549	-	-	-	-	-	52,200,549
Other financial assets (not including allowances)	660,327	-	245,194	-	-	-	200,150	1,105,671
Loans and other financing facilities (not including allowances)	2,745,154	24,305,983	7,231,876	9,478,975	11,583,609	19,641,752	36,165,305	111,152,654
- Nonfinancial government sector	-	936,566	-	-	-	-	-	936,566
- Other financial institutions	41	718,282	603,594	1,417,072	1,912,102	3,022,111	1,720,994	9,394,196
- Nonfinancial private sector and foreign residents	2,745,113	22,651,135	6,628,282	8,061,903	9,671,507	16,619,641	34,444,311	100,821,892
Other debt securities (not including allowances) (*)	233,966	7,200,775	95,104	534,125	1,308,907	4,197,302	9,899,559	23,469,738
Financial assets delivered in guarantee (*)	365	197	-	-	94	505	2,637,782	2,638,943
Investments in equity instruments	9,380,278	-	-	-	-	-	-	9,380,278
Allowances deducted from assets (Exhibit R)	( 4,090,386)	-	-	-	-	-	-	( 4,090,386)
<b>TOTAL ASSETS</b>	<b>24,701,990</b>	<b>90,050,481</b>	<b>17,230,626</b>	<b>15,115,834</b>	<b>15,788,953</b>	<b>24,021,307</b>	<b>48,947,824</b>	<b>235,857,015</b>
Deposits	-	78,656,770	30,395,255	1,866,830	-	-	-	110,918,855
- Nonfinancial government sector	-	67,083,371	24,545,787	-	-	-	-	91,629,158
- Nonfinancial private sector and foreign residents	-	11,573,399	5,849,468	1,866,830	-	-	-	19,289,697
Derivative instruments	-	448	-	-	-	-	-	448
Other financial liabilities	-	8,264,884	603,179	328,184	918,808	1,796,196	21,757,418	33,668,669
Financing facilities obtained from the BCRA and other financial institutions	-	60,733	211,275	4,037,443	4,624,049	8,878,217	16,753,075	34,564,792
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>86,982,835</b>	<b>31,209,709</b>	<b>6,232,457</b>	<b>5,542,857</b>	<b>10,674,413</b>	<b>38,510,493</b>	<b>179,152,764</b>

(\*) Including reprofiled instruments as per Presidential Decrees No. 596/2019 and No. 49/2019 (see note 31).

CPA. MARIA VICTORIA JARSUN  
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DE FECHA 9 DE MARZO DE 2023

CPA WALTER A. PARDI  
By SUPERVISORY COMMITTEE

Lic. MARIANO DE MIGUEL  
PRESIDENTE

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## NOTES TO THE SEPARATE FINANCIAL STATEMENTS

for the fiscal year ended December 31, 2022, comparative with the prior year - in constant currency

### NOTE 19 - BREAKDOWN OF ACCOUNTS

#### 19.1. Commission income

	Accumulated as of 12/31/2022	Accumulated as of 12/31/2021
<i>Performance obligations satisfied at a point in time:</i>		
Commissions on early repayment	9,724	7,977
- Commissions on insurance agents	37,483	70,247
Commissions on bank account debits	411	830
Other fees	80,213	50,490
<i>Performance obligations met over time:</i>		
Commissions on foreign-trade transactions	29,437	28,409
	<b>157,268</b>	<b>157,953</b>

#### 19.2. Difference in quoted prices of foreign currency

	Accumulated as of 12/31/2022	Accumulated as of 12/31/2021
Conversion into Argentine pesos of assets and liabilities in foreign currency	5,292,534	11,273,222
Foreign exchange gains (losses)	315,289	112,926
	<b>5,607,823</b>	<b>11,386,148</b>

#### 19.3. Other operating income

	Accumulated as of 12/31/2022	Accumulated as of 12/31/2021
Rentals	69,284	86,595
Allowance reversed	(1) 968,152	1,532,091
Punitive interest	388,935	722,268
Trust management	267,049	337,596
Recovered receivables	166,998	802,316
Other	(2) 15,167,230	112,338
	<b>17,027,648</b>	<b>3,593,204</b>

(1) Exhibit R

(2) Including thousands of \$ 15,000,000 related to a non-refundable contribution See note 34

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WALTER A. PARDI  
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MARIANO DE MIGUEL  
CHAIRPERSON

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## NOTES TO THE SEPARATE FINANCIAL STATEMENTS

for the fiscal year ended December 31, 2022, comparative with the prior year - in constant currency

### 19.4. Employee benefits

	Accumulated as of 12/31/2022	Accumulated as of 12/31/2021
Remuneraciones	( 3,900,613)	( 3,899,401)
Social security contributions	( 699,196)	( 695,786)
Severance pay and employee bonuses	( 855,514)	( 31,860)
Services and benefits provided to employees	( 480,019)	( 554,265)
Post-employment benefits. Defined benefits	(1) (463,441)	( 259,626)
	<u>( 6,398,783)</u>	<u>( 5,440,938)</u>

(1) Exhibit J

### 19.5. Administrative expenses

	Accumulate d as of 12/31/2022	Accumulate d as of 12/31/2021
Entertainment and per diem expenses	( 54,202)	( 38,037)
Administrative services hired	( 51)	-
Surveillance services	( 23,108)	( 24,996)
Directors' and statutory auditor's fees	( 227,610)	( 271,257)
Other professional fees	( 318,228)	( 312,224)
Insurance	( 166,149)	( 175,651)
Rentals	( 10,902)	( 35,468)
Stationery	( 2,683)	( 1,260)
Electric power and communications	( 70,418)	( 110,017)
Advertising and marketing	( 62,610)	( 54,098)
Taxes	( 396,228)	( 405,776)
Maintenance, conservation and repair expenses	( 356,860)	( 478,334)
Other	( 521,979)	( 378,216)
	<u>( 2,211,028)</u>	<u>( 2,285,334)</u>

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## NOTES TO THE SEPARATE FINANCIAL STATEMENTS

for the fiscal year ended December 31, 2022, comparative with the prior year - in constant currency

### 19.6. Other operating expenses

	Accumulate d as of 12/31/2022	Accumulated as of 12/31/2021
Contribution to the deposit guarantee fund	( 167,788)	( 205,982)
Finance leases taken (Note 9)	( 17,609)	( 33,830)
Turnover tax	( 5,596,221)	( 4,000,620)
Punitive interest and charges payable to the BCRA	( 993)	( 11,678)
Other allowances	(1) (25,264)	( 107,931)
Other adjustments and interest on miscellaneous liabilities	( 254)	-
Other	( 144,014)	( 182,317)
	<u>( 5,952,143)</u>	<u>( 4,542,358)</u>

(1) Exhibit J

### NOTE 20. ADDITIONAL INFORMATION ABOUT THE STATEMENT OF CASH FLOWS

The Bank presented the cash flows for its transactions using the indirect method. The Bank considers cash and cash equivalents as part of the "Cash and deposits with banks" account.

### NOTE 21. QUANTITATIVE AND QUALITATIVE INFORMATION ON FAIR VALUES

Exhibit P "Classification of financial assets and liabilities" shows the fair value measurement hierarchy of the Bank's financial assets and liabilities.

#### Financial assets and liabilities not carried at fair value

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

- *Assets whose fair value is similar to the carrying amount:* for financial assets and liabilities that are liquid or have short-term maturities (less than three months), it is considered that the carrying amount is similar to the fair value.
- *Fixed-rate 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. The estimated fair value of fixed-interest rate deposits was determined by discounting future cash flows by using market interest rates for deposits with similar maturities to those of the Bank's portfolio.
- *Listed assets:* the fair value was determined based on the market prices.
- *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

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## NOTES TO THE SEPARATE FINANCIAL STATEMENTS

for the fiscal year ended December 31, 2022, comparative with the prior year - in constant currency

The following tables show a comparison between the fair value and the carrying amount of financial instruments not carried at fair value as of December 31, 2022 and 2021:

	12/31/2022				
	Carrying amount	Fair value			Total fair value
Financial assets		Level 1	Level 2	Level 3	
Cash and due from the BCRA (Central Bank of Argentina)	13,358,199	13,358,199	-	-	13,358,199
Due from other financial institutions	17,013,745	17,013,745	-	-	17,013,745
Repo transactions	3,199,189	3,199,189	-	-	3,199,189
Other financial assets	7,619,092	-	7,619,092	-	7,619,092
Loans and other financing facilities	78,705,496	-	62,416,741	-	62,416,741
Other debt securities	42,381,826	30,856,457	4,422,614	-	35,279,071
Financial assets delivered in guarantee	2,256	2,256	-	-	2,256
Financial liabilities					
Deposits	81,579,779	-	80,826,549	-	80,826,549
Financing obtained from financial institutions and other financial liabilities	57,193,741	-	32,903,599	-	32,903,599
	12/31/2021				
	Carrying amount	Fair value			Total fair value
Financial assets		Level 1	Level 2	Level 3	
Cash and due from the BCRA (Central Bank of Argentina)	6,540,998	6,540,998	-	-	6,540,998
Due from other financial institutions	9,231,288	9,231,288	-	-	9,231,288
Repo transactions	52,200,549	52,200,549	-	-	52,200,549
Other financial assets	968,784	-	968,784	-	968,784
Loans and other financing facilities	107,404,915	-	96,680,325	-	96,680,325
Other debt securities	23,263,978	11,605,532	5,756,405	-	17,361,937
Financial assets delivered in guarantee	1,161	1,161	-	-	1,161
Financial liabilities					
Deposits	110,918,855	-	110,561,681	-	110,561,681
Financing obtained from financial institutions and other financial liabilities	68,233,461	-	52,199,834	-	52,199,834

The Managements of the Bank has not identified any further indicators of impairment in value of its financial assets as a result of differences in their fair value.

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C.P.C.E.C.A.B.A. Vol. 138 Fo. 236

## **NOTES TO THE SEPARATE FINANCIAL STATEMENTS**

for the fiscal year ended December 31, 2022, comparative with the prior year - in constant currency

### **NOTE 22 – SEGMENT REPORTING**

Note 22 to the consolidated financial statements includes the information related the Bank's segments.

### **NOTE 23. RISK MANAGEMENT AND CORPORATE GOVERNANCE**

Note 23 to the consolidated financial statements describes the Bank's main guidelines concerning risk management and corporate governance.

### **NOTE 24. CORPORATE GOVERNANCE TRANSPARENCY POLICY**

Note 24 to the consolidated financial statements describes the Bank's main guidelines regarding the corporate governance transparency policy.

### **NOTE 25 – TRUST ACTIVITIES**

Note 25 to the consolidated financial statements describes the Bank's trust activities. Directly and indirectly carried out by means of the subsidiary–BICE Fideicomisos.

### **NOTA 26. ADMINISTRATION OF THE PROGRAM TO BOOST THE COMPETITIVENESS OF REGIONAL ECONOMIES (PROCER)**

Note 26 to the consolidated financial statements describes the program to boost the competitiveness of regional economies.

### **NOTE 27 – DEPOSIT GUARANTEE INSURANCE**

Note 27 to the consolidated financial statements explains the deposit guarantee insurance system.

### **NOTE 28 - RESTRICTION ON THE DISTRIBUTION OF EARNINGS**

Note 28 to the consolidated financial statements shows the restrictions on earnings distributions to the date of issuance of these financial statements.

### **NOTE 29 - COMPLIANCE WITH THE REQUIREMENTS TO ACT IN THE DIFFERENT AGENT CATEGORIES DEFINED BY THE CNV**

Nota 29 to the consolidated financial statements discloses CNV provisions to act as the various categories of agent defined therein.

.....  
MARIA VICTORIA JARSUN  
ADMINISTRATION MANAGER

SIGNED FOR IDENTIFICATION  
PURPOSES  
DATED MARCH 9, 2023  
KPMG  
C.P.C.E.C.A.B.A. Vol. 2 Fo. 6

.....  
PATRICIA M. ZEISEL  
Partner  
PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. Vol. 286 Fo.105

.....  
EDUARDO PRINA  
GENERAL MANAGER

SIGNED FOR IDENTIFICATION  
PURPOSES  
DATED MARCH 9, 2023

.....  
WALTER A. PARDI  
BY STATUTORY AUDIT COMMITTEE

.....  
MARIANO DE MIGUEL  
CHAIRPERSON

SIGNED FOR IDENTIFICATION  
PURPOSES  
DATED MARCH 9, 2023  
AUDITORIA GENERAL DE LA NACIÓN

.....  
CLAUDIO SALA  
PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. Vol. 138 Fo. 236

## NOTES TO THE SEPARATE FINANCIAL STATEMENTS

for the fiscal year ended December 31, 2022, comparative with the prior year - in constant currency

### NOTE 30 - CNV RESOLUTION No. 629

In compliance with General Resolution No. 629 of the CNV, it is informed that the Bank keeps and maintains the documentation supporting its accounting and management transactions from January 1, 2020, at its registered office, to the date of issuance of these financial statements as well as the accounting and corporate books.

The supporting documentation prior to the date above is kept at AdeA S.A., the warehouse of which is located in the provincial route No. 36, Km 31.500, Bosques, Florencio Varela, province of Buenos Aires.

### NOTE 31 - COMPLIANCE WITH MINIMUM CASH AND CAPITAL REQUIREMENTS

#### 31.1. Accounts that identify compliance with minimum cash requirements

To the date of issuance of these financial statements, in accordance with the BCRA regulations, BICE has considered the deposits held by the Bank as well as other liabilities from financial intermediation subject to minimum cash requirements as computable items. Compliance requirements are met through the balance of the accounts opened at the BCRA and LELIQ deposited in account 300 of CRYL (Department for the Registration and Settlement of Public Debt Instruments).

As of December 31, 2022, the balances corresponding to the minimum cash and capital requirements, in thousands, are as follows:

Currency	Minimum cash requirements Thousands of ARS	Compliance with minimum cash requirements in thousands of ARS	Current account BCRA
Argentine pesos	2,327,310	2,328,335	00300
US dollar	69,042	76,020	80300
Euros	-	54	11300

#### 31.2. Minimum capital requirement

The table below summarizes the minimum capital requirements on a separate basis in connection with credit, market and operational risk for December 2022, together with the compliance therewith (computable equity) at the end of such month:

Item	12/31/2022
Computable equity	60,401,404
Minimum capital requirements	
Market risk	1,721,919
Operational risk	512,671
Credit risk	13,999,543
Compliance with capital requirements in excess	44,167,271

### NOTE 32- PENALTIES APPLIED TO THE FINANCIAL INSTITUTION AND SUMMARY PROCEEDINGS INITIATED BY THE BCRA

.....  
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## NOTES TO THE SEPARATE FINANCIAL STATEMENTS

for the fiscal year ended December 31, 2022, comparative with the prior year - in constant currency

Note 32 to the consolidated financial statements details the summary proceedings filed by the BCRA against the Bank.

### **NOTE 33 - CHANGES IN THE ARGENTINE MACROECONOMIC ENVIRONMENT AND THE SITUATION OF THE FINANCIAL AND CAPITAL SYSTEM**

Note 33 to the consolidated financial statements describes the changes in the macroeconomic context and the financial and capital system.

### **NOTE 34- SUBSIDIES**

En Nota 34 a los estados financieros consolidados se detalla la información relativa al “Aporte No Reembolsable (ANR)” recibido durante el presente ejercicio.

### **NOTE 35 - SUBSEQUENT EVENTS**

Note 35 to the consolidated financial statements describes the events subsequent to year-end.

.....  
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**EXHIBIT A**

**BREAKDOWN OF GOVERNMENT AND CORPORATE SECURITIES**

**AS OF DECEMBER 31, 2022 AND 2021**

Figures stated in thousands of Argentine pesos - in constant currency

Item	IDENTIFICATION	HOLDING				POSITION WITHOUT OPTIONS	OPTIONS	FINAL POSITION
		FAIR VALUE	FAIR VALUE LEVEL	BOOK VALUE	BOOK VALUE			
				12/31/2022	12/31/2021			
<b>SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b>16,860,722</b>		<b>16,860,722</b>	<b>24,226,035</b>	<b>16,860,722</b>	-	<b>16,860,722</b>
<b>- Argentine</b>								
- Government securities								
- BCRA bills (LELIQ maturing on 01/17/2023)	13931	3,086,966	1	3,086,966	-	3,086,966	-	3,086,966
- Bonar DUAL 2023 (maturing on 09/29/2023)	9147	2,933,187	1	2,933,187	-	2,933,187	-	2,933,187
- Discount treasury bills in pesos adjusted by CER (LECES maturing on 05/19/2023)	9127	1,720,175	1	1,720,175	-	1,720,175	-	1,720,175
- Discount treasury bills in pesos (LEDES maturing on 04/28/2023)	9142	1,393,560	1	1,393,560	-	1,393,560	-	1,393,560
- Boncor 2023 - maturing on 08/13/2023	5497	1,264,833	1	1,264,833	-	1,264,833	-	1,264,833
- Discount treasury bills in pesos adjusted by CER (LECES maturing on 02/17/2023)	9111	1,212,080	1	1,212,080	-	1,212,080	-	1,212,080
- Discount treasury bills in pesos adjusted by CER (LECES maturing on 01/20/2023)	9105	1,163,677	1	1,163,677	-	1,163,677	-	1,163,677
- Dollar linked treasury bonds maturing on 04/28/2023	5928	821,771	1	821,771	-	821,771	-	821,771
- Dollar linked treasury bonds maturing on 04/30/2024	9120	683,046	1	683,046	-	683,046	-	683,046
- Discount treasury bills in pesos adjusted by CER (LECES maturing on 04/21/2023)	9118	571,179	1	571,179	-	571,179	-	571,179
- Other		1,526,517		1,526,517	23,575,985	1,526,517	-	1,526,517
- Corporate securities								
- Garantizar SGR	8003	462,511	2	462,511	587,235	462,511	-	462,511
- Cuyo Aval SGR	8004	21,220	2	21,220	62,815	21,220	-	21,220

Item	IDENTIFICATION	HOLDING				POSITION WITHOUT OPTIONS	OPTIONS	FINAL POSITION
		FAIR VALUE	FAIR VALUE LEVEL	BOOK VALUE	BOOK VALUE			
				31/12/2022	31/12/2021			
<b>OTHER DEBT SECURITIES NET OF ALLOWANCES</b>		<b>45,998,469</b>		<b>53,143,451</b>	<b>23,263,978</b>	<b>53,143,451</b>	-	<b>53,143,451</b>
<b>Allowances</b>		<b>(42,227)</b>		<b>(42,227)</b>	<b>(205,760)</b>	<b>(42,227)</b>	-	<b>(42,227)</b>
<b>OTHER DEBT SECURITIES</b>		<b>46,040,696</b>		<b>53,185,678</b>	<b>23,469,738</b>	<b>53,185,678</b>	-	<b>53,185,678</b>
<b>Measured at fair value through OCI:</b>		<b>10,761,625</b>		<b>10,761,625</b>	<b>2,898,620</b>	<b>10,761,625</b>	-	<b>10,761,625</b>
<b>- Argentine</b>								
- Government securities								
- Bonar Dual 2024 - maturing on 9/29/2024	9147	3,339,062	1	3,339,062	-	3,339,062	-	3,339,062
- Bonar Dual 2023 - maturing on 7/31/2023	9146	2,512,822	1	2,512,822	-	2,512,822	-	2,512,822
- Boncor 2024 - maturing on 3/25/2024 (1)	5493	2,031,143	1	2,031,143	1,363,102	2,031,143	-	2,031,143
- Boncor 2023 - maturing on 3/25/2023 (1)	5492	1,461,851	1	1,461,851	1,535,518	1,461,851	-	1,461,851
- Boncor 2023 - maturing on 6/30/2023 (1)	9145	1,416,747	1	1,416,747	-	1,416,747	-	1,416,747
<b>Measured at amortized cost</b>		<b>35,279,071</b>		<b>42,424,053</b>	<b>20,571,118</b>	<b>42,424,053</b>	-	<b>42,424,053</b>
<b>- Argentine</b>								
- Government securities								
- BCRA bills (LELIQ maturing on 1/24/2023)	13933	7,091,969	1	7,148,871	-	7,148,871	-	7,148,871
- Bonar Step-Up 2035 (1)	5922	1,750,656	1	5,942,073	6,554,117	5,942,073	-	5,942,073
- BCRA bills (LELIQ maturing on 1/3/2023)	13927	4,727,979	1	4,970,122	-	4,970,122	-	4,970,122
- BCRA bills (LELIQ maturing on 1/19/2023)	13932	2,931,347	1	2,984,532	-	2,984,532	-	2,984,532
- BCRA bills (LELIQ maturing on 1/10/2023)	13929	2,600,389	1	2,695,604	-	2,695,604	-	2,695,604
- BCRA notes (NOTALIQ maturing on 2/8/2023)	21134	2,000,000	1	2,615,007	-	2,615,007	-	2,615,007
- BCRA notes (NOTALIQ maturing on 2/22/2023)	21136	2,000,000	1	2,551,178	-	2,551,178	-	2,551,178
- BCRA notes (NOTALIQ maturing on 4/5/2023)	21142	2,000,000	1	2,362,075	-	2,362,075	-	2,362,075
- BCRA notes (NOTALIQ maturing on 3/1/2023)	21137	1,500,000	1	1,889,485	-	1,889,485	-	1,889,485
- BCRA notes (NOTALIQ maturing on 4/19/2023)	21144	1,500,000	1	1,724,751	-	1,724,751	-	1,724,751
- Other		2,754,117		3,149,080	7,988,353	3,149,080	-	3,149,080
- Corporate securities (2)								
- ON YPF Energía Eléctrica SA	55291	1,808,458	2	1,809,235	2,044,384	1,809,235	-	1,809,235
- ON Generación Mediterránea Cen. Term. Roca	55292	448,587	2	443,854	747,659	443,854	-	443,854
- VD Fideicomiso Financiero NASA Series II	37935	342,926	2	342,926	654,891	342,926	-	342,926
- VD Fideicomiso Financiero Mercado Crédito 18	56687	239,031	2	190,303	-	190,303	-	190,303
- VD Fideicomiso Financiero Megabono 279 CL "A"	56667	208,740	2	184,728	-	184,728	-	184,728
- ON Pampa Energía CL.11	56290	170,130	2	176,843	-	176,843	-	176,843
- ON Inwap 1 CL 5	56326	162,278	2	167,641	-	167,641	-	167,641
- VD Fideicomiso Financiero Mercado Crédito 15	56246	138,694	2	146,330	-	146,330	-	146,330
- ON Pyme Sion Series 8	56263	75,561	2	73,819	-	73,819	-	73,819
- VD Fideicomiso Financiero Confibono 64 CL "A"	56305	74,488	2	71,294	-	71,294	-	71,294
- Other		753,721		784,302	2,581,714	784,302	-	784,302

Item	IDENTIFICATION	HOLDING				POSITION WITHOUT OPTIONS	OPTIONS	FINAL POSITION
		FAIR VALUE	FAIR VALUE LEVEL	BOOK VALUE	BOOK VALUE			
				31/12/2022	31/12/2021			
<b>INVESTMENTS IN EQUITY INSTRUMENTS</b>		<b>8,302,135</b>		<b>8,302,135</b>	<b>9,380,278</b>	<b>8,302,135</b>	-	<b>8,302,135</b>
<b>Measured at fair value through profit or loss:</b>		<b>8,302,135</b>		<b>8,302,135</b>	<b>9,380,278</b>	<b>8,302,135</b>	-	<b>8,302,135</b>
<b>- Argentine</b>								
- Garantizar S.A.	80003	57,822	2	57,822	109,197	57,822	-	57,822
- Mercado Abierto Electrónico (over-the-counter electronic market)	80005	46,254	2	46,254	44,555	46,254	-	46,254
- Cuyo Aval S.A.	80004	1,873	2	1,873	2,715	1,873	-	1,873
<b>- Foreign</b>								
- CAF	80006	8,196,186	2	8,196,186	9,223,811	8,196,186	-	8,196,186

(1) Instruments reprofiled pursuant to Presidential Decrees No. 596/2019 and 49/2019 (see Note 31).

(2) See Exhibits B and C

CPA MARIA VICTORIA JARSUN  
ADMINISTRATION MANAGER

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023  
KPMG  
C.P.C.E.C.A.B.A. Vol. 2 Fo. 6

PATRICIA M. ZEISEL  
CONTADORA PUBLICA (U.B.A.)  
C.P.C.E.C.A.B.A. T° 289 F° 105

CPA EDUARDO PRINA  
GENERAL MANAGER

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023

CPA WALTER A. FARO  
By SUPERVISORY COMMITTEE

U. MARIANO DE MIGUEL  
PRESIDENTE

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023  
AUDITORIA GENERAL DE LA NACION

CPA CLAUDIO SALA  
CERTIFIED PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. T°138 F°238

## EXHIBIT B

### CLASSIFICATION OF LOANS AND OTHER FINANCING FACILITIES BY SITUATION AND GUARANTEES RECEIVED AS OF DECEMBER 31, 2022 AND 2021

Figures stated in thousands of Argentine pesos - in constant currency

ITEM	12/31/2022	12/31/2021
<b>COMMERCIAL PORTFOLIO</b>		
Performing		
- With "A" preferred guarantees and counter-guarantees	3,309.199	1,195.113
- With "B" preferred guarantees and counter-guarantees	11,239.262	12,137.150
- Without preferred guarantees or counter-guarantees	38,654.508	57,395.889
	53,202.969	70,728.152
Subject to special monitoring		
In observation		
- With "B" preferred guarantees and counter-guarantees	99.832	-
- Without preferred guarantees or counter-guarantees	43.922	-
	143.754	-
In negotiation or under refinancing agreements		
- With "B" preferred guarantees and counter-guarantees	155.384	16.068
- Without preferred guarantees or counter-guarantees	-	828.572
	155.384	844.640
Troubled		
- With "B" preferred guarantees and counter-guarantees	59.907	695.244
- Without preferred guarantees or counter-guarantees	547.764	-
	607.671	695.244
With high risk of insolvency		
- With "A" preferred guarantees and counter-guarantees	829	58.438
- With "B" preferred guarantees and counter-guarantees	596.286	83.184
- Without preferred guarantees or counter-guarantees	587.154	997.357
	1,184.269	1,138.979
Irrecoverable		
- With "B" preferred guarantees and counter-guarantees	119.279	229.912
- Without preferred guarantees or counter-guarantees	173.366	1,070.671
	292.645	1,300.583
<b>TOTAL COMMERCIAL LOAN PORTFOLIO</b>	<b>55,586.692</b>	<b>74,707.598</b>
<b>CONSUMER AND HOUSING BORROWING PORTFOLIO</b>		
Performing		
- With "A" preferred guarantees and counter-guarantees	12,391.138	17,103.574
- With "B" preferred guarantees and counter-guarantees	9,294.149	11,383.003
- Without preferred guarantees or counter-guarantees	7,619.354	12,482.949
	29,304.641	40,969.526
Low risk		
- With "A" preferred guarantees and counter-guarantees	328	33.473
- With "B" preferred guarantees and counter-guarantees	6.971	263.230
- Without preferred guarantees or counter-guarantees	10.451	250.823
	17.750	547.526
Medium risk		
- With "A" preferred guarantees and counter-guarantees	-	116.027
- With "B" preferred guarantees and counter-guarantees	178	2.675
- Without preferred guarantees or counter-guarantees	2.003	53.473
	2.181	172.175
High risk		
- With "A" preferred guarantees and counter-guarantees	5.852	33.738
- With "B" preferred guarantees and counter-guarantees	19.857	262.575
- Without preferred guarantees or counter-guarantees	21.339	311.098
	47.048	607.411
Irrecoverable		
- With "A" preferred guarantees and counter-guarantees	678	25.672
- With "B" preferred guarantees and counter-guarantees	-	164.259
- Without preferred guarantees or counter-guarantees	57.319	733.484
	57.997	923.415
<b>TOTAL CONSUMER AND HOUSING BORROWING PORTFOLIO</b>	<b>29,429.617</b>	<b>43,220.053</b>
<b>GRAND TOTAL</b>	<b>85,016.309</b>	<b>117,927.651</b>
Loans and other financing facilities- IFRS ADJUSTMENTS	(266.885)	(746.349)
Other debt securities, ON/VRD (Exhibit A)	(4,391.275)	(6,028.648)
Loans and other financing facilities, ALLOWANCES (Exhibit R)	(1,652.653)	(3,747.739)
<b>TOTAL LOANS AND OTHER FINANCING FACILITIES</b>	<b>78,705.496</b>	<b>107,404.915</b>

v

CPA MARIA VICTORIA JARSUN  
ADMINISTRATION MANAGER

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023  
KPMG  
C.P.C.E.C.A.B.A. Vol. 2 Fo. 6

CPA EDUARDO PRINA  
GENERAL MANAGER

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023

Ux. MARIANO DE MIGUEL  
PRESIDENTE

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023  
AUDITORIA GENERAL DE LA NACION

PATRICIA M. ZEISEL  
Socia  
CONTADORA PUBLICA (U.B.A.)  
C.P.C.E.C.A.B.A. T° 299 F° 105

CPA WALTER A. PARDI  
By SUPERVISORY COMMITTEE

CPA CLAUDIO SALA  
CERTIFIED PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. T°138 F°236

## EXHIBIT C

### CONCENTRATION OF LOANS AND OTHER FINANCING FACILITIES AS OF DECEMBER 31, 2022 AND 2021

Figures stated in thousands of Argentine pesos - in constant currency

Number of customers	FINANCING			
	12/31/2022		12/31/2021	
	Outstanding amount	% of total portfolio	Outstanding amount	% of total portfolio
10 largest customers	21.160.326	25%	35.379.251	30%
50 next largest customers	24.521.520	29%	33.580.309	28%
100 next largest customers	12.701.571	15%	16.377.157	14%
Rest of customers	26.632.892	31%	32.590.934	28%
<b>Total</b>	<b>85.016.309</b>	<b>100%</b>	<b>117.927.651</b>	<b>100%</b>

Loans and other financing facilities- IFRS ADJUSTMENTS	(266.885)	(746.349)
Other debt securities. ON/VRD (Exhibit A)	(4.391.275)	(6.028.648)
Loans and other financing facilities. ALLOWANCES FOR LOAN LOS	(1.652.653)	(3.747.739)
<b>TOTAL LOANS AND OTHER FINANCING FACILITIES</b>	<b>78.705.496</b>	<b>107.404.915</b>

CPA. MARIA VICTORIA JARSUN  
ADMINISTRATION MANAGER

Signed for identification purposes  
DE FECHA 9 DE MARZO DE 2023  
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PATRICIA M. ZEISEL  
Socia  
CONTADORA PÚBLICA (U.B.A.)  
C.P.C.E.C.A.B.A. T° 286 F° 105

CPA EDUARDO PRINA  
GENERAL MANAGER

Signed for identification purposes  
DE FECHA 9 DE MARZO DE 2023

CPA WALTER A. PARDI  
By SUPERVISORY COMMITTEE

Lic. MARIANO DE MIGUEL  
PRESIDENTE

Signed for identification purposes  
DE FECHA 9 DE MARZO DE 2023  
AUDITORIA GENERAL DE LA NACIÓN

CPA CLAUDIO SALA  
CERTIFIED PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. T°138 F°236

## EXHIBIT D

### LOANS AND FINANCING-FACILITIES BREAKDOWN BY TERM AS OF DECEMBER 31, 2022

Figures stated in thousands of Argentine pesos - in constant currency

DECEMBER 31, 2022								
Item	Matured	Term remaining to maturity						Total
		1 month	3 months	6 months	12 months	24 months	Over 24 months	
Nonfinancial government sector	-	1.547.158	175.864	231.102	302.866	-	-	2.256.990
Financial sector	8	1.272.561	566.728	1.161.953	1.730.506	1.748.689	581.001	7.061.446
Nonfinancial private sector and foreign residents	836.900	15.533.789	10.263.555	12.259.079	18.531.080	31.032.048	69.792.036	158.248.487
<b>TOTAL</b>	<b>836.908</b>	<b>18.353.508</b>	<b>11.006.147</b>	<b>13.652.134</b>	<b>20.564.452</b>	<b>32.780.737</b>	<b>70.373.037</b>	<b>167.566.923</b>

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PATRICIA M. ZEISEL  
Socia  
CONTADORA PUBLICA (U.B.A.)  
C.P.C.E.C.A.B.A. T° 286 F° 105

CPA EDUARDO PRINA  
GENERAL MANAGER

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CPA WALTER A. PARDI  
By SUPERVISORY COMMITTEE

Lic. MARIANO DE MIGUEL  
PRESIDENTE

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## EXHIBIT E

### BREAKDOWN OF INVESTMENTS IN OTHER COMPANIES AS OF DECEMBER 31, 2022 AND 2021

Figures stated in thousands of Argentine pesos - in constant currency

Item	Shares and/or units				Amount 12/31/2022	Amount 12/31/2021	Information on the issuer				
	Name	Class	Nominal value per unit	Votes per share			Quantity	Main business	Latest financial statement information		
Year-end date					Capital	Net equity			Net income or loss		
INVESTMENTS IN OTHER COMPANIES					4.855.901	4.240.574				(*)	(*)
Controlled											
- in Argentina											
- BICE Fideicomisos S.A.	Common	\$ 100	1	5.729.381	4.855.401	4.240.574	649	12/31/2022	817.273	4.261.994	638.346
- Fundación BICE	Common	-	-	-	500	-	949	12/31/2022	500	500	(339)

(\*) Those amounts are adjusted for inflation.

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## EXHIBIT “F”

### CHANGES IN BANK PREMISES AND EQUIPMENT

AS OF DECEMBER 31, 2022 AND 2021

Figures stated in thousands of Argentine pesos - in constant currency

Item	Original value at beginning of year	Total estimated useful life in years	Additions	Retirements	Depreciation				Residual value as of 12/31/2022	Residual value as of 12/31/2021
					Accumulated at beginning of year	Retirements	For the year	At year-end		
MEASUREMENT AT COST										
- Real property	285.982	Between 46 and 50	-	-	(154.422)	-	(71.764)	(226.186)	59.796	131.560
- Furniture and fixtures	356.700	5	3.134	(51.148)	(285.987)	51.127	(28.655)	(263.515)	45.171	70.713
- Machinery and equipment	618.029	5	169.522	(103.028)	(431.686)	102.172	(86.736)	(416.250)	268.273	186.343
- Vehicles	16.377	5	-	-	(15.592)	-	(785)	(16.377)	-	785
- Rights to use leased real property (*)	1.193.135	(**)	26.060	(13.425)	(750.214)	13.425	(247.570)	(984.359)	221.411	442.921
TOTAL BANK PREMISES AND EQUIPMENT	2.470.223		198.716	(167.601)	(1.637.901)	166.724	(435.510)	(1.906.687)	594.651	832.322

(\*) The original value is related to assets recognized for the right to use lease contracts pursuant to IFRS 16 (see Note 9).

(\*\*) According to the term of each lease contract.

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## EXHIBIT “F” BIS

### CHANGES IN INVESTMENT PROPERTIES

AS OF DECEMBER 31, 2022 AND 2021

Figures stated in thousands of Argentine pesos - in constant currency

Item	Original value at beginning of year	Total estimated useful life in years	Depreciation			Residual value as of 12/31/2022 (1)	Residual value as of 12/31/2021 (1)
			Accumulated at beginning of year	For the year	At year-end		
MEASUREMENT AT COST							
- Real property	1.642.641	50	(131.907)	(28.117)	(160.024)	1.482.617	1.510.734
TOTAL INVESTMENT PROPERTY	1.642.641		(131.907)	(28.117)	(160.024)	1.482.617	1.510.734

(1) See Note 14.3

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## EXHIBIT “G”

### CHANGES IN INTANGIBLE ASSETS

AS OF DECEMBER 31, 2022 AND 2021

Figures stated in thousands of Argentine pesos - in constant currency

Item	Original value at beginning of year	Total estimated useful life in years	Additions	Amortization			Residual value as of 12/31/2022	Residual value as of 12/31/2021
				Accumulated at beginning of year	For the year	At year-end		
MEASUREMENT AT COST								
- Licenses	902.915		254.776	(662.622)	(103.471)	(766.093)	391.598	240.293
- Other intangible assets	17.677	(*)	-	(17.677)	-	(17.677)	-	-
TOTAL INTANGIBLE ASSETS	920.592		254.776	(680.299)	(103.471)	(783.770)	391.598	240.293

(\*) According to the term of each lease contract.

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## EXHIBIT “H”

### DEPOSITS CONCENTRATION AS OF DECEMBER 31, 2022 AND 2021

Figures stated in thousands of Argentine pesos - in constant currency

Number of customers	DEPOSITS			
	12/31/2022		12/31/2021	
	Outstanding amount	% of total portfolio	Outstanding amount	% of total portfolio
10 largest customers	77.763.582	95%	102.618.691	93%
50 next largest customers	3.816.197	5%	8.300.164	7%
<b>TOTAL</b>	<b>81.579.779</b>	<b>100%</b>	<b>110.918.855</b>	<b>100%</b>

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## EXHIBIT I

### BREAKDOWN OF FINANCIAL LIABILITIES BY REMAINING TERM

AS OF DECEMBER 31, 2022

Figures stated in thousands of Argentine pesos - in constant currency

DECEMBER 31, 2022							
Item	Term remaining to maturity						Total
	1 month	3 months	6 months	12 months	24 months	Over 24 months	
<b>Deposits</b>	56.031.478	29.075.478	1.677.057	364.107	-	-	87.148.120
- Nonfinancial government sector	35.271.706	13.182.182	549.953	-	-	-	49.003.841
- Nonfinancial private sector and foreign residents	20.759.772	15.893.296	1.127.104	364.107	-	-	38.144.279
<b>Other financial liabilities</b>	6.156.933	1.622.950	279.747	1.229.327	2.832.374	28.510.501	40.631.832
<b>Financing obtained from the BCRA and other financial institutions</b>	91.016	1.434.174	4.059.836	4.663.129	7.446.344	10.444.641	28.139.140
<b>TOTAL</b>	<b>62.279.427</b>	<b>32.132.602</b>	<b>6.016.640</b>	<b>6.256.563</b>	<b>10.278.718</b>	<b>38.955.142</b>	<b>155.919.092</b>

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## EXHIBIT J

### CHANGES IN PROVISIONS AS OF DECEMBER 31, 2022 AND 2021

Figures stated in thousands of Argentine pesos - in constant currency

Breakdown	Balances at beginning of year	Increases	Decreases	Monetary gain/loss provided by provisions	Balances as of 12/31/2022	Balances as of 12/31/2021
			Utilizations			
INCLUDED IN LIABILITIES						
- Provisions for contingencies	89.527	25.264 (1)	(40.293)	(48.605)	25.893	89.527
- Provision for post-employment benefits (Note 12.3)	510.898	463.441 (2)	(2.451)	(354.679)	617.209	510.898
<b>TOTAL PROVISIONS</b>	<b>600.425</b>	<b>488.705</b>	<b>(42.744)</b>	<b>(403.284)</b>	<b>643.102</b>	<b>600.425</b>

(1) Included in line "Other operating expenses" of the statement of income (Note 19.6).

(2) Included in line "Employee benefits" of the statement of income (Note 19.4).

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## EXHIBIT K

### CAPITAL STRUCTURE

AS OF DECEMBER 31, 2022

Figures stated in thousands of Argentine pesos

DECEMBER 31, 2022								
Shares				Capital stock				
Class	Quantity	Nominal vote per share	Votes per share	Issued		Pending issuance or distribution	Paid-in	Not paid-in
				Outstanding	Treasury			
Book-entry shares of common stock	7.010.465	1.000	1	7.010.465	-	345.196	7.355.661	-
Book-entry shares of preferred stock Cumulative dividend equivalent to 1% of annual profit	4.524.568	1.000	-	4.524.568	-	-	4.524.568	-
<b>TOTAL</b>	<b>11.535.033</b>			<b>11.535.033</b>	-	<b>345.196</b>	<b>11.880.229</b>	-

(1) See Note 1.2

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# EXHIBIT L

## BALANCES IN FOREIGN CURRENCY

AS OF DECEMBER 31, 2022 AND 2021

Figures stated in thousands of Argentine pesos - in constant currency

ITEMS	Head office and Argentina branches	Total as of 12/31/2022	Total as of 12/31/2022 (per currency)		Total as of 12/31/2021
			Euros	US dollar	
ASSETS					
CASH AND DEPOSITS WITH BANKS	13.920.296	13.920.296	602.859	13.317.437	9.650.754
SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	4.473.700	4.473.700	-	4.473.700	1.088.779
OTHER FINANCIAL ASSETS	206.918	206.918	-	206.918	237.531
LOANS AND OTHER FINANCING FACILITIES	38.956.886	38.956.886	-	38.956.886	58.878.697
- Nonfinancial government sector	773.239	773.239	-	773.239	-
- Other financial institutions	2.442.065	2.442.065	-	2.442.065	5.125.318
- Nonfinancial private sector and foreign residents	35.741.582	35.741.582	-	35.741.582	53.753.379
OTHER DEBT SECURITIES	15.810.833	15.810.833	-	15.810.833	11.279.860
FINANCIAL ASSETS DELIVERED IN GUARANTEE	224	224	-	224	253
INVESTMENTS IN EQUITY INSTRUMENTS	8.196.187	8.196.187	-	8.196.187	9.223.812
OTHER NONFINANCIAL ASSETS	2.657	2.657	-	2.657	3.002
TOTAL ASSETS	81.567.701	81.567.701	602.859	80.964.842	90.362.688
LIABILITIES					
DEPOSITS	(42.786.206)	(42.786.206)	-	(42.786.206)	(46.607.662)
- Nonfinancial government sector	(34.642.388)	(34.642.388)	-	(34.642.388)	(43.698.486)
- Nonfinancial private sector and foreign residents	(8.143.818)	(8.143.818)	-	(8.143.818)	(2.909.176)
OTHER FINANCIAL LIABILITIES	(4.889.994)	(4.889.994)	-	(4.889.994)	(9.388.148)
FINANCING OBTAINED FROM THE BCRA AND OTHER FINANCIAL INSTITUTIONS	(22.830.150)	(22.830.150)	(8.105.775)	(14.724.375)	(33.551.136)
OTHER NONFINANCIAL LIABILITIES	(2.564)	(2.564)	-	(2.564)	(21.174)
TOTAL LIABILITIES	(70.508.914)	(70.508.914)	(8.105.775)	(62.403.139)	(89.568.120)

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## EXHIBIT O

### DERIVATIVE FINANCIAL INSTRUMENTS

AS OF DECEMBER 31, 2022

Figures stated in thousands of Argentine pesos - in constant currency

Type of contract	Purpose of transactions	Type of coverage	Underlying asset	Type of settlement	Negotiation environment or counter party	Originally agreed-upon average weighted term (*)	Residual average weighted term (*)	Average weighted term of settlement of differences (**)	Amount as of 12/31/2022
Repo transactions	Intermediation on own account	Other	Argentine Government Securities	With delivery of underlying asset	MAE	-	-	3	3.199.189
Forward contracts in foreign currency	Intermediation of foreign currency	Other	Foreign currency	Daily settlement of differences	ROFEX	6	4	1	456.900

(\*) Stated in months

(\*\*) Stated in days

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# EXHIBIT P

## CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES AS OF DECEMBER 31, 2022

Figures stated in thousands of Argentine pesos - in constant currency

DECEMBER 31, 2022							
ITEMS	Amortized cost	Fair value through OCI	Fair value through profit or loss		Fair value hierarchy		
			Intuitively designated in accordance with IFRS 9, paragraph 6.7.4	Mandatory measurement	Level 1	Level 2	Level 3
CASH AND DEPOSITS WITH BANKS	30.371.944	-	-	-	-	-	-
Financial institutions and correspondents	30.371.944	-	-	-	-	-	-
- BCRA	13.358.199	-	-	-	-	-	-
- Other in Argentina and abroad	17.013.745	-	-	-	-	-	-
SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	-	-	-	16.860.722	16.376.991	483.731	-
DERIVATIVES	-	-	-	700	700	-	-
REPO TRANSACTIONS	3.199.189	-	-	-	-	-	-
OTHER FINANCIAL ASSETS	7.619.092	-	-	-	-	-	-
LOANS AND OTHER FINANCING FACILITIES	78.705.496	-	-	-	-	-	-
- Nonfinancial government sector	1.982.227	-	-	-	-	-	-
- Other financial institutions	4.536.408	-	-	-	-	-	-
- Nonfinancial private sector and foreign residents	72.186.861	-	-	-	-	-	-
- Notes	39.265.025	-	-	-	-	-	-
- Mortgage loans	16.684.711	-	-	-	-	-	-
- Collateral loans	950.691	-	-	-	-	-	-
- Finance lease	6.419.125	-	-	-	-	-	-
- Other	8.867.309	-	-	-	-	-	-
OTHER DEBT SECURITIES	42.381.826	10.761.625	-	-	10.761.625	-	-
FINANCIAL ASSETS DELIVERED IN GUARANTEE	2.256	1.513.515	-	-	1.513.515	-	-
INVESTMENTS IN EQUITY INSTRUMENTS	-	-	-	8.302.135	-	8.302.135	-
<b>TOTAL FINANCIAL ASSETS</b>	<b>162.279.803</b>	<b>12.275.140</b>	<b>-</b>	<b>25.163.557</b>	<b>28.652.831</b>	<b>8.785.866</b>	<b>-</b>
DEPOSITS	81.579.779	-	-	-	-	-	-
- Nonfinancial government sector	47.824.227	-	-	-	-	-	-
- Nonfinancial private sector and foreign residents	33.755.552	-	-	-	-	-	-
OTHER FINANCIAL LIABILITIES	34.203.979	-	-	-	-	-	-
FINANCING OBTAINED FROM THE BCRA AND OTHER FINANCIAL INSTITUTIONS	22.989.762	-	-	-	-	-	-
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>138.773.520</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

CPA. MARIA VICTORIA JARSUN  
ADMINISTRATION MANAGER

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023  
KPMG  
C.P.C.E.C.A.B.A. Vol. 2 Fo. 6

CPA EDUARDO PRINA  
GENERAL MANAGER

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023

CPA CLAUDIO SALA  
PRESIDENTE

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023  
AUDITORIA GENERAL DE LA NACIÓN

PATRICIA M. ZEISEL  
Socia  
CONTADORA PUBLICA (U.B.A.)  
C.P.C.E.C.A.B.A. T° 286 F° 105

CPA WALTER A. PARDI  
By SUPERVISORY COMMITTEE

CPA CLAUDIO SALA  
CERTIFIED PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. T°138 F°236

# ANEXO Q

## BREAKDOWN OF PROFIT (LOSS) for the fiscal years ended December 31, 2022 and 2021 Figures stated in thousands of Argentine pesos - in constant currency

Items	Mandatory measurement	
	Financial income /(expense), net	
	12/31/2022	12/31/2021
<b>From financial assets at fair value through profit or loss</b>		
Profit from government securities	10.084.628	9.908.562
Profit from derivative financial instruments	245.674	198.956
Forward transactions	245.674	198.956
Investments in equity instruments	347.213	318.372
Gain/loss on financial assets at fair value sold or derecognized	(5.046)	(8)
<b>TOTAL</b>	<b>10.672.469</b>	<b>10.425.882</b>
<b>Interest and adjustments due to the application of the effective interest rate on financial assets and liabilities measured at amortized cost</b>		
<b>Interest income and adjustments</b>		
Cash and deposits with banks	94.822	21.057
Corporate securities	1.393.311	848.309
Government securities	20.166.118	7.071.388
Loans and other financing facilities	18.112.254	19.893.083
- To the financial sector	1.696.734	2.084.553
- Notes	9.868.310	9.449.982
- Mortgage loans	3.431.469	3.828.547
- Collateral loans	357.216	528.875
- Finance lease	2.725.024	3.963.942
- Other	33.501	37.184
Repo transactions (Note 5)	6.309.399	9.842.908
BCRA	5.918.802	9.799.576
- Other financial institutions	390.597	43.332
<b>TOTAL</b>	<b>46.075.904</b>	<b>37.676.745</b>
<b>Interest expense</b>		
Deposits	(23.130.560)	(20.265.855)
- Certificates of deposit and term investments	(23.130.560)	(20.265.855)
Financing obtained from the BCRA and other financial institutions	(2.499.887)	(2.340.283)
Other financial liabilities	(45.246)	(88.135)
Corporate bonds issued	-	(83.070)
<b>TOTAL</b>	<b>(25.675.693)</b>	<b>(22.777.343)</b>
<b>Interest and adjustments due to the application of the effective interest rate on financial assets measured at fair value through OCI</b>		
<b>Net income or loss</b>		
	12/31/2022	12/31/2021
Government debt securities	2.632.055	2.306.738
<b>TOTAL</b>	<b>2.632.055</b>	<b>2.306.738</b>
<b>Interest and adjustments due to the application of the effective interest rate on financial assets measured at fair value through OCI</b>		
<b>OCI</b>		
	12/31/22	12/31/21
Government debt securities	(649.954)	418.115
<b>TOTAL</b>	<b>(649.954)</b>	<b>418.115</b>
<b>Commission income</b>		
	12/31/2022	12/31/2021
Commissions from receivables	36.620	68.307
Commissions on loan commitments and financial guarantees	10.998	10.747
Commissions from foreign exchange transactions	29.437	28.409
Other	80.213	50.490
<b>TOTAL</b>	<b>157.268</b>	<b>157.953</b>
<b>Commission expense</b>		
	31/12/2022	31/12/2021
Other	(133.111)	(562.222)
<b>TOTAL</b>	<b>(133.111)</b>	<b>(562.222)</b>

CPA MARIA VICTORIA JARSUN  
ADMINISTRATION MANAGER

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023  
KPMG  
C.P.C.E.C.A.B.A. Vol. 2 Fº 6

PATRICIA M. ZEISEL  
Socia  
CONTADORIA PUBLICA (U.B.A.)  
C.P.C.E.C.A.B.A. Tº 288 Fº 106

CPA EDUARDO PRINA  
GENERAL MANAGER

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023

CPA WALTER A. PARDI  
By SUPERVISORY COMMITTEE

MARIANO DE MIGUEL  
PRESIDENTE

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023  
AUDITORIA GENERAL DE LA NACION

CPA CLAUDIO SALA  
CERTIFIED PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. Tº 136 Fº 236



## EXHIBIT R

### ADJUSTMENT DUE TO LOSSES. ALLOWANCES FOR LOAN LOSSES

AS OF DECEMBER 31, 2022 AND 2021

Figures stated in thousands of Argentine pesos - in constant currency

Breakdown	Balances at beginning of year	Increases	Decreases		Monetary gain/loss provided by provisions	Balances as of 12/31/2022	Balances as of 12/31/2021
			Reversals	Utilizations			
Other financial assets	136.887	55.838	-	-	(66.844)	125.881	136.887
Loans and other financing facilities (3)							
Other financial institutions	93.943	45.160	(36.012)	-	(57.272)	45.819	93.943
Nonfinancial private sector and foreign residents							
Notes	1.692.219	1.732.067	(473.986)	(727.127)	(1.133.742)	1.089.431	1.692.219
Mortgage loans	343.529	83.699	(58.227)	(9.138)	(172.846)	187.017	343.529
Collateral loans	87.100	4.006	(32.589)	(1.206)	(42.442)	14.869	87.100
Finance lease	1.171.297	168.423	(103.716)	(442.077)	(572.719)	221.208	1.171.297
Other	359.651	217.180	(211.534)	(58.790)	(212.198)	94.309	359.651
Other debt securities	205.760	216.050	(52.088)	(174.522)	(152.973)	42.227	205.760
<b>TOTAL ALLOWANCES FOR LOAN LOSSES</b>	<b>4.090.386</b>	<b>2.522.423</b> (1)	<b>(968.152)</b> (2)	<b>(1.412.860)</b>	<b>(2.411.036)</b>	<b>1.820.761</b>	<b>4.090.386</b>

The allowance for loan losses is set up based on the uncollectibility risk of the portfolio as provided for by the BCRA accounting framework.

(1) Included in line "Other operating expenses" of the statement of income.

(2) Included in line "Other operating income" of the statement of income (Note 19.3).

(3) Exhibits B and C.

CPA. MARIA VICTORIA JARSUN  
ADMINISTRATION MANAGER

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023  
KPMG  
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PATRICIA M. ZEISEL  
Socia  
CONTADORA PÚBLICA (U.B.A.)  
C.P.C.E.C.A.B.A. T° 286 F° 105

CPA EDUARDO PRINA  
GENERAL MANAGER

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023

CPA WALTER A. PARDI  
By SUPERVISORY COMMITTEE

LjC. MARIANO DE MIGUEL  
PRESIDENTE

Signed for identification  
purposes  
DE FECHA 9 DE MARZO DE 2023  
AUDITORIA GENERAL DE LA NACIÓN

CPA CLAUDIO SALA  
CERTIFIED PUBLIC ACCOUNTANT (U.B.A.)  
C.P.C.E.C.A.B.A. T°138 F°236

# EARNINGS DISTRIBUTION PROPOSAL AS OF DECEMBER 31, 2022

(Figures stated in thousands of Argentine pesos)

<b>UNAPPROPRIATED RETAINED EARNINGS</b>	<b>1.130.554</b>
To the legal reserve (100% of 1,130,554,197.05 pesos)	(1.130.554)
To reserve as per bylaws	-
To special reserve for IFRS first-time application	-
To the special reserve held by cooperatives	-
Adjustments to paragraph 2.3 of "Distribution of earnings", revised text	-
Adjustments to paragraph 2.4 of "Distribution of earnings", revised text	-
<b>SUBTOTAL 1</b>	<b>-</b>
To the special statutory reserve for subordinated debt instruments	-
Adjustments to paragraph 2.1 of "Distribution of earnings", revised text	-
Adjustments to paragraph 2.2 of "Distribution of earnings", revised text	-
<b>SUBTOTAL 2</b>	<b>-</b>
<b>DISTRIBUTABLE AMOUNTS</b>	<b>-</b>
<b>DISTRIBUTED EARNINGS</b>	<b>-</b>
To Optional reserves	-
To dividends in shares	-
To cash dividends	-
- Shares of preferred stock	-
- Shares of common stock	-
- Federal, provincial or municipal government	-
- Head Office based abroad	-
To capital assigned	-
Other uses	-
<b>UNDISTRIBUTED EARNINGS</b>	<b>-</b>

.....  
MARIA VICTORIA JARSUN  
ADMINISTRATION MANAGER

SIGNED FOR IDENTIFICATION  
PURPOSES  
DATED MARCH 9, 2023  
KPMG  
C.P.C.E.C.A.B.A. Vol. 2 Fo. 6

.....  
EDUARDO PRINA  
GENERAL MANAGER

SIGNED FOR IDENTIFICATION  
PURPOSES  
DATED MARCH 9, 2023

.....  
MARIANO DE MIGUEL  
CHAIRPERSON

SIGNED FOR IDENTIFICATION  
PURPOSES  
DATED MARCH 9, 2023  
AUDITORIA GENERAL DE LA NACIÓN

.....  
WALTER A. PARDI  
BY STATUTORY AUDIT COMMITTEE

## INDEPENDENT AUDITORS' REPORT ON SEPARATE FINANCIAL STATEMENTS

To the Chairman and Directors of  
Banco de Inversión y Comercio Exterior S.A.  
Taxpayer identification number [C.U.I.T.]: 30-65112908-3  
Registered office: Bartolomé Mitre 836  
City of Buenos Aires

### *1. Report on financial statements*

We have audited the accompanying separate financial statements of Banco de Inversión y Comercio Exterior S.A. (the "Bank"), which comprise: the separate statement of financial position as of December 31, 2022, the separate statements of income and other comprehensive income, changes in equity and cash flows for the year then ended, and Notes 1 to 35 and Exhibits A to L and O to R.

### *2. Board of Directors' and Management's Responsibility for the financial statements*

The Bank's Board of Directors and Management are responsible for the preparation and fair presentation of the accompanying financial statements in conformity with the accounting framework established by the BCRA (Central Bank of Argentina) which, as indicated in Note 2 to those financial statements, is based on the International Financial Reporting Standards (IFRS) as issued by the IASB (International Accounting Standards Board) and adopted by the FACPCE (Argentine Federation of Professional Councils in Economic Sciences), subject to the exceptions described in Note 2. The Bank's Board of Directors and Management are also responsible for such internal control as they determine is necessary to enable the preparation of the financial statements that are free from material misstatement whether due to error or irregularities.

### *3. Auditors' responsibility*

Our responsibility is to express an opinion on these accompanying separate financial statements based on our audit. We conducted our audit in accordance with the auditing standards set forth by Technical Resolution No. 37 of the Argentine Federation of Professional Councils of Economic Sciences and the auditing standards issued by the BCRA applicable to the audit of financial statements ("Minimum Requirements on External Audits"). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a selective test basis, evidence supporting the accounting information included in the financial statements. We relied on our professional judgment to select the procedures to be performed, including assessing the risk that the financial statements may include material misstatements. When performing this risk assessment, we considered the Bank's existing internal controls on the preparation and presentation of financial statements for the purposes of selecting the adequate auditing procedures, but not of expressing an opinion on the efficiency of the Bank's internal controls. An audit also includes assessing the accounting principles used and the reasonableness of the significant estimates made by the Board of Directors as well as evaluating the overall financial statement presentation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### 4. *Opinion*

In our opinion, the separate financial statements mentioned in paragraph 1 present fairly, in all material respects, the financial position of Banco de Inversión y Comercio Exterior S.A. as of December 31, 2022, as well as the results of its operations, changes in shareholders' equity and cash flows for the year then ended, in conformity with the accounting information framework established by the BCRA mentioned in paragraph 2.

#### 5. *Emphasis on certain aspects disclosed in the financial statements*

Without further modifying our opinion, we draw the attention of the users of this report on the information disclosed in Note 2 to the accompanying separate financial statements, which states that they have been prepared by the Bank's Board of Directors and Management in accordance with the accounting information framework established by the BCRA. Such accounting framework differs from the IFRS in the aspects described in said note. The situations specified in such note do not modify the opinion stated in paragraph 4, but they should be taken into account by the users of IFRS for interpreting the accompanying financial statements mentioned in paragraph 1.

6. We also issued a separate report on the consolidated financial statements of Banco de Inversión y Comercio Exterior S.A. and its subsidiary at the same date and for the same period indicated in paragraph 1.

#### 7. *Report on other legal and regulatory requirements*

In compliance with legal requirements in force, we report that:

- i) The Bank's separate financial statements mentioned in paragraph 1 have been transcribed into the Inventory Book and arise from the Bank's accounting records kept, in all material respects, pursuant to current legal requirements and conditions established by the I.G.J. (Supervisory Board of Companies) Authorization No. 06722 dated January 24, 2008;
- ii) As of December 31, 2022, as stated in Note 29 to the separate financial statements mentioned in paragraph 1, the Bank's equity and its eligible assets exceed the minimum amounts required by the regulations of the Argentine Securities and Exchange Commission (CNV); and
- iii) As of December 31, 2022, the accrued liability for retirement and pension contributions payable to the Argentine Pension Fund System arising from the accounting records of the Bank amounted to ARS 109,861,336 no amounts being due as of that date.

City of Buenos Aires, March 9, 2023

KPMG

AUDITORÍA GENERAL DE LA NACIÓN

Patricia M. Zeisel  
*Partner*  
Public Accountant (UBA)

Claudio Sala  
Public Accountant (UBA)



*Presidencia de la Nación*  
*Sindicatura General de la Nación*

## **STATUTORY AUDIT COMMITTEE'S REPORT**

To the Shareholders, Chairman and Directors of  
Banco de Inversión y Comercio Exterior S.A.  
Bartolomé Mitre 836  
City of Buenos Aires  
Taxpayer identification number [CUIT]: 30-65112908-3

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### **Introduction**

In our capacity as members of the Statutory Audit Committee of Banco de Inversión y Comercio Exterior S.A., we have performed a review of the separate financial statements as of December 31, 2022 of the Entity and its subsidiary, which comprise (a) the separate statement of financial position, (b) the separate statement of income, (c) the separate statement of other comprehensive income, (d) the separate statement of changes in equity, (e) the separate statement of cash flows for the year then ended, Notes 1 through 35 and exhibits A through L and O through R. Additionally, we have examined the Letter to Shareholders for such year.

### **Management's responsibilities**

The Bank's Board of Directors is responsible for the preparation and fair presentation of the accompanying separate financial statements in conformity with the accounting information framework established by the BCRA (Central Bank of Argentina) which, as indicated in Note 2 to the separate financial statements, is based on the International Financial Reporting Standards (IFRS) approved by the IASB (International Accounting Standards Board) and adopted by the FACPCE (Argentine Federation of Professional Councils in Economic Sciences), subject to the exceptions described in Note 2. The Bank's Board of Directors is also responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement whether due to error or irregularities.

### **Statutory Audit Committee's responsibility**

Our examination was made in compliance with the statutory auditors' standards in force. Those standards require that the review of the documents detailed in the "Introduction" paragraph be made in conformity with the auditing standards applicable to the review of financial statements for annual periods. The review of financial statements for annual periods consists in verifying the fairness of the significant information of the documents examined and their consistency with the information on the corporate decisions of which we became aware, as disclosed in the minutes of the Board of Directors' and Shareholders' Meetings as well as the compliance of such decisions with legal regulations and the bylaws in all formal and documentary respects.



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*Sindicatura General de la Nación*

To perform our professional work in connection with the documents detailed in the “Introduction” paragraph, we reviewed the work performed by the external auditors, Auditoría General de la Nación and KPMG, who issued a report dated March 9, 2023.

Such review included the verification of the audit planning, nature, scope and procedures applied as well as the results of the review performed by such professional firms.

As it is not the Statutory Audit Committee’s responsibility to exercise management control, we have not considered the business criteria and decisions adopted by the Bank, since they are the exclusive responsibility of the Board of Directors.

### **Conclusion**

Based on our review, the separate financial statements mentioned in the “Introduction” paragraph present fairly, in all material respects, the financial position of Banco de Inversión y Comercio Exterior S.A. as of December 31, 2022, as well as the results of its operations, changes in shareholders’ equity and cash flows for the year then ended, in conformity with the accounting information framework established by the BCRA mentioned in the “Management’s responsibility” paragraph.

### **Emphasis of matter**

Without further modifying our conclusion, we draw the attention of the users of this report to the information disclosed in Note 2 to the separate financial statements mentioned in the “Introduction” paragraph, which states that they have been prepared by the Bank’s Board of Directors and Management in accordance with the accounting information framework established by the BCRA. Such accounting framework differs from the IFRS in the aspects described in said Note.

The situations above do not modify the conclusion stated in the “Conclusion” paragraph, but they should be taken into account by the users of IFRS for interpreting the financial statements mentioned in the “Introduction” paragraph.

### **Report on Legal and Regulatory Requirements**

In compliance with legal requirements in force, we report that:

- a) The financial statements of Banco de Inversión y Comercio Exterior S.A. mentioned in the “Introduction” paragraph have been transcribed into the Inventory Book and arise from the Entity’s accounting records, which, in their formal aspects, are kept pursuant to the legal provisions in force.
- b) We have no observations, as it relates to our area of responsibility, regarding the Board of Directors’ Letter to Shareholders for the year ended December 31, 2022, while it should be noted that any assertions under 2023 prospects are the exclusive responsibility of the Board of Directors.
- c) We have performed the anti-money laundering and terrorist financing procedures set forth by the applicable professional standards.



*Presidencia de la Nación*  
*Sindicatura General de la Nación*

- d) We have no observations, as it relates to our area of responsibility, about the information included in Note 29 to the financial statements mentioned in the "Introduction" paragraph as of December 31, 2022, in connection with the minimum net equity and counterparty requirements imposed by the CNV.
- e) We have verified compliance with the acting directors' bonds to the date of issuance of the financial statements.
- f) The provisions of section 294, Argentine Companies Law, were met.

City of Buenos Aires, March 9, 2023

By Statutory Audit Committee

Walter A. Pardi  
Statutory Auditor

# LETTER TO SHAREHOLDERS 2022



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## TO THE SHAREHOLDERS

In compliance with the provisions of Law No. 19550, as amended, and the bylaws, we are pleased to submit for the consideration of the Shareholders' Meeting, the Letter to Shareholders, Statement of Financial Position, Statement of Income, Statement of Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and its Equivalents, Notes and Exhibits, Auditors' Report and Statutory Audit Committee's Report for the fiscal year ended on December 31 2022.

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## LETTER FROM MARIANO DE MIGUEL, CHAIRPERSON OF BANCO ARGENTINO DE DESARROLLO BICE

In BICE's 30th anniversary, we ratify our commitment to financing for the furtherance of local production, fostering exports and creating quality employment, which constitute both the bank's and the Argentine government's productive policies' guiding principles in so far as the government intends to put macroeconomic variables in order whilst underpinning the level of activity.

Thanks to these definitions, industries' output in 2022 grew by 4.3% compared to 2021<sup>1</sup>, installed capacity usage was at 63.8%<sup>2</sup> and exports of goods amounted to an unprecedented USD 88,446 million<sup>3</sup>.

It is within this context that from the moment I took office as the bank's Chairman and together with the whole Board, we continued along the path set out in 2020 by present-day Industry and Productive Development Secretary, José Ignacio de Mendiguren. i.e., a mission intended to increase the amount of funding to enterprises with a focus on value addition and a structural change in Argentina's productive matrix.

As a result, in 2022 the loans granted grew by 17% compared to 2021 -in inflation-adjusted valued- and the amount of SMEs aided by BICE rose by over 50% compared to a year earlier. Disbursements associated to investment projects surpassed \$ 30 billion, representative of a 40% increase on a year-on-year basis. This improvement was led by financing facilities which accrue an interest rate subsidized by the Industry and Productive Development Secretariat for projects such as industrial plants' expansion and construction, improvements in production processes, SMEs that export to Brazil, energy efficiency and companies led by women.

---

<sup>1</sup> Manufacturing Industrial Production Report, December 2022, INDEC

<sup>2</sup> Installed Capacity, December 2022, INDEC

<sup>3</sup> Changes in the Argentine Balance of Trade, December 2022, INDEC

It is important to mention that we carry out this task jointly with the Argentine Government, the provincial and municipal administrations, the private sector and NGOs in order to serve as tools for fostering the country's sustainable and inclusive development. This has allowed us to:

- Let women-led companies' financing reach almost 300 enterprises for more than \$ 15.5 billion. In addition to doubling the share of women-led enterprises compared to the total portfolio, up from 8% to 17% (quantity of companies) compared to the details at the start of the program.
- Allocate more than \$ 7.5 billion to SMEs' energy efficiency projects with a wide federal reach.
- Assist 80 municipalities all over the country with funding for more of \$ 2.5 billion through the program of leases aimed at the nonfinancial government sector, focusing on local economic and productive development and the improvement in the supply of utilities for inhabitants.
- Be one of the first banks to offer the Ministry of Economy's Argentine Credit (CreAr) loans program, one of the largest programs in Argentine history intended to fund investments.

Another highlight for the year was the bank's contribution to companies' export development and foreign currency generation with a view to the country's growth. In this regard, we attained a 28% increase -in US Dollars- in loans compared to the previous fiscal year through Pre and post-export financing lines and Long-term export financing (Forfaiting).

Additionally, we engaged in managing trusts for infrastructure works that were essential to Argentina. As a part of this endeavor, it should be emphasized that starting in 2022 we became managers of a trust entitled FONDESGAS (Fund for Argentina's Gas Development), an instrument that will play an essential role in the construction of the Presidente Néstor Kirchner Gas Pipeline (GPNK). This project will allow natural gas transportation capacity to rise by 25% and help to develop growing production in Vaca Muerta.

Such contribution and growth were attained without losing sight of the Bank's financial sustainability. In 2022, the non-performing portfolio was 2.55% (December), an amount that was considerably smaller than the 8.6% posted in December 2019.

At the international level, we maintained solid bonds with multinational financing organizations with a view to sharing experiences and strengthening support to Argentine productive sectors. In this regard, together with ALIDE (Latin American Association of Financial Institutions for Development) and Banco Provincia de Buenos Aires we organized the "Third Meeting of Lead Economists from Latin America and the Caribbean" and we took part in the United Nations Climate Change Conference (COP 27)".

Finally, in the year that marks the bank's 30th anniversary we endeavored to reassert our institutional identity and decided to incorporate the words that best describe BICE into its corporate name: Banco Argentino de Desarrollo BICE (Argentine Development Bank BICE). We intend to convey a clear message to identify BICE with its role and emphasize BICE's contribution to the country's growth and, above all, to communicate its contribution in qualitative terms both in view of the ability to guide investments and the quality of the projects that we support.

For 2022 BICE achieved positive results and clearly consolidated its strategic mission. For 2023, our purpose shall be to continue along this path and to foster the projects that contribute to the country's economic and productive development through robust and sustainable finances.

# BACKGROUND

In a year characterized by GDP growth, employment generation, a positive balance of trade and an increase in almost all of the sectors of the economy, Industry deserves special mention as it was the sector that contributed the most to the Consumer Price Index at a general level published by the INDEC (1.1 percentage points). In the January-December 2022

aggregate figures, the manufacturing industries were 4.3% above the figures posted for the same period 2021<sup>4</sup>.

This detail strengthens BICE's role as a development bank focused on funding the country's productive matrix change and the addition of value.

## General context

After the strong post-pandemic recovery experienced in 2021, the year 2022 was marked by a widespread slow-down at the global level with the highest inflation recorded in several decades. The Russia-Ukraine war and the reemergence of COVID in some countries had an impact on the level of activity as did the rougher financial conditions prevailing in most regions.

However, in Argentina, the level of activity continued to grow: in the third quarter, GDP posted a cumulative 6.4% growth led by investments. More than 630 thousand jobs more than a year earlier were created.

Argentina's foreign trade attained unprecedented levels. Exports amounted to USD 88,446 million and Imports amounted to USD 81,523 million. The balance of trade for 2022 exceeded USD 6.9 billion and the year eventually came to an end with a surplus for the fourth year in a row.

When it comes to the general government balance, the path to the reduction in losses that had started in 2021 continued and there was an improvement in the Treasury's funding through the capital markets: 79% of funding requirements were satisfied in the market, thereby diminishing dependence on BCRA's monetary funding.

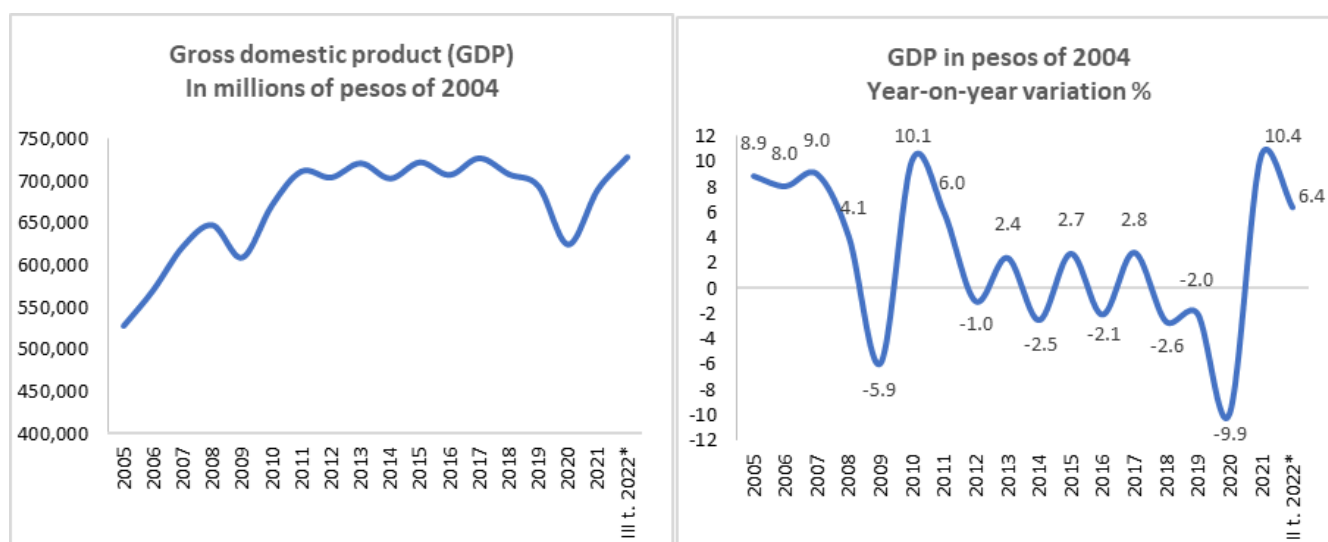
The main challenge faced by the economy continued to be the price dynamics, which accelerated during 2022 as was also the case in most countries.

## Activity and employment

After the post-pandemic recovery, the level of activity continued to go up. In the first nine months of the year, Gross Domestic Product (GDP) exhibited an accumulated year-on-year 6.4% growth, carrying over a figure close to a year-on-year 6% by the end of the year

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<sup>4</sup> Manufacturing Industrial Index, December 2022, INDEC



Source: BICE based on INDEC.

\* Accumulated amounts as of the third quarter.

The figures for the third quarter confirmed that the breakdown in expenditures showed that all the items had experienced positive variations in real terms. As regards the demand, growth was led by investment (13.4%) and private consumption (10.7%). These two components contributed the most to GDP. Exports grew by 4% and public consumption grew by 3.2%, contributing 1.2 and 0.6 percentage points, respectively.

	Accumulated variation (%), III quarter 2022	Contribution of percentage points
<b>GDP</b>	<b>6.4</b>	<b>6.4</b>
Private consumption	10.7	4.2
Public consumption	3.2	0.6
Investment	13.4	3.4
Exports	4.0	1.2
Imports	23.5	-3.0

Source: BICE based on INDEC.

Regarding economic activity sectors, all of them -except for agriculture, livestock, hunting and forestry- showed positive variations up to November 2022. Hotels and restaurants was the sector that grew the most in the year-to-date, with an accumulated year-on-year increase of 38% and Industry was the sector that contributed the most to the Consumer Price Index at a general level published by the INDEC (1.1 percentage points).

EMAE - SECTORS	VARIATION. ACCUMULATED % ANNUAL, NOVEMBER 2022	Contribution in percentage points
<b>General index</b>	<b>5.8</b>	<b>5.8</b>
Agriculture, livestock, hunt and forestry	-2.7	-0.2
Fishing	3.3	0.0
Mining and quarries	13.7	0.7
Manufacturing industry	5.7	1.1
Electricity, gas and water	2.7	0.0
Construction	6.1	0.2
Trade	6.8	0.8
Hotels and restaurants	37.8	0.5
Transport and communications	8.8	0.5
Financial intermediation	0.6	0.0
Real estate activities	5.2	0.6
Public admin. and defense	7.3	0.3
Teaching	4.4	0.2
Social and health services	1.3	0.0
Other services	9.3	0.3

Source: BICE based on INDEC.

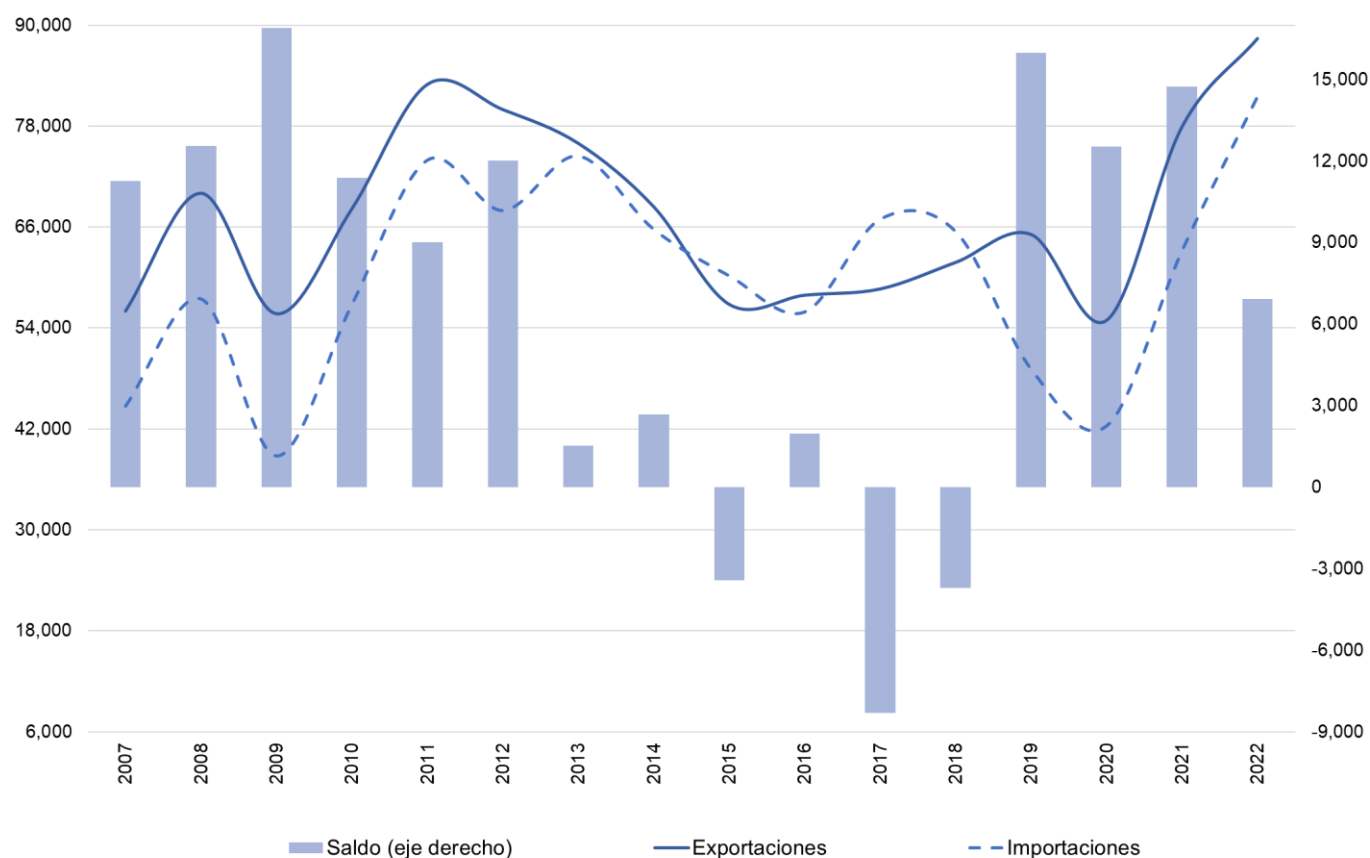
The labor market exhibited good performance. In the third quarter of the year, the unemployment rate dropped by more than 1 p.p. whilst the employment rate and the level of activity rose by 0.9 and 1.3 p.p., compared to one year earlier. On top of this, the data concerning registered employment are sound. Until October, registered employment had grown throughout 21 of the past 22 months. Six hundred and twenty-six thousand jobs, net, were generated compared to the same month a year earlier and the jobs previous to the pandemic grew by 850 thousand jobs. Please note that employment in the private sector also rose, generating 293 thousand jobs net (year-on-year) surpassing by 41% of registered employment generation. In addition, an increase was seen in 11 out of the 14 productive sectors.

## Balance of trade

The Argentine balance of trade in 2022 amounted to USD 169,969 million, made up by USD 88,446 million in exports and USD 81,523 million in imports. The figures posted are unprecedented in the history of Argentina's balance of trade, exceeding, in the case of exports, the record posted in 2011 (+6.6%). When it comes to imports from the rest of the world, it was the 2013 (+9.5%) record that was exceeded.

The balance of trade surplus for the year was over USD 6.920, indicative of a surplus for the fourth year in a row. Over the past four years, Argentina's trade surplus exceeded USD 50,192 million, a figure that had only been exceeded in the accumulated amount in the 2008 to 2012 period.

### Balance of Trade Accumulated at December - In millions of USD -



Source: BICE based on INDEC.

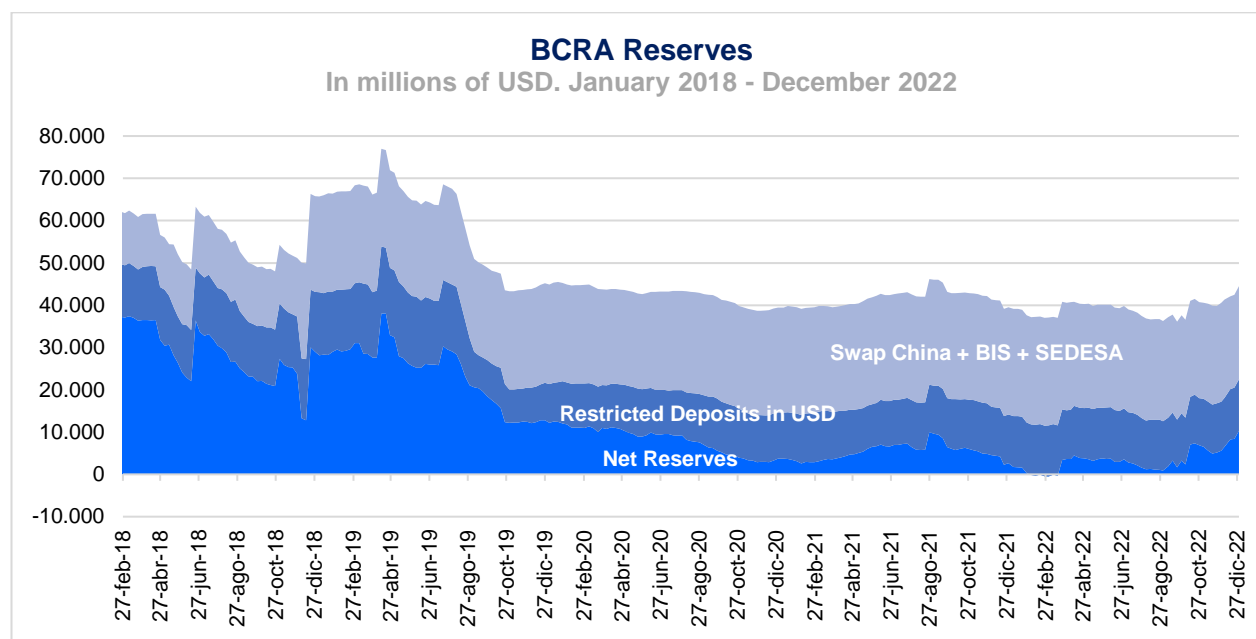
The main destinations for our exports have been the habitual ones: Brazil (14.3% of the total amount), China (9.1%), United States (7.5%), Chile (5.6%) and India (5.2%), whilst imports originated mostly in China (21.5% of the total amount), Brazil (19.7%), United States (12.7%), Germany (3.3%) and Bolivia (2.7%).

Compared to 2021, exports grew by 13.5% due to a 16.2% increase in prices and a 2.3% drop in quantities whilst imports rose by 29% compared to the figures for 2021, above all, because prices grew by 16.3% and quantities grew by 11.0%.

As regards the balance of payments in foreign currency, the variation in international reserves due to foreign exchange transactions, was USD 6,918 million, which is in turn accounted for by a USD 4,780 million surplus in the checking account in foreign currency and income for USD 2,106 million in the foreign exchange in the foreign currency financial account. In addition, a positive balance has also been posted for USD 32 million in the capital stock account in foreign currency. Thanks to this high trade surplus, the Argentine Central Bank could adopt a buying position in the exchange market for more than millions of USD 5,800 along the whole year<sup>5</sup> which, in addition to the disbursements from international

<sup>5</sup> The reason for such surplus has been the implementation of the "Soybean Dollar 1 and 2", without which, the BCRA's position in the official foreign exchange market locally known as MULC would have become a selling position.

agencies<sup>6</sup> for more than millions of USD 4,300 net, thanks to which there was a 195% (millions of USD 5,200) increase in the net position of international reserves<sup>7</sup> which allowed us to attain the reserve accumulation target imposed by the International Monetary Fund (IMF).



Source: BICE based on the BCRA.

## Fiscal aspects and public debt

The path towards reducing the deficit, which had started in 2021, continued in 2022. In this way, the primary fiscal deficit and the total fiscal deficit, which reached 3% and 4.5% of the GDP, respectively, in 2021, were reduced to 2.4% and 4.2% in 2022. This improvement may be explained by a 4.3% real increase in revenue and by the fact that primary expenditure did not experience any variations in real terms (-0.04%). . Finally, it is worth mentioning that the percentage of Treasury financing covered with the local capital market improved: whilst in 2021 it reached 26%, in 2022 the percentage of financing needs met in this way was 81%, thus reducing dependence on the BCRA's monetary financing.

<sup>6</sup> The implementation of the Extended Credit Facilities (EFF) agreed with the International Monetary Fund and implemented as from March 2022, had, in its first year, more disbursements of funds than the commitments that the country had to honor. In turn, agreements with multilateral agencies (the IDB and the World Bank) which also exceeded pending settlements.

<sup>7</sup> These are the adjusted reserves, net according to the IMF methodology. In the second quarter review of the Extended Credit Facilities (EFF) with the IMF, the foreign currency reserves target was adjusted and there were modifications in the calculation. Now, it is all the payments made into the IMF (including interest) that are taken into consideration to proceed with the calculation.

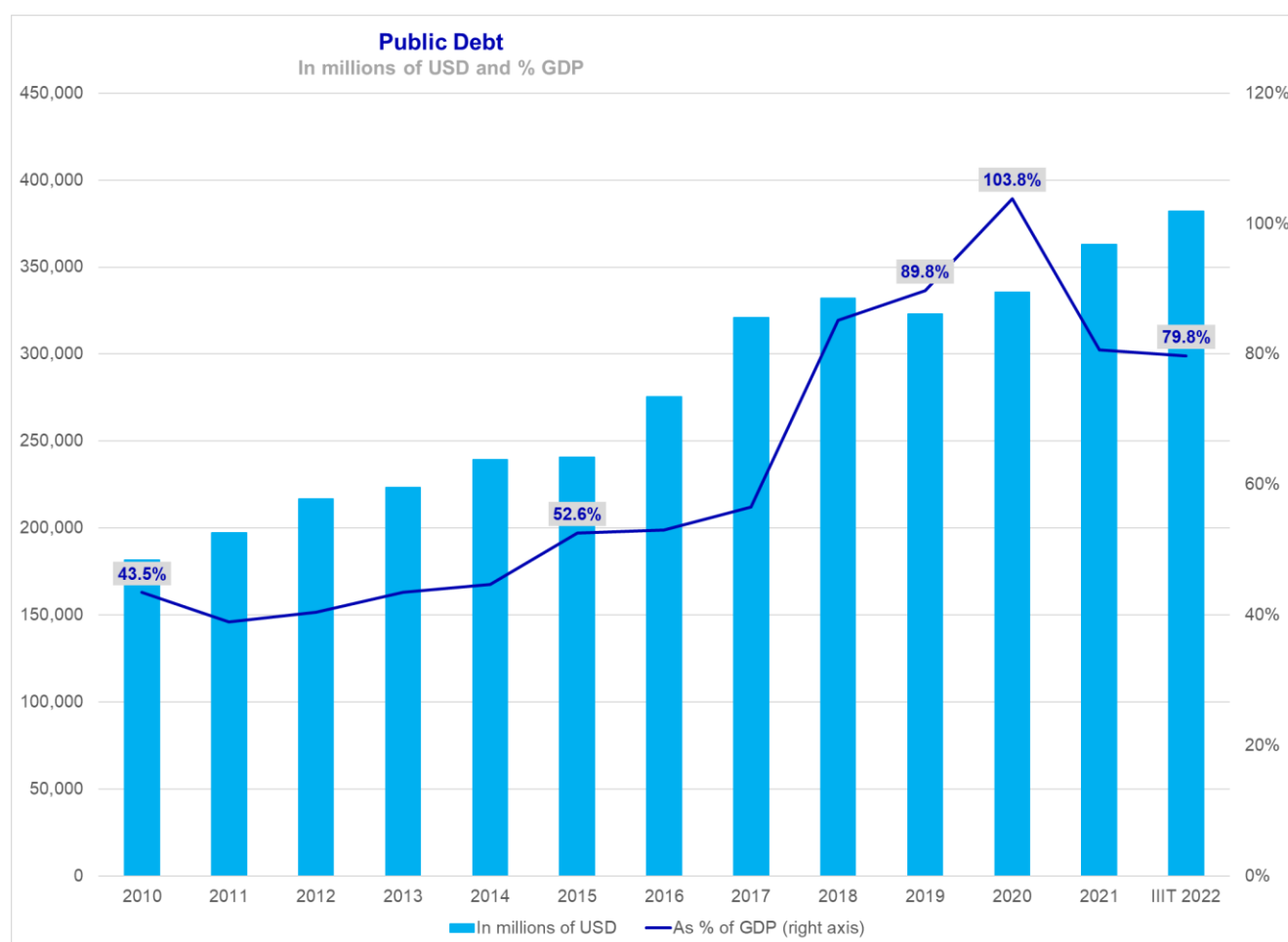


## ARGENTINE GOVERNMENT SECTOR'S FISCAL BALANCE

ITEM	ACCUMULATED AMOUNT AS OF DECEMBER 2022		
	IN BILLION ARS	NOMINAL ANNUAL VARIATION (%)	REAL ANNUAL VARIATION (%)
<b>Total revenue</b>	<b>14,854.2</b>	<b>75.7</b>	<b>4.3</b>
Tax revenue	13,426.4	78.8	3.8
Property income	752.0	100.1	93.0
Ordinary income	635.8	15.2	-34.4
Capital revenue	40.0	182.2	60.3
<b>Total primary expenditure</b>	<b>16,809.4</b>	<b>70.5</b>	<b>0.0</b>
Ordinary expenditure	15,477.0	68.1	-1.3
Capital expenditure	1,332.4	104.7	17.7
Primary balance of the non-financial government sector	-1,955.1	38.9	-28.3
Net interest	1,493.0	118.2	23.0
Fiscal deficit / surplus of the non-financial government sector	-3,448.1	64.8	-10.5

Source: BICE based on the Argentine Ministry of Economy.

Given this tax dynamics, as of the second quarter of 2022, the Public Debt Stock amounted to millions of USD 382,281, that is, millions of USD 19,000 more than at the end of 2021. In terms of GDP, there was a drop from 80.6% in 2021 to 79.8% in the third quarter of 2022, which was due to the fact that the increase was higher in GDP than in debt.



Source: BICE based on the Argentine Ministry of Economy.

## Local financial system

The local financial system's indicators show high liquidity and an improvement in profitability compared to 2021, high capitalization and an improvement in portfolio quality.

**Liquidity:** the sector's liquidity indicators remained at historically high levels, reaching 66% in local currency and 70% in total in the January-November average in this year.

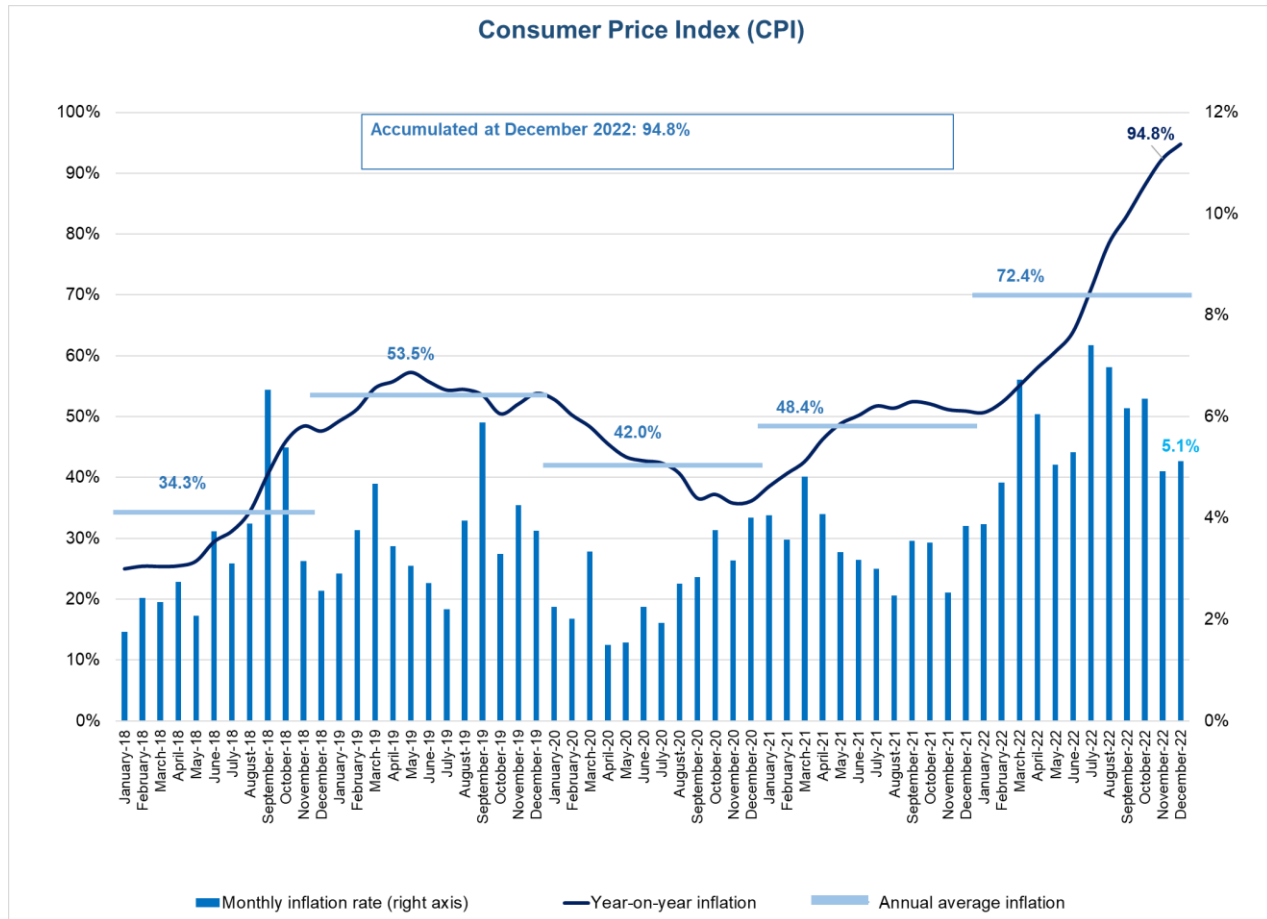
**Delinquency:** since mid-2021 this indicator has been decreasing uninterruptedly, on average 3.4% in the period January to November 2022, that is, 26% below the previous year.

**Profitability:** the financial entities as a whole posted a return on assets (ROA) equivalent to 1.3% and a (ROE) return on equity equivalent to 7.7% from January to November 2022. These values were in excess of those posted for the same period of 2021.

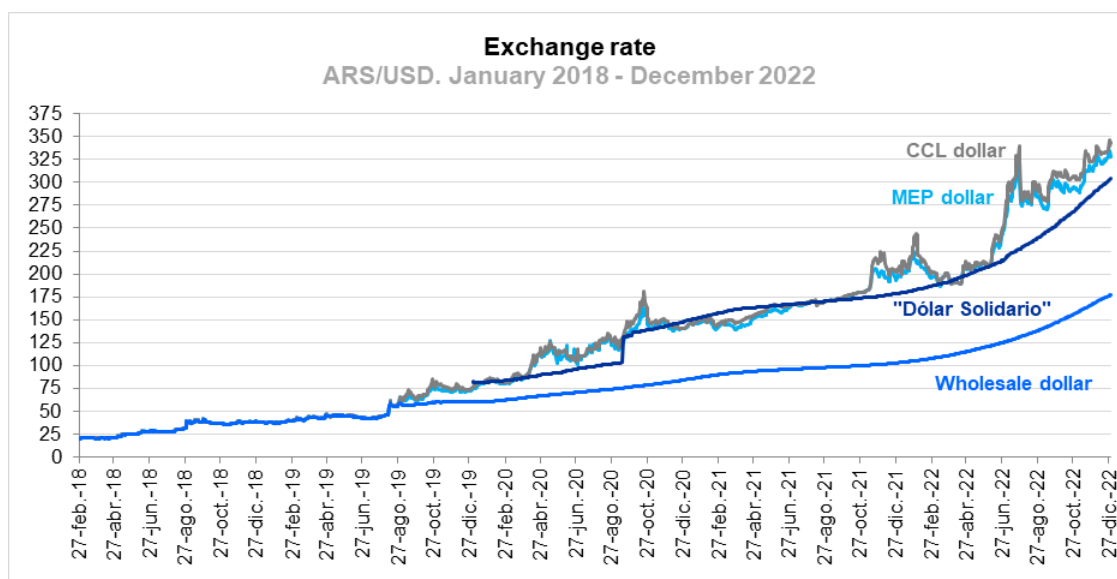
**Capitalization:** it is high and increased during 2022. In November, it had totaled 267% of the statutory requirements for the period.

## Prices and exchange rate

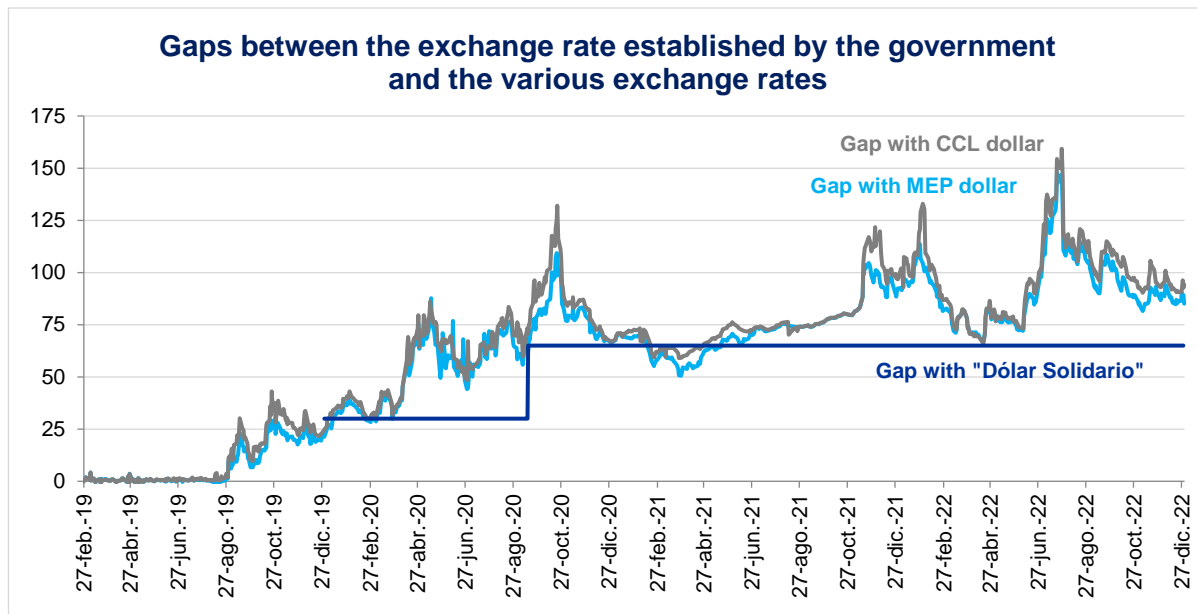
Given a context of growing level of activity and as a consequence of factors that are both external and internal in 2022, the annual average inflation rate was 72% year on year. This price increase came hand in hand with a devaluation in Argentina's Peso that reached the end of the year at 72.4%.



Source: BICE based on INDEC.



Source: BICE based on BCRA and RAVA Bursátil.



Source: BICE based on BCRA and RAVA Bursátil.

# FINANCIAL RATIOS

## Main indicators

The bank's net equity as of the end of December 2022 stood at ARS 63,439.68 million, showing an increase of 1.13% compared to the prior year adjusted to reflect the effect of inflation.

- Financial gains accounted for ARS 81,968.69 million at the end of 2022, ARS 18,642.96 million higher than prior year's total, adjusted to reflect the effect of inflation, showing an increase of 29.44%.
- Disbursement reached ARS 40,297.79 million until December. The level of loans granted during 2022 is 99% higher, in nominal terms, and 17% in real terms than in 2021.
- The Bank's ROE is 0.68%.
- Loans reach all regional economies of the country, and 70% were granted outside the Metropolitan area.

## Changes in Equity and Income/loss

The Bank's net equity at the end of December 2022 totaled ARS 63,439.68 million, showing an increase of 1.13% with respect to 2021.

CHANGES IN EQUITY				
Stated in million pesos	Dec-22	Dec-21	% variation	Absolute variation
Cash and due from banks	30,407.53	15,783.05	92.66 %	14,624.48
Government and corporate securities	76,210.24	102,258.46	-25.47 %	-26,048.22
Loans	79,804.19	108,594.71	-26.51 %	-28,790.52
Other Assets	21,850.49	21,002.90	4.04 %	847.59
<b>TOTAL ASSETS</b>	<b>208,272.45</b>	<b>247,639.12</b>	<b>-15.90 %</b>	<b>-39,366.67</b>
Time deposits	81,579.78	110,918.86	-26.45 %	-29,339.08
Liabilities from financial intermediation	57,354.59	68,233.46	-15.94 %	-10,878.87
Other liabilities	5,898.40	5,758.56	2.43 %	139.85
<b>Net equity</b>	<b>634,39.68</b>	<b>62,728.25</b>	<b>1.13 %</b>	<b>711.43</b>
<b>Total liabilities + NE</b>	<b>208,272.45</b>	<b>247,639.12</b>	<b>-15.90 %</b>	<b>-39,366.67</b>

*\*Values adjusted to reflect the effects of inflation \* Preliminary balance sheet values????*

As to net income, until December 2022, BICE records net gains in the amount of ARS 1,134 million.

INCOME (LOSS)				
Stated in million pesos	Dec-22	Dec-21	% variation	Absolute variation
Financial Income	81,968.69	63,325.73	29.44 %	18,642.96
Financial Expenses	-25,675.69	-22,777.34	12.72 %	-2,898.35
<b>Gross intermediation margin</b>	<b>56,293.00</b>	<b>40,548.39</b>	<b>38.83 %</b>	<b>15,744.61</b>
Net Revenues from Services	24.16	-404.27	-105.98 %	428.43
Expenses	-16,910.97	-14,542.52	16.29 %	-2,368.45
Other income (loss)	-649.95	418.12	-255.45 %	-1,068.07
Loss on net monetary position (Inflation adjustment)	-34,012.93	-19,600.46	73.53 %	-14,412.47
Income Tax	-4,032.31	-3,877.26	4.00 %	-155.05
<b>Total comprehensive income</b>	<b>711.00</b>	<b>2,542.00</b>	<b>-72.03 %</b>	<b>-1,831.00</b>

*\*Preliminary financial statements \*Values adjusted to reflect the effects of inflation*

Financial gains totaled ARS 81,968.69 million at the end of 2022, ARS 18,642.96 million higher than prior year's total, which accounts for an increase of 29.44%.

Expenditures amounted to ARS 16,910.97 million, ARS 2,368.45 million higher than in 2021, which shows an increase of 16.29%.

## Financial ratios

RATIOS		Dec-22	Dec-21
<b>Liquidity</b>			
	Current Assets to Current Liabilities	149.9 %	131.8 %
<b>Solvency</b>			
	Indebtedness (NE to Liabilities)	43.8 %	33.9 %
	Leverage (times)	3.28	3.95
	Netted assets to Net equity		
<b>Non-current assets to total assets</b>			
	Non-current Assets to Total Assets	22.44 %	30.81 %
<b>Profitability</b>			
	ROE (Profit (loss) for the year to Average net equity)	2.4 %	3.6 %
	ROA ((Profit (loss) for the year to Average assets)	0.68 %	1.16 %
<b>Efficiency</b>			
	Expenses to Average Assets	10.14 %	7.46 %
<b>Portfolio quality</b>			
	Non-performing portfolio to Financing	2.54 %	4.06 %

*\* The Accounting Indicators were used \*Preliminary financial statements values \*Values adjusted to reflect the effects of inflation*

## Cash flows

CASH FLOWS				
Stated in million pesos	Dec-22	Dec-21	% variation	Absolute variation
Net cash flows provided by (used in) operating activities	28,884.28	33,053.89	-13 %	-4,171.54
Net cash flows provided by (used in) investing activities	-244.81	-191.19	27 %	-52.188
Net cash flows provided by (used in) financing activities	-13,004.39	-32,225.16	-60 %	19,220.771
<b>Financial and holding gains (losses) from cash and cash equivalents</b>	<b>-1,010.60</b>	<b>-13,751.17</b>	<b>-93 %</b>	<b>12,740.57</b>
<b>Total cash flows provided (used) during the fiscal year</b>	<b>14,624.48</b>	<b>-13,113.63</b>	<b>-212 %</b>	<b>27,737.61</b>

*\*Preliminary financial statements \*Values adjusted to reflect the effects of inflation*

# FUNDING MANAGEMENT

The disbursements of Banco Argentino de Desarrollo BICE (Argentine Development Bank) BICE to promote productive investments grew by 40% in 2022 compared to the previous fiscal year. The increase (in inflation-adjusted values) reached companies throughout the country that undertook productive modernization projects, the construction of plants and purchases of capital assets.

This improvement was led by financing facilities which accrue an interest rate subsidized by the Industry and Productive Development Secretariat for projects such as industrial plants' expansion and construction, improvements in production processes, companies that export to Brazil, energy efficiency, renewable energies and initiatives of companies led by women.

In addition, the entity continued to finance capital assets through leases. In this respect, the Bank maintained the program aimed at the

nonfinancial government sector in order to support the local economic and productive development. Using this tool, more than 80 municipalities from all over the country have already received funding.

To assist and accompany SMEs' liquidity needs, BICE made available to them receivables' discounting services comprising invoices, works progress certificates and checks. As a result, factoring rose by 31% in inflation-adjusted values compared to a year earlier.

A key feature for BICE in its capacity as a development bank is foreign trade and the generation of foreign currency with a view to the country's growth. In this regard, the Bank attained in 2022 a 28% increase in loans in the currency of origin compared to the previous fiscal year and through Pre and post-export financing lines and Long-term export financing (Forfaiting).

## Strategy

The Bank serves a government policy focused on medium and long-term investments for the productive development and inclusion of the country in the global economy by adding value. The Bank has the role of promoting the inclusive and integrated growth of the country to reduce sector and territory differences.

Its focus is placed on:

- generating financial instruments to be used by the small, medium and large companies all over the country,
- being part of national, regional global value chains.
- Structuring funding schemes that go hand in hand with projects that are strategic for changing the country's productive matrix with a focus on value addition and foreign currency generation.



## Loans granted

During 2022, BICE disbursed ARS 40,297.79 million as credits, which accounted for a 99% increase compared to the prior year in nominal terms. Adjusted for inflation, disbursements amounted to ARS 53,977.36 million, which stand for a 17% increase compared to 2021.

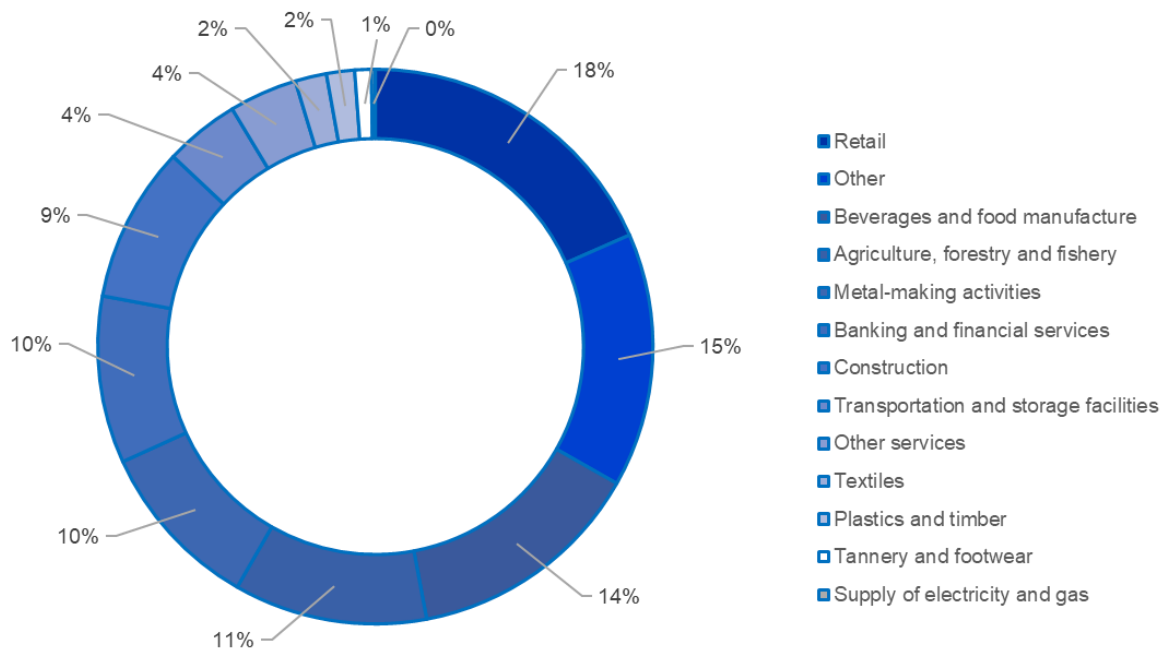
stated in million pesos	2022 (Nominal)	Share	2021 (Nominal)	Share	Variation (Nominal)	2022 (Adjusted for inflation)	2021 (Adjusted for inflation)	Variation (Adjusted for inflation)
<b>Investment projects</b>	<b>22,728.97</b>	<b>56 %</b>	<b>9,508.36</b>	<b>47%</b>	<b>139 %</b>	<b>30,305.61</b>	<b>21,504.99</b>	<b>41%</b>
- Direct	20,971.82	52%	6,875.62	34%	205 %	27,579.74	15,415.38	79%
- Indirect	1,757.15	4%	2,632.74	13%	-33 %	2,725.88	6,089.61	-55%
<b>Working Capital</b>	<b>742.66</b>	<b>2%</b>	<b>1,436.21</b>	<b>7%</b>	<b>-48 %</b>	<b>1,197.01</b>	<b>3,117.34</b>	<b>-62%</b>
<b>Exports financing</b>	<b>10,462.33</b>	<b>26%</b>	<b>5,846.62</b>	<b>29%</b>	<b>79 %</b>	<b>13,981.61</b>	<b>13,412.49</b>	<b>4%<sup>8</sup></b>
Factoring	3,405.58	8%	1,429.54	7%	138 %	4,191.11	3,202.59	31%
Capital market	2,648.11	7%	1,706.48	8%	55 %	3,813.77	4,164.88	-8%
Checks discount	310.14	1%	296.61	1%	5 %	488.25	667.96	-27%
<b>Total</b>	<b>40,297.79</b>	<b>100 %</b>	<b>20,223.82</b>	<b>100 %</b>	<b>99 %</b>	<b>53,977.36</b>	<b>46070.26</b>	<b>17%</b>

## Loans distribution by economic activity

The following chart shows a clear multisector profile in BICE's loans. BICE's credit portfolio is made up of 52.80% credits granted to companies engaged in and/or related to

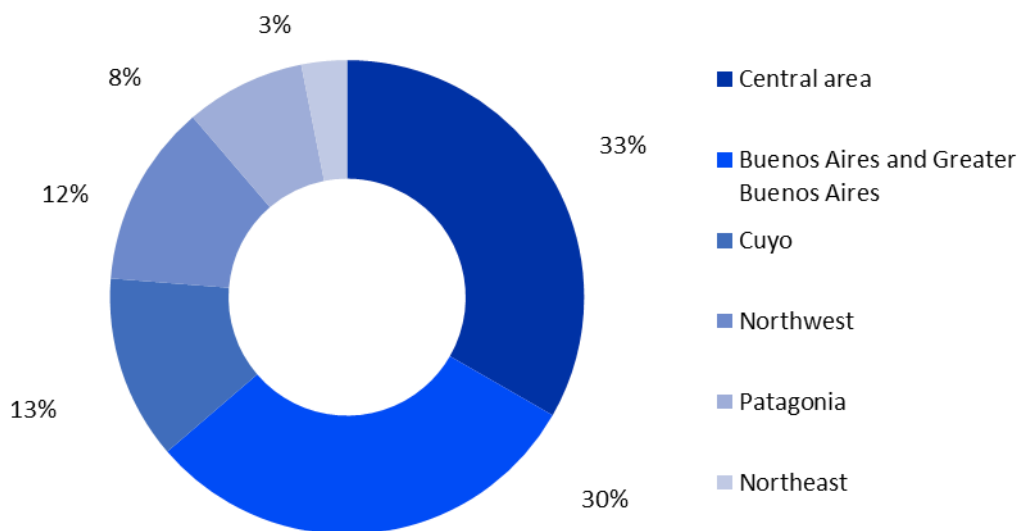
labor intensive activities and the energy sector (trade, food and beverages, agriculture, forestry and fishery, building and electric power and gas supply), while 47.20% were aimed at metalworking, transport, banking and the financial system, mining and quarries operation and public administration. The remainder is distributed among the activities of the textile, chemistry, wood and pharmacy sectors, among others.

<sup>8</sup>In currency of origin, exports financing lines rose by 28% compared to the previous fiscal year.



## Loans distribution by region

Loans reach all the regional economies of the country, and 70% were granted outside the Metropolitan area, which evidences a policy of federal impact.



## New financing lines

### Investment:

BICE finances projects for investments as well as the acquisition of capital goods in the framework of an investment decision earmarked for different economic activities performed in the goods manufacturing and services sectors.

Via the **Productive Investment Financing** line BICE focused on assisting SMEs in all productive sectors whether or not they are currently Bank clients. Loans were granted in competitive financial conditions with a subsidized interest rate of down to 12% over the first three years via the Department of Industry and Productive Development's FONDEP.

Likewise, the **Productive Investment Financing campaign targeted to companies which export to Brazil** was defined with the purpose of supporting the national policy of making the bilateral trade with Brazil more dynamic and deepening the development of the national industry. This line was subsidized for up to 14% during the first three years.

Focusing on the gender agenda, the **Women Leaders** line was maintained and encouraged for SMEs in which 51% of the shares are owned by one woman, or those that with a minimum of 25% also have at least one woman on the board or senior management. These credits came hand in hand with the benefit consisting in funding up to 100%.

In relation to the environmental agenda, the **Línea Eficiencia Energética y Energías Renovables - Fondo Verde para el Clima** line was maintained for SMEs across the country and with financing terms of up to 15 years to accompany projects apt to generate energy savings for companies.

The **Línea Proyectos Provinciales Estratégicos - FONDEP** line was launched for long-term investment credits to finance provincial productive enterprises that have projects that generate local impact and are declared strategic by the Secretariat of Small and medium-sized enterprises and Entrepreneurs. It included a subsidized rate of 10% from the FONDEP within the first sixty months from financing.

Leases are another financial instrument promoted by BICE to fund productive investment and the acquisition of capital goods, real property and intangible assets, whether or not subject to registration, for the different economic activities performed in the goods manufacturing and services sectors.

Different capital leases for SMEs and large companies were developed with different rates depending on the asset acquired, whether locally manufactured or imported, thus promoting the local industry.

In addition, a campaign was executed focusing on assistance to municipalities through the **Leasing Sector Público No Financiero** line. Capital goods were financed to contribute to local development and to the improvement in public services.

Two original, high-value products were developed for the Argentine market: **Real estate leases and second-hand leases** Real estate leases were aimed at funding the acquisition of capital goods in the nature of real estate, comprising the land and the works built on it in various degrees of progress or when already completed. There were even possibilities for funding construction. Second-hand leases are aimed at the acquisition of trucks, semi-trailers and other second-hand motor vehicles.

## Foreign Trade:

BICE accompanied the growth of the country's productive framework granting loans to promote exports of Argentine goods and services.

Pursuant to the **Export Financing with a subsidized rate** line, the Bank encouraged the placement of Argentine products abroad and the generation of foreign currency in Argentina. SMEs were aided all over the country in competitive financial conditions with priority for those who engage in the exporting process for the first time.

Additionally, and in line with the work carried out for investments and working capital, a campaign was defined for **Frequent Exporter Brazil** for companies engaged in exports of goods and services whose destination is Brazil.

With the **Long-term export financing (Forfaiting)** line Argentine exporters were offered an instrument that allowed them to sell their products abroad and give the buyer a term of up to 10 years to repay the debt. Argentine companies are thus enabled to collect the export value in cash through BICE, and the importer assumes the commitment to pay back to the Bank.

## Working capital:

The Bank offered different working capital products to supplement the productive projects that the Bank funds and invigorate companies' day-to-day management activities.

Lines were differentiated based on the size of the companies aided. Assistance to the SME sectors and the application of competitive financial conditions were prioritized.

A specific campaign was defined under the following title **Working capital financing for exporter companies to Brazil** in order to invigorate bilateral trade with Brazil. This working capital loans benefited from an 8% discount in rates throughout the effective term of the loan.

Besides, BICE continued to offer factoring alternatives for the assignment of credit instruments and it includes collection management and credit protection. It allows companies to stabilize cash flows and improve their position and competitiveness. Products involved: deferred checks, e-checks, simple checks, public works certificates, VAT refunds to exporters, and advances made for future agreements.

## Reciprocal Guarantee Companies (SGRs) and Guarantee Funds

In the course of 2022, out of the total transactions secured via Reciprocal Guarantee Companies' guarantees or guarantee funds, 98.8% stood for investment projects (the rest were working capital and foreign trade transactions), compared to the 84.5% in 2021. The average term of investment transactions was 63.6 months.

Currently, the amount granted was ARS 24 billion and is distributed over 40 SGRs and Guarantee Funds which enables assistance to final beneficiaries through the different financing lines offered by the Bank. In 2022, transactions were conducted with 28 SGRs and Guarantee Funds.

According to the Report of the Reciprocal Guarantee Companies System in Argentina prepared by the Secretariat of Small and medium-sized enterprises and Entrepreneurs, BICE is the third largest bank in

the financial system in terms of guarantees outstanding. The strategic alliance with these companies and guarantee funds helped us reach new customers and expanded the number of companies assisted.

## Structured financing

BICE took part in the development of special financing businesses requiring the creation of more complex structures and involving a different design for every case (amortization schemes, reserve accounts structures, guarantees or different tranches depending on terms and destinations). Another structure has been loan syndication to multiply assigned resources through other entities.

In the course of 2022, investment projects were funded through syndicated loans for an equivalent of ARS 2,287 million after having taken part in other 16 financial entities. Considering the participation of other banks as part of the structures, total financing reached around ARS 35.5 billion.

The assets held by the Bank in terms of structured financing and syndicated loans exceed ARS 10 billion as of December 31, 2022.

## Capital markets

Through the capital market, the Bank continued providing assistance to micro, small and medium-sized enterprises by encouraging the extension of terms, having promoted the issuance of corporate bonds with series of longer tranches. Assistance was also provided for the business and productive sectors through the subscription of debt certificates tied to financial trusts.

The placement of corporate bonds during the year reached ARS 2,570 million.

## Capital Lease

This year lease operations were approved for more than ARS 5,500 million. The provision of assistance to municipalities from all over the country was maintained in order to fund equipment that promotes local development, with BICE being the only Bank that grants this type of funding nationwide.

## Factoring

In the course of 2022 factoring transactions were closed for ARS 3.5 billion, standing for more than three times the loan portfolio with which the year started. When it comes to the quantity of customers, those who conducted transactions for the first time were more than twice the amount that did as much a year earlier.

The main sectors funded were construction, industry, agriculture and trade. The incorporation of the **Echeq** product led to the recovery of the check business as it grew by 313%, and a very important insertion in the agricultural sector supplies business was attained, which also provided the portfolio with

higher stability. Another attainment in this fiscal year, has been to develop the product known as **Advances on Construction Contracts' flows**, instrumenting the first transaction of this kind.

The increase in throughput and the collection of certain aged debts allowed the Bank to diminish portfolio arrears by 43% at the start of the year at 9% nearing the end of the year.

## Women Leaders

From the start of the program to-date, 2999 women-led companies were funded for a total of more than ARS 15.5 billion. If we consider only this year compared to the details at the start of the program, an improvement can be seen in women companies' funding shares compared to the total portfolio up from 8% to 17% in terms of quantity of companies as well as from 6% to 17% in terms of disbursements.

From the start of the program to-date, 47% of companies received funding for more than 80% of their investment. In 2022, 54% of companies received funding for more than 80% of their investment.

**Quantity of companies benefited by funding - 2022:** 128 | Starting with the launch of the program: 299

**Disbursements - 2022:** ARS 6,561 | Starting with the launch of the program: ARS 15,725 million

## DISTRIBUTION BY REGION

Province	Amount in local currency (million)	% over total
Buenos Aires	3,813.1	24.2%
C.A.B.A.	2,881.7	18.3%
Santa Fe	2,306.0	14.7%
Rio Negro	1,121.5	7.1%
Tucumán	1,041.6	6.6%
Córdoba	1,025.5	6.5%
Mendoza	815.9	5.2%
Entre Ríos	559.6	3.6%
Misiones	532.2	3.4%
Chubut	391.6	2.5%
San Juan	282.1	1.8%
Neuquén	271.7	1.7%
Salta	201.8	1.3%
Catamarca	176.4	1.1%
Jujuy	90.6	0.6%
La Pampa	77.0	0.5%
Corrientes	72.8	0.5%
La Rioja	37.5	0.2%
San Luis	18.8	0.1%
Chaco	5.0	0.0%
Santiago del Estero	3.0	0.0%
<b>Grand general</b>	<b>15,725.4</b>	<b>100.0%</b>

## DISTRIBUTION BY ACTIVITY

Industries	% of the total
Industrial activities	30.2%
Retail and wholesale trade	21.3%
Production of food and beverages	20.5%
Services	17.7%
Agriculture, forestry and fishery	10.2%
<b>Total</b>	<b>100.0%</b>

## Digital banking

The digital innovation and transformation plan that started during 2021, it made progress in different initiatives that were prioritized during 2022 and had an internal and external impact.

At the end of 2022, an internal survey was carried out. This was an initiative encouraged by BID together with Digital Bank- in which the conclusion reached was that BICE made progress in aspects in the field of strategy, organization and business models; customers and value proposition plus culture and capabilities. The process is intended to enhance customer experience through digital solutions aimed at financing productive sectors, creating a collaborative and open digital ecosystem to meet the internal and external customers' needs better.

## Financial institutions

By means of the second-tier line, micro, small and medium-sized enterprises engaged in the exporting sector were financed in U.S. dollars in separate transactions to conclude investment projects and incorporate capital assets in Argentine pesos with funds received from the World Bank. The credit facility obtained has been fully applied.

Facilities such as this allow the Bank to rely on a differential element in terms of funding and the extension of terms and they also incorporate the consideration of environmental and social aspects in loans that become positive externalities when they are developed through first tier commercial banks and at companies.

Through the second-tier channel, transactions for more than ARS 1,757 million were disbursed.

## Financial transactions

BICE regularly carries out transactions in line with its strategic objectives in its capacity as agent in the various markets in which it undertakes operations. For that purpose, it participates in the MAE, BYMA, MATBA-ROFEX and MAV electronic markets, performing repo transactions, purchase and sale of securities, foreign exchange trading and arbitrage in spot and futures markets, in compliance with exchange regulations in force.

Additionally, the Bank has participated in bids of Treasury bills and bonds offered by the Ministry of Economy, whereby the financial instruments may be bought before they are traded on the market the whole year round.

Regarding term deposits and investments received, based on the possibility given by Communication "A" 6589 of the BCRA, which allowed a reduction in the terms, BICE increased its presence as a recipient of funds in Argentine pesos and U.S. dollars and expanded its share in the brokerage for institutional investors market niche.

Until the end of November 2022, the Bank has maintained significant liquidity in U.S. dollars applied to short-term financial operations of up to USD 50 million, known as Overnight, with foreign financial institutions. It was thanks to such liquidity that the Bank was in a position to deploy the **Plan of redenomination into pesos of the international credit lines with the Government as the creditor**, whereby such liquidity became funds in pesos at concessional rates in the period starting in late 2021 and throughout 2022.

Additionally, starting on September 23, 2022, BICE started to grant loans in foreign currency to finance its clients' imports (FIDEIMPO). FIDEIMPO's funds were managed in the Finance area through the credit line maintained with Banco de la Nación Argentina Sucursal Nueva York as correspondent bank. At the end of November 2022, the amount granted was USD 3.1 million.

In tune with the evolution of the international interest rate market, starting in December 2022, the Bank has credit facilities denominated in US Dollars based on the SOFR TERM rate, which allowed it to continue to offer medium and long-term products given the future disappearance of the LIBOR rate established for mid-2023.

## Agreements signed

The initiatives undertaken in 2022 in the Agencies area are described below:

**FODIS - FONDO FIDUCIARIO PARA LA GENERACIÓN DISTRIBUIDA DE ENERGÍAS RENOVABLES - LÍNEA USUARIO GENERADOR.** Credit line created in the year 2022 aimed at financing the acquisition of solar panels, photovoltaic inverters, pieces of equipment and works for installation by individuals and/or legal entities and/or agencies or national, provincial, municipal, run by the private sector and/or by the public sector and falling within the scope of the so-called AGREEMENT, contemplated by Law No. 27.424 as modified by its regulatory decree and in FODIS' administrative and financial trust.

The amount of the loans to be granted by BICE and which shall accrue a discounted interest rate shall be up to the amount of ARS THREE HUNDRED MILLION (ARS 300,000,000) and the discount in the interest rate shall be borne by FODIS and shall be up to 18% percentage points per year during the whole term of the loan over the Bank's chart. The upper credit limit by company or by conglomerate is up to millions of ARS 20.

**FONDEP - FONDO NACIONAL DE DESARROLLO PRODUCTIVO - OPERACIONES PARA INVERSIÓN PRODUCTIVA Y LEASING.** In the year 2022 an agreement was made with FONDEP to provide financing for up to ARS TEN BILLION (ARS 10,000,000,000) to Banco de Inversión y Comercio



Exterior S.A., in order to grant loans to micro, small and medium-sized enterprises for them to finance productive investment projects, acquire new capital assets and lease transactions.

The annual nominal interest rate to be accrued by the loans to be disbursed by the Bank shall be the result of the interest rate in force for the productive investment line by the BCRA by means of Communication "A" 7140 as modified: up to an annual thirty percentage points may be detracted from the annual nominal interest rate.

The annual nominal interest rate to be accrued by the loans to be disbursed by the Bank may not be smaller than an annual forty-four percentage points whilst the rate payable by the Company shall result from adding an annual 5 percentage points as spread to the above-mentioned rate.

The upper credit limit by company or conglomerate shall be ARS MILLION FOUR HUNDRED AND FIFTY (ARS 450,000,000) and the term of the transaction may be 24, 36, 48, 60 or 84 months. When applicable, a further one additional year may be added. A grace period may be applied. It may be 12 or 24 months for loans granted for terms of 60 or 84 months, respectively.

#### **FOGAR - FIDEICOMISO FINANCIERO Y DE ADMINISTRACIÓN FONDO DE GARANTÍAS**

**ARGENTINO - LÍNEA PRIMERAS PÉRDIDAS.** In the year 2022 a regime of collaterals securing loans granted by BICE to the legal entities that rely on a micro, small and medium-sized enterprises certificate was agreed upon with FOGAR. The certificate must be in force and the legal entity must be rated as Situation 1 or 2 at the time the loan is granted or it should not appear in the Debtor classification standards in accordance with the rules and regulations issued by Argentina's BCRA concerning debtor classification.

The maximum total capital stock to be disbursed by BICE secured with a FOGAR collateral shall be ARS 2,500,000,000 and the maximum amount secured by FOGAR is a revolving ARS 1,875,000,000 in so far as FOGAR may secure only up to 75% of the principal lent by BICE for each transaction.

The FOGAR collateral may apply only to new Peso-denominated transactions, not to re-financing processes for use in investments or working capital to be repaid in installments and with a minimum term of 12 months and a maximum term of 120 months, including the grace period, which may be up to 24 months both for principal and for interest. The transaction to be secured by FOGAR must rely on a collateral with the same features as the collateral selected by the entity for the amount that is not secured by FOGAR.

**FONDEP - PREFINANCIACIÓN DE EXPORTACIONES.** The export financing line was created in 2020 to promote exports and the inflow of foreign exchange into the country, with a credit quota subject to a subsidized rate of up to USD 35,000,000. Beneficiaries were defined as regular exporters (i.e. companies that have successively exported during 2017, 2018 and 2019), sporadic exporters (i.e. companies that have not exported successively during 2017, 2018 and 2019) and first-time exporters (i.e. companies that have not exported during 2017, 2018 and 2019). In the year 2021 a figure was created, that of a Frequent Exporter - Brazil destination. These exporters may borrow funds for up to USD 500,000, whilst non-frequent exporters are subject to a maximum transaction amount of up to USD 400,000 and those who engage in an export process for the first time may borrow up to USD 200,000. A 1% rebate is applied to the interest rate applicable to exports pre-financing by FONDEP based on the bank's chart. Additionally, on the basis of the dynamics experienced by the export financing line in the year 2022, the amount of the agreement was enhanced by USD 5,000,000 with the assistance subject to a subsidized rate totaling USD 40,000,000.

**DEPARTMENT OF INDUSTRY - PRODEPRO.** The Bank continued operating the line of credit for investments of strategic companies focused on the development of suppliers of certain strategic chains for the PRODEPRO, which includes a subsidized rate. Companies from the industrial sector or industrial services are eligible. Subsidized rate of up to 14% for investment projects of up to millions of ARS 200, and working capital up to 15% of the investment project. Eligibility is granted by PRODEPRO.

**DEPARTMENT OF INDUSTRY - COLLABORATIVE PRODUCTION.** Continuance of the line of credit to finance innovative projects which combine at least two different knowledge economy activities that promote reactivation, supported by advances in science and technology. It benefits from a discount of up to 25% in the interest rate applicable to investment projects disbursed by the Bank. The credit per company may not exceed ARS 50 million. The investment project may not exceed ARS 100 million.

**FONDEP - INVERSIÓN PRODUCTIVA PARA MICRO, PEQUEÑA Y MEDIANAS EMPRESAS EXPORTADORAS A LA REPÚBLICA FEDERATIVA DE BRASIL.** The investment line aimed at promoting exports to Brazil, which had started in 2021 with a limit of up to ARS TWO POINT FIVE BILLION (ARS 2,500,000,000). The subsidized rate is of up to 14% annually during the first three years included in the Banks' chart. The upper credit limit by company is up to millions of MILLIONS OF ARS 40.

**FONDEP - CAPITAL DE TRABAJO PARA MICRO, PEQUEÑAS Y MEDIANAS EMPRESAS EXPORTADORAS A LA REPÚBLICA FEDERATIVA DE BRASIL.** Operations continued with the working capital line to promote exports to Brazil carried out by micro, small and medium-sized enterprises which had started in 2021 with an upper credit limit of up to ARS ONE BILLION (ARS 1,000,000,000) which accrue a subsidized rate. The subsidized rate is 8 percentage points annually during the full credit term. The upper credit limit by company is up to MILLIONS OF ARS 50.

**FONDEP - PRODUCTIVE INVESTMENT.** Operations continued with the credit line created in 2020 to finance investment projects. The credit quota subject to a subsidized rate is billion ARS 7 (7,000,000,000). The subsidized rate from FONDEP is of up to 12% annually during the first three years included in the Banks' chart. The upper credit limit is up to \$ 75 million for micro, small and medium-sized enterprises from all over the country. The special quota for companies led by women, the wine sector and productive innovation stand out as **policy of promotion**.

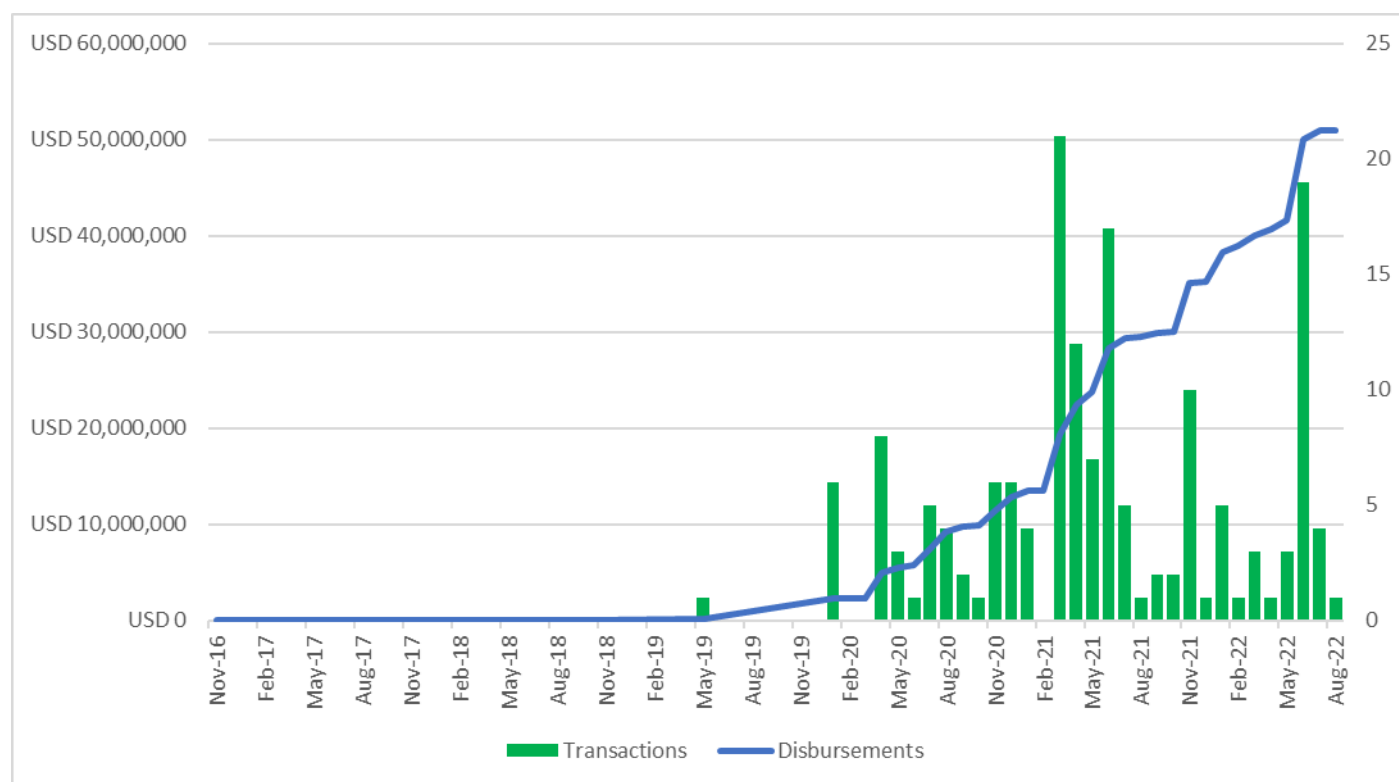
## Financing and international relationships

**WORLD BANK.** The Project to Access Longer-term Funding for micro, small and medium enterprises (Loan Agreement No. 8659-AR) was a USD 50 million loan signed by and between the World Bank (BM) and Argentina on April 20, 2018, whose objective was to "improve access and strengthen conditions to provide longer-term funding for micro, small and medium-sized enterprises". This was the first transaction that the World Bank conducted in the financial sector since Argentina's 2001/2002 financial crisis.

The project came to an end on August 31, 2022 and succeeded in disbursing 162 second-tier transactions for micro, small and medium-sized enterprises amounting to USD 51 million.

The following chart shows the degree of line execution, from the moment when the design of the project started.

Line Execution



Almost 75% of line execution occurred over the past year and a half. Special emphasis is deserved by the pace attained in the first half of 2021 and in the first half of 2022.

As to the location of the projects, 6 every 10 projects were located in the Argentine provinces. Credits focused on the activities associated to foreign trade as would be the case of food, beverages, the commodities sector and selling and marketing services.

Activities	Transactions		Amount disbursed	
Food and beverages	60	37.0%	USD 22,704,063	44.5%
Agriculture	19	11.7%	USD 3,457,222	6.8%
Other industries	26	16.0%	USD 9,927,443	19.4%
Retail	46	28.4%	USD 7,909,240	15.5%
Services	11	6.8%	USD 7,045,371	13.8%
<b>Total</b>	<b>162</b>	<b>100.0%</b>	<b>USD 51,043,339</b>	<b>100.0%</b>

The design of the line took into consideration environmental and social aspects. In this respect, “women companies” were in the spotlight and more than 40% of the transactions carried out spanned this segment’s companies.

A Training Plan was designed for implementation in the first half of 2022 which led to strengthening their technical talents through training sessions in areas related to their ability to sell the second tier credit lines, an understanding of the trend towards loans with an environmental and social sustainability and gender inclusion. That line was applied to training a total of 350 people, 157 women and 193 men.

**PROCER.** The Program to boost the competitiveness of regional economies (PROCER) is a program financed by the national government jointly with the Inter-American Development Bank (IDB) aimed to finance projects that contribute to the competitiveness of regional value chains.

Since 2018, BICE has been appointed sub-executor agency of Sub-component 3.1: “Access to credit” and Financial Agent of the Program. In 2022, the program refinanced working capital projects of 75 SMEs in the amount of USD 13,330,944.09.

Accordingly, 100% of the line assigned to BICE has been executed; funds amounting to USD 47,584,840 have been received to finance over 500 projects of SMEs across the country.

**FONDO VERDE PARA EL CLIMA (IDB/GCF).** On April 22, 2019, the former Ministry of Economy, the former Ministry of Production and Labor, BICE and the IDB entered into a loan agreement for USD 100 million to be allocated to the “Project for promoting risk mitigation instruments and financing of renewable energy and energy efficiency investments”.

The loan is channeled through BICE directly or through financial institutions, and the ultimate beneficiaries are Argentine SMEs investing in renewable energy (biogas and biomass) and energy efficiency projects. This is the first transaction for a financial institution in Argentina belonging to the Green Climate Fund (GCF), whose implementing agency is the IDB. In addition, BICE is the project executor and will co-finance it with an additional amount of USD 60 million.

In 2022, the program focused on financing energy efficiency projects in pesos at favorable rates for SMEs. As a result, BICE disbursed over \$ 7,500,000,000 to grant loans to more than 175 energy efficiency projects across the country. It is to note that 20% of financed SMEs were led by women. These credits reduce approximately 46,000 tons of CO<sub>2</sub> and save 89,000 MWh of energy.

In December 2022, BID disbursed USD 55,005,500 to continue financing energy efficiency and renewable energy (biomass and biogas) projects and therefore continue contributing to the program's goal of reducing greenhouse gas emissions.

## Trusts

### Portfolio managed by the banking unit.

As of December 31, 2022, BICE holds a total portfolio of 26 trusts, out of which 18 are managed by BICE Fideicomisos S.A. and the remainder is managed by the Bank.

Out of the 8 trusts managed by the Bank, 3 are in liquidation proceedings since their term has expired.

It is to note that the Bank continued to regularize the issuance of financial statements of trusts started in 2021, which had not been issued in prior administrations. As of December 31, 2022, a total of 67 financial statements have been approved, 32 of which were issued for fiscal years approved by the Board of Directors.

In 2022, 3 new trust agreements were signed:

- Fideicomiso Financiero y de Administración Fondo de Desarrollo Gasífero Argentino
- Fideicomiso Instalación de 2 Bancos de Capacitores Shunt en la E.T. Ezeiza
- Fideicomiso Instalación Segundo Transformador en la E.T. Chaco

Below is shown the portfolio managed directly by the Bank.

Trusts	Total managed as of 2021	Portfolio added in 2022	Total managed as of 2022	Amount 2021	Amount 2022
Optic Fiber	1,030	0	1,030	6	3
Infrastructure	19,992	104,867	124,860	1	4
Communications	15	0	15	1	1
<b>Total</b>	<b>20,629</b>	<b>407.6</b>	<b>21,037</b>	<b>8</b>	<b>8</b>

*(figures stated in millions of pesos)*

Finally, the most representative trusts where the Bank is the trustee are shown below:

**FONDO DE DESARROLLO GASÍFERO ARGENTINO.** On May 27, 2022, the trust agreement of the Financial and management trust Argentine fund for gas development (FONDESGAS) was executed. It is aimed at managing the assets held in trust to be transferred by Energía Argentina S.A. (ENARSA) to make the payments required for the execution of the infrastructure works within the Gas Pipeline System Program "Transport.Ar Producción Nacional", approved by Resolution No. 67 of the Argentine Energy Department on February 7, 2022 and among which the construction of the Néstor Kirchner Gas Pipeline stands out.

**FONDO FIDUCIARIO PÚBLICO DEL PROGRAMA DE INVERSIONES ESTRATÉGICAS.** On September 22, the trust agreement of the Public trust fund of the strategic investment program

(PROINE) was executed. It is aimed at making investments in strategic sectors for the national government that foster the generation of employment, strengthen regional economies and/or promote environmental sustainability, and to manage the recovery of such investments through the placement of debt securities issued by the trust.

**FIDEICOMISO INDIVIDUAL PPP RARS.** Since July 2018, the Bank manages the individual trust agreement of management, guarantee and payment for the projects of the “Participación Público - Privada (PPP) Red de Autopistas y Rutas Seguras” program, the purpose of which is to make and/or guarantee payments to the contractors of the PPP projects either as principal or on behalf of the national government and/or third parties.

**FIDEICOMISO “FONDO PARA EL DESARROLLO DE ENERGÍAS RENOVABLES”.** Regarding renewable energy trusts, the Bank is the trustee of the trust “Fondo para el Desarrollo de Energías Renovables” (FODER). It is intended to grant financing and provide payment guarantees to renewable energy projects within the RenovAr program. The program was implemented within the framework of the Regime for renewable energy promotion, the general purpose of which is to contribute to the diversification of the Argentine energy matrix. Currently, FODER guarantees 185 renewable energy projects nationwide, which have a capacity of power delivery of approximately 4,725 MW to the Argentine Interconnection Grid (SADI).

This trust has been managed by BICE Fideicomisos S.A. since June 2019, and the obligations arising from the management agreement signed by the parties (BICE and BFSa) have been fulfilled.

**FONINMEM.** Since 2006, the Bank is the trustee of Fideicomisos Central Termoeléctrica Manuel Belgrano and Central Termoeléctrica Timbúes. FONINMEM is made up of these thermoelectric power stations. Its objective is to create a financial vehicle for the construction and maintenance of the referred stations.

Subsequently, in 2011, the agreements of Fideicomisos Central Vuelta de Obligado and Central Termoeléctrica Guillermo Brown were signed. These projects were incorporated to FONINMEM.

The four thermoelectric power stations built through the trusts have a capacity of net power delivery of 2,700 MW to the Argentine Interconnection Grid (SADI).

The first two trusts have been managed by BICE Fideicomisos S.A. since February 2019, whereas the second two trusts have been managed since December 2019.

**PORTFOLIO MANAGED BY BICE FIDEICOMISOS S.A.** As of November 30, 2022, BICE Fideicomisos started acting as the trustee of 59 trust agreements in force, and as the manager of 18 trusts where the Bank is the trustee. The total portfolio as of November 2022 amounted to millions of ARS 2,087,395.

It is to note that BICE's ownership interest in BICE Fideicomisos S.A. is 99.46%.

Trusts	Total amounts managed as of 2021	Incorporated portfolio	Total amounts managed as of 2022	Amount 2021	Amount 2022
Nuclear power plants	65,213,937	( 11,824,809)	53,389,128	10	8
Generators and Transport	-	-	-	-	-
Interconnections	29,211,589	5,088,643	34,300,232	11	11
Energy sector studies	1,232,658,556	375,979,947	1,608,638,503	17	17
Optic Fiber	20,782,994	28,607	20,811,601	1	1
Guarantee	160,798,841	7,026,773	167,825,614	3	3
Loans	129,828,477	8,695,880	138,524,357	12	12
Other	53,580,246	10,324,956	63,905,202	23	25
<b>Total</b>	<b>1,692,074,640</b>		<b>2,087,394,637</b>	<b>77</b>	<b>77</b>

(figures stated in millions of pesos)

Below are the most representative trusts that contributed to the national economic reactivation through the execution of instruments that facilitated access to financing for productive development and investment in public works:

**FONDO DE GARANTÍAS ARGENTINO (FOGAR).** Public fund within the scope of the Ministry of Economy, where BICE Fideicomisos acts as the trustee, as appointed by Law No. 27444 and Decree No. 628/18. The purpose is improving credit access conditions by granting guarantees (BCRA "A" preferred guarantees), either partial or full, through the banks and mutual guarantee companies with which it operates. The investments policy follows the guidelines established by BCRA regulations applicable to "Public Guarantee Funds". In 2020, four funds of specific allocation (FAE) were created within FOGAR (MiPyMEs, ATP, PCA and BID). In 2021, other three new FAE were added (Santa Fe, Salta and Santa Cruz), whereas in 2022 no new funds were added. As of December 31, 2022, the trust portfolio reached millions of ARS 247.271. In 2022, 29,681 guarantees in the total amount of millions of ARS 2,253 were honored.

**FONDO NACIONAL DE DESARROLLO PRODUCTIVO (FONDEP).** Public fund within the scope of the Ministry of Economy, created by Decree No. 606/2014 and amended and supplementary provisions. Its purpose is to facilitate the credit and financing access necessary to strengthen the growth of strategic sectors for the development of the country, placing emphasis on those high value added sectors that incorporate knowledge to production, through different vehicles, such as direct loans, reimbursable and non-reimbursable contributions, interest rate reductions and other types of instruments. In 2022, a total amount of millions of ARS 8,638 was disbursed for 669 direct credits. Other instruments include 214 loans granted to banks and financial institutions for on-lending in the amount of millions of ARS 33,133 stand out. A reimbursable contribution of millions of ARS 2,200 has been made to Industria Metalúrgica

Pescarmona S.A. Additionally, in the current year, non-reimbursable contributions of millions of ARS 21,623 were made and subsidized interest rates of millions of ARS 7,755 were paid.

**FIDEICOMISO DE ADMINISTRACIÓN Y FINANCIERO “FONDO FIDUCIARIO PARA EL DESARROLLO DEL CAPITAL EMPRENDEDOR” (FONDCE).** It was created as a management and financial trust by Entrepreneurial Capital Support Law No. 27349. It is aimed at financing undertakings and entrepreneurial capital institutions registered as such, in the manner and conditions established by the regulations. By virtue of Regulatory Decree No. 711/17, BICE was appointed trustee. Subsequently, by virtue of Decree No. 1165/18, BICE Fideicomisos was appointed successor trustee of the fund. During 2022, two invitations took place: “Gender perspective” with an allocated amount of millions of ARS 100, out of which millions of ARS 31 were disbursed for 30 projects. In the case of “Redes para Emprender” millions of ARS 146 were disbursed for 15 projects, in the case of “Escalar” millions of ARS 261 were disbursed for 30 projects and as regards “Emprendimientos Dinámicos”, there was a disbursement of millions of ARS 204 for 63 projects.

**FONDO FIDUCIARIO PARA LA VIVIENDA SOCIAL.** It was created by section 59, Law 27341, within the scope of the former Ministry of the Interior, Public Works and Housing, to finance current social housing and basic infrastructure programs with government and private funds and through international, multilateral or trilateral organizations. The trustor is the current Department of Environment of the Ministry of Territory Development and Environment. During 2022, millions of ARS 123,517 were disbursed for the projects recorded in relation to 48,782 housing units nationwide subject to construction, infrastructure, improvement and measurement works.

**FIDEICOMISO DE ADMINISTRACIÓN Y FINANCIERO "FONDO DE INTEGRACIÓN SOCIO URBANA" (FISU).** Public fund within the scope of the Socio-urban Integration Department of the former Ministry of Social Development, created by Decree No. 819 of December 5, 2019. It is aimed at financing all the activities deemed necessary to carry out the purposes of Law 27453 (Socio-urban integration regime of Poor Neighborhoods). Eight hundred and eighty eight (888) projects under way were recorded in the total amount of millions of ARS 194,063. During 2022, millions of ARS 82,688 have been paid.

**FIDEICOMISO FINANCIERO Y DE ADMINISTRACIÓN “FONDO NACIONAL DEL MANEJO DEL FUEGO”.** The national government through the Ministry of Environment and Sustainable Development is the trustor. Its purpose is to apply the trust equity to the financing of all the activities deemed necessary to carry out the purposes of Law 26815 (Federal Fire Management System). The assets held in trust will be used as follows: the acquisition of goods and services deemed necessary to carry out the purposes of Law 26815; the hiring and training of temporary personnel to extinguish forest and rural fires; the execution of the necessary infrastructure works for better prevention, control and performance of the tasks related to personnel initiatives; the promotion of activities to ensure a better dissemination and knowledge of the causes and consequences of the losses in the areas affected by forest and rural fires, such as the organization of congresses, exhibitions, shows, advertising campaigns or other in support of that end; the teaching of courses, the development of studies and research; personnel expenses, general expenses and investments required for the operation of the Federal Fire Management System, and to pay for the logistics in case of firefighting. In 2022, millions of ARS 9,369 were destined to pay the suppliers of air services, the purchase of fireproof clothing, bodywork trucks, box dump trucks, vehicles and accessories, fire trucks, tools, interface machinery, hydraulic drills, trimmers, mobile camps, vans,



rental of functional equipment, hiring of firefighters, technical advisors, detection system, and surveillance and monitoring services.

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## THE BANK

In the year that marks the Bank's 30th anniversary, a strategy was implemented to reassert the institutional identity by incorporating a message that refers to the Bank's adequacy for its intended goal and evidences the purpose of its identity. Banco Argentino de Desarrollo BICE.

The objective was to clearly position the Bank to avoid competition and, above all, to give it an institutional category that makes its role/country explicit. Since its launch in August, it has been incorporated into the overall communication strategy, both external and internal.

With regard to people management and development, a plan with training priorities was implemented, aimed at adding tools and skills to

contribute to individual careers and to the fulfillment of general objectives.

Efforts were also focused on monitoring BICE's strategic projects, focusing on the Bank's digital transformation to provide better services to customers and achieve internal efficiencies.

At the international level, a strong link was maintained with multilateral financing organizations in order to share experiences and strengthen the support for the national productive sectors. In this line, BICE was co-organizer of the "Third Meeting of Chief Economists of Latin America and the Caribbean" and participated in the "United Nations Climate Change Conference COP27".

## BOARD OF DIRECTORS AND ORGANIZATIONAL STRUCTURE

BICE will be managed and administered by a Board of Directors made up of 8 (eight) regular directors, which will be appointed for a term of 2 (two) fiscal years, and such directors may be reelected indefinitely. As of the date of this Letter to Shareholders, the Board of Directors is made up of six (6) regular directors.

In the Unanimous Annual Shareholders' Meeting held on March 2, 2022, regular directors were appointed for fiscal years 2022/2023.

The Board of Directors was made up of José Ignacio de Mendiguren (Chairperson), Raquel Cecilia Kismer (Vice-chairperson), Nicolás José Scioli, Carlos Ramón Brown, Carla Betina Pitiot, Julián Maggio and María de los Angeles Sacnun.

On August 12, 2022, through Minutes of Board Meeting No. 1210, the resignation submitted by José Ignacio de Mendiguren as regular director and Chairperson was accepted.

In the Board Meeting held on September 8, through Minutes of Board Meeting No. 1213, Eduardo Daniel Prina was appointed General Manager of the Bank in lieu of Gabriel Vienni.

Subsequently, in the Unanimous Annual Shareholders' Meeting held on September 16, 2022, through Minutes No. 77, Mariano de Miguel was appointed regular director and Chairperson of the Bank for fiscal years 2022/2023.

On October 12, 2022, through Minutes of Board Meeting No. 1217, the resignation submitted by Raquel Cecilia Kisser as regular director and Vice-chairperson was accepted and, later, through Minutes of Board Meeting No. 1219, of the meeting held on October 27, 2022, Carla Betina Pitiot was appointed Vice-chairperson of the Bank.

Consequently, the Board of Directors was made up of Mariano de Miguel (Chairperson) Carla Betina Pitiot (Vice-chairperson), Nicolás José Scioli, Carlos Ramón Brown, Julián Maggio and María de los Angeles Sacnun.

## Organizational chart



## Supervision bodies

As established in its bylaws, BICE's oversight is conducted by a Statutory Audit Committee made up of 3 regular statutory auditors and 3 alternate statutory auditors proposed by the SIGEN in accordance with section 114 of Law No. 24156.

The Statutory Audit Committee is made up as follows:

- Regular statutory auditors: Graciela M. Gonzalez Escot, Walter A. Pardi and Adrián M. Rois.
- Alternate statutory auditors: Norma M. Vicente Soutullo, Vivian Stenghele and Javier Rodrigo Siñeriz.

## Corporate governance

BICE is being led by a professional Board promoting compliance with the highest ethics and integrity standards, focusing on the best interest of the Bank and always in compliance with the rules set for such purposes by the BCRA, the Argentine Securities Commission (CNV), the Supervisory Board of Companies (IGJ) and other controlling authorities.

The Board is engaged in different Corporate Governance communication strategies aimed at outlining an ethics work culture and setting forth the vision, mission and principles of the Bank on a permanent basis. For such purposes, the Board promotes corporate values by means of an educational component constantly embedded in all areas, thus achieving a better application of governance practices, always strengthening integrity and ethics.

In addition, the Board is in charge of setting the necessary grounds to secure the Bank's success, by fostering sustainable finances: socially responsible investments and policies.

They also work in favor of financial inclusion, in line with the gender policies sponsored by the national government.

## Fundación BICE

In the meeting held on June 17, 2021, the Board of Directors decided, through Minutes No. 1171, to approve the creation of Fundación BICE; designate José Ignacio de Mendiguren as Chairperson of the first Board, Raquel Cecilia Kismer as Vice-chairperson, Carlos Ramón Brown as Secretary, Carla Betina Pitiot as Treasurer, and Julián Maggio as Regular Member for a two-year term; and approve the initial assets of the Foundation by means of the initial contribution of Banco BICE in the amount of pesos five hundred thousand (ARS 500,000) and the pledges to donate as contributions for the first three years of the Foundation's existence, as follows: 1st Year \$ 10,000,000; 2nd Year \$ 12,000,000; 3rd Year \$ 13,000,000. On March 17, 2022, Fundación BICE was registered with the IGJ by means of Resolution No. 190.

The purpose of the Foundation is, always on a non-profit basis and through professionals with a qualifying degree when appropriate: a) Bring the financial system closer to companies and economic players in all the sectors and regions of the country; b) Contribute to the generation of inclusive and sustainable finances that trigger inclusive economic and social development; c) Promote greater financial inclusion, taking into account existing structural inequalities to access financial services; d) Promote gender equality and diversity, especially in financial and economic matters; e) Promote the training of people who hold managerial positions in SMEs or are entrepreneurs, so that they can develop their ventures, contributing to job creation and social integration; f) Promote the development of regional economies, fostering the development and formation of local productive units; g) Promote the diversification of exports, particularly of SMEs and entrepreneurial microenterprises for their contribution to employment and added value; h) Promote the debate and research on the changes in working conditions imposed by the new economic and social contexts; i) Encourage the development of socially and environmentally sustainable ventures and companies; j) Promote the development of Argentine products and alliances with local and international players; k) Motivate the collaborative articulation of Argentine companies, and l) Improve the quality of life of the communities with which the Foundation interacts.

On December 07, 2022, through Minutes of Board Meeting No. 1, the resignation submitted by José Ignacio de Mendiguren as Chairperson and Raquel Cecilia Kismer as Vice-chairperson were accepted. In addition, Maria de los Angeles Sacnun was appointed Secretary of the Foundation.

On February 23, 2023, the Board of Directors, through Minutes No. 1227, designated Nicolás José Scioli as Regular Member of the Board of Foundation BICE.

Consequently, the Board of Foundation BICE was made up as follows: Carlos Ramón Brown (Chairperson), Carla Betina Pitiot (Vice-chairperson), Maria de los Angeles Sacnun (Secretary), Julián Maggio (Treasurer) and Nicolás Scioli (Regular Member).

## Money laundering

In 2022, the Bank focused on upgrading its IT systems to prevent money laundering. Work was also focused on the regulatory updates issued by the controlling authorities and the compliance with the update of customer files, as required by the related regulations. With regard to the reviews performed by the Independent External Reviewer, high levels of efficiency have been maintained in this area, complying with regulatory requirements and working towards the implementation of the improvement of the recommendations issued in 2021. Additionally, the BCRA conducted a CAMELBIG approach audit on prevention of money laundering and counter-terrorist financing.

## Compliance

In the Board Meeting held on July 8, 2020, it was decided to create a Compliance Area reporting directly to the Board, as proposed by the General Management. This way, the Compliance area was created, as per the missions and functions in force, in line with the best practices and principles in aspects, such as independence, access to information, detection of possible violations of the compliance and integrity policies, and free access to the Board to communicate any findings identified.

In addition, as provided for by the Committee of Integrity, Control and Anti-Money Laundering and Counter-Terrorist Financing, a comprehensive review of its internal regulations on integrity and, particularly, of its integrity policies, was initiated and is currently under way.

## People management and development

By the end of December 2022, BICE's headcount reached 449 people, showing a 2.6% reduction with respect to 2021, when headcount reached 461 people.

The average age of BICE's team is 43 years, where 65% is aged 30 to 50. The average seniority is 10 years; 57% are men and 43% are women. In addition, 66% are professionals or students. Besides, 4% of our staff are individuals with disabilities.

The organizational structure is consolidated as follows: 8% management positions, 18% mid-management positions and 74% analyst professionals and operating staff.

**People Analytics.** The preparation of reports including gender perspective, COVID prevention and turnover continued.

New reports were also prepared to support the hybrid work model, providing reports on in-office and remote work of employees, as well as on Training and Development.

**Digitalization.** During 2022, the phase 2 of the implementation of “BICENTE”, the HR Virtual Assistant, was launched. Thanks to the work of the entire team, at this stage we were able to add new functionalities, such as personalized responses and push notifications.

In turn, in the last quarter, the HR Ticketing System was launched, a technological tool that allows us to organize, prioritize and continue improving internal customer service.

**Training.** In order to contribute to the achievement of institutional goals, a plan with training priorities was implemented, aimed at providing people with tools, methodologies, knowledge and skills in order to contribute to their career development, meet the defined objectives and perform successfully in their role.

The "Learn online" program continued to be 100% remote, a program of free and remote training that allows the Bank to keep up to date with the different fields.

Seventeen training courses in Gender, Diversity and Inclusion were given. By December 2022, 96% of the employees complied with the mandatory training provided by the INAP (government agency): Ley Micaela - Training on gender and violence against women.

The Internal Trainer Program implemented by BICE's School continued to be given. An experience aimed to consolidate an internal community of people who are a source of knowledge and trainers of others, stimulating a learning environment and a culture based on curiosity, innovation and continuous improvement.

In addition, the 2022 Leaders Community was launched, which developed a comprehensive training program for mid-management, managers and senior management positions in order to achieve the desired leadership model for the organization supporting the efficiency in obtaining business results.

**Health.** Evacuation and first aid brigades were set up in the event of an emergency in the building and a drill was carried out. The building was also certified as a cardio-safe building and personnel were trained in CPR and the use of the defibrillator.

## Social responsibility

In line with BICE's social investment strategy and the contribution to the achievement of the SDGs (Sustainable Development Goals) and the 2030 Agenda of the United Nations, different actions were carried out focusing on these priority areas: labor development for inclusion, financial education, community support, and gender and diversity.

**Campaigns and initiatives.** Among the initiatives developed, we highlight the joint work with Fundación Mediapila, with the objective of promoting the labor inclusion of young women in vulnerable situations through the training in technology.

In addition, several civil society organizations were equipped with donated furniture, computers and technology equipment. The donation campaigns for Children's Day, "Prode solidario" and the donation of sportswear are also noteworthy.

**Financial education.** In 2022, "Comunidad BICE", the financial education and nonfinancial services platform for SMEs, was redesigned. It is a free and open-access tool designed to enhance the capabilities of users, facilitate access to credit and help companies grow.

**Gender and Diversity.** In the area of gender and diversity, sensitization, awareness-raising and continuous training were encouraged, promoting initiatives that foster equality by means of internal and external actions.

Among the projects developed, the following stand out: awareness-raising work on gender violence, the development of the automatic Woman Business Identification in the Bank's systems and the preparation of BICE's Gender Strategy. Additionally, within the Sustainable Finance Protocol framework, BICE led the work related to taxonomy to, among other objectives, reach a consensual definition of Woman Business in the Argentine financial system.

With regard to the relationship with SMEs, financial education for the empowerment of women entrepreneurs and the promotion and dissemination of success stories of women-led companies financed by BICE were promoted. In addition, a meeting was held with women entrepreneurs in which the exchange of experiences, statements and networking opportunities were highlighted.

**Annual Sustainability Report.** The fourth BICE Sustainability Report was prepared and published in accordance with the Global Reporting Initiative (GRI) standards, which reflects the economic and financial results of the period 2021 together with the Bank's economic, environmental and social impacts. In addition, the report communicates BICE's contribution to the achievement of the SDGs, from its role as a development bank, and highlights the most representative projects developed.

## Saras

Development is inseparable from the notion of sustainability. In this sense, in addition to promoting economic development, BICE addresses the several socio-environmental impacts that its activity, through its credit portfolio, may generate.

For five years, BICE has had the Environmental and social risk analysis system (SARAS) covering the entire first-tier portfolio, being the first public bank in the country to implement it. It was an in-house development carried out with own resources but considering the relevant best practices of the financial system and a local perspective.

As a result, it was awarded the highest ratings by international lending organizations and, in May 2022, it was recognized by ALIDE (Latin American Association of Financial Institutions for Development) in the Management, Modernization and Technology category of the awards granted by the entity each year,

with the purpose of highlighting the best practices of member institutions and promoting the dissemination and exchange of cutting-edge and sustainable initiatives in the region.

Among the objectives pursued in implementing this system are the following:

- Incorporate environmental and social (E&S) criteria for the risk and impact analysis in the credit process.
- Identify, evaluate and responsibly manage the environmental and social aspects of all first-tier operations in order to avoid, minimize, mitigate and/or offset the risks and impacts of the projects to be financed.
- Protect and enhance the image and reputation of the organization by ensuring transparency, credibility and social license to operate.
- Generate a customer portfolio aligned with the Bank's environmental and social responsibility in managing its activities.
- Attract new businesses that contribute to the Sustainable Development Goals of the United Nations and the 2030 Agenda.
- Disseminate good practices and environmental and social awareness among the Bank's clientele in order to contribute to the sustainable development of society.

Having a portfolio analyzed under socio-environmental parameters made it possible to: reduce the risks of environmental liabilities in guarantees, non-payment of fines or closures, and reputational risks; streamline evaluation times by multilateral and bilateral banks or international funds that invest in sustainable finance when interacting with the Bank; have standard E&S indicators for the operations carried out (such as, for example, employment to be generated, women employed and in decision-making positions, or energy consumption per unit of production), which is of vital importance when designing specific-purpose lines of credit; have the possibility of issuing the first sustainable bond in South America, and becoming a benchmark within the local financial system in terms of sustainability.

Although the direct beneficiary of SARAS' implementation is BICE, having this system has also generated a ripple effect on the Bank's clientele, since not only the risks associated with the financing requested are analyzed, but also support and technical assistance are offered to improve its environmental and social performance. In addition, the local financial system also benefited indirectly, since the fact that BICE has SARAS in place has encouraged other public banks to be trained in this area and start developing their own E&S risk management systems.

In 2022, \$ 30,721,836,942 have been disbursed in loans with E&S risk analysis.

## Quality

In March 2022, IRAM audit was conducted for the second maintenance audit of the 2020- 2023 cycle of the Quality Management System certified according to the ISO 9001:2015 Standard. The scope of this certification includes: Design, analysis, approval, implementation and disbursement of credit operations; planning, creation and management of infrastructure trust businesses; creation and management of deposit and investment operations.

The result was positive and the certification was successfully maintained. Additionally, the audit highlighted the following aspects:



**7.2. Competence.** The use of Mi Desarrollo application, which contributes to combine objectives, training activities and performance evaluations in a self-administered manner and with unified criteria formalized in the same platform, stands out as a strength.

**8.4. Control of externally provided products, processes and services.** The communication of the supplier evaluation, the criteria and dimensions that make up the survey and the systematization of results are a strength for data-based decision making in external procurement management.

**10.3. Continuous improvement.** Process management and continuous improvement stand out as a strength of the Bank, not only because there is an organizational structure to that end, but also because the work dynamics make the management system sustainable across the organization. This is evidenced by the fact that training in management systems is mandatory for employees, as well as the management of projects or improvement requirements, among others, and the planning and implementation of the internal evaluation program. This is supported by strategic decisions about resource allocation to that end.

Thus, BICE continues down the path started in 2013 by encouraging the improvement of processes and providing quality services for customer satisfaction. This vision is a priority for the Processes and Continuous Improvement team, where 38 process improvements could be addressed and managed during the year.

## Systems

### 2022 Projects and initiatives

**Digital transformation.** During 2022, efforts were focused on developing BICE's strategic projects, focusing on the Bank's digital transformation to provide better services to customers and achieve internal efficiencies.

In this context, significant progress was made in the implementation of the Document Manager (Gestor Documental) in the CRM from the commercial standpoint and in the expansion of the BICE Digital channel for the Bank's customers.

The Document Manager was implemented at the end of December 2021 and began to be massively used as from January 2022, incorporating the digitized documentation corresponding to:

- Customer files
- BICE's employee files

Among the main achievements of the year are the following:

- The Document Management area was created, in charge of digitizing and managing the Bank's documents. This area also had the role of "Product Owner" in the project.
- All the digitized documents stored in Addoc (former Adea), a supplier with which the contractual relationship had been terminated, were retrieved. All these documents were incorporated into the Document Manager, providing new and enhanced functions for users in relation to the search and management of documents, with the consequent savings for the Bank.
- Development of the HR document management module. Document management flows and searches on the employee's file were developed. This module replaces the service provided by Addoc (former Adea) for the management of employee-related documents.



This year, the CRM project included the last stage of Woman Business (MQL) to then start the challenge of automating the credit process.

During the first part of the year, several tasks were simultaneously carried out with a view to automating the commercial process. From July onwards, the development stage began and efforts were focused on prospect management to automate manual tasks and on the unification of customer information, so that it can be quickly viewed by any person at the Bank with the related authorizations.

In this way, any person at BICE who maintains a commercial contact with a company, whether a prospect or a customer, registers the interaction in the CRM and thus all the information is made available to any other Bank's authorized user.

BICE Digital channel, which evolved from former COMEX Digital, was designed to extend its use to any BICE customers, regardless of the product or service they use.

During the first half of the year, technical adaptations were made, as well as the presentation of the project and the first designs for the developments that would follow.

In order to provide greater availability to the Bank's systems and channels, the Data Mirroring project was carried out, which consists in copying the data processed in the main data center to a second storage location in real time.

This allows the Bank to keep all information synchronized at the two processing sites, so that in the event there is a contingency in the main data center, operations can be retrieved quickly and without loss of transactions.

**Acquisition and delivery of laptops.** During 2022, this project consisting of the acquisition of 253 laptops was concluded, making it possible to replace all desktop computers and provide all BICE employees with a mobile way of working, thus enabling the hybrid work model.

**Hiring management.** The procurement process was concluded and the implementation of the Supplier Portal began, which will allow BICE to automate the procurement and hiring management as required, making the process more efficient for the Bank and for suppliers.

**Other initiatives.** Regarding other initiatives carried out this year:

- Data Warehouse self-management WEB portal. A WEB system was developed internally, which makes it possible to manage the processes that are required by the key planning users allowing them to execute processes according to the specified dates and parameters.
- "Comunidad BICE" and new Institutional Website.
- BICE 30 years - Change of institutional image: Adaptations were made to the screens of all systems with external and internal access, with the related reports and vouchers to the new institutional image.
- Institutional chatbot.
- Finance and Treasury - Stabilization of the SGM system.
- MEP Web. Implementation of a new platform to manage MEP transfers, account balance inquiries and position with the BCRA through on-line web services.

## IT security

**Management of vulnerabilities.** We have focused on analyzing the changes in the institutional website, as well as in the new BICE Digital platform, reducing vulnerabilities in order to achieve greater data privacy and ensure that data travels encrypted, allowing our customers to access and transact with no inconveniences.

**Awareness.** A new annual awareness campaign at the organizational level was carried out in order to evaluate the awareness level and behavior of employees in the event of a potential phishing incident regarding the theft of credentials.

**Firewall update.** The Information Security and Technology areas carried out the migration of the firewall version, located in the main office.

Physical equipment was changed by replacing two devices with more powerful equipment to provide a higher security level to all employees and improve network protection against malicious traffic.

## Audit

**Quality management system.** On April 12, 2022, BICE's Internal Audit was subject to the review of all its processes with satisfactory results to maintain the Quality Certificate No. 13 under IRAM 9001:2015 standards, in compliance with the Board of Directors' commitment to implement the quality management requirements.

**IT solution implementation.** We continue to use the MAWIDA IT solution, which allows us to perform all the tasks, generating standardized reports and contributing to reduce the use of paper, given that the Internal Audit process is 100% digital today. It also allows for online follow-up to observations between the auditor and the audited, facilitating the exchange of information, reducing execution times and allowing to keep track of the entire process, for both the Bank and BICE Fideicomisos.

## Communication and marketing

In 2022, BICE's communication was based on the Bank's 30th anniversary and the objective of strengthening the financial support to SMEs as well as those projects that transform the production matrix of the country. Within this framework, the decision was made to reassert the institutional identity and add to BICE the words that best represent it: Banco Argentino de Desarrollo BICE.

This message, which is added to the Bank's name in the communication, was reproduced in every dissemination material. The purpose was to make evident and explicit the Bank's role in promoting development and the production activity. Also, to bring it closer to the people and put it in the public arena, not only to make the Bank identify with its name, but also to make its function explicit.

The new institutional identity was presented during an event where all the Bank's team gathered at Centro Cultural Kirchner on August 2, the date of its 30th anniversary. The meeting was the farewell ceremony of José Ignacio de Mendiguren as head of the Bank.

During the year, BICE disseminated in the national, provincial and local media the institutional activities and news related to the business. Press mentions of the Bank in 2022 accounted for an increase close to 10% compared to the previous year. The growth of its presence in social networks is also highlighted, where all BICE's platforms showed an increase compared to the previous year.

In turn, and in order to show the Bank's financing in concrete examples, it continued to share, through videos and notes, success stories of companies receiving assistance from the Bank.

**Internal communication.** During 2022, the information provided through intranet, newsletter and WhatsApp focused, among others, on the change of identity of Banco Argentino de Desarrollo, the 30th anniversary, the projects and initiatives of the Bank's different teams and the participation of the Board of Directors and staff in internal and external events.

The 2022 Internal Communication survey, answered by 57.6% of the payroll, shows that more than 8 out of 10 people say they are satisfied with the intranet as an internal communication channel, and that the majority (79%) rates BICE's Internal Communications positively.

## International relationships

**Third meeting of head economists of development financial institutions in Latin America and the Caribbean.** The third meeting of LAC head economists, organized by ALIDE, BICE and Banco de la Provincia de Buenos Aires, was held on September 21 and 22 and was attended by representatives from 14 countries and multilateral financial organizations, such as the Inter-American Development Bank (IDB), the World Bank, the Development Bank of Latin America (CAF) and FONPLATA.

The document including the conclusions and proposals signed during the meeting will be presented at the next Finance in Common Summit (FiCS), to be held on October 19 and 20 in Abidjan, Ivory Coast. In this regard, it underlines the commitment to sustainable finance for the fulfillment of the Sustainable Development Goals (SDGs) of the United Nations (UN) and the Paris Agreement.

**Event of the Gender Commission of the Sustainable Finance Protocol.** Within the framework of the actions of the Gender Commission of the Sustainable Finance Protocol, an event was held to present the work of the concept Taxonomy, a group led by BICE, and the Guide of Recommendations on Gender Perspective in the Financial System. The IDB and IDB Invest, the member banks of the Sustainable Finance Protocol and organizations working for gender equality and financial inclusion organized and participated in the event.

**COP27.** In November 2022, the Bank participated in COP27 and organized three panels jointly with the IDB:

- a. Financial instruments of development banks for climate change mitigation and adaptation, with the participation of Paola Cleri (BICE), Elvin Afandi (ICD, Saudi Arabia), Alice Usanase (AFC, Nigeria), Gan Gan Dirgantara (PTSMI, Indonesia).
- b. Biodiversity and gender, with the participation of Ayse Nazlıca (TSKB, Turkey), Fábio Maeda, (Banco da Amazonia, Brazil) and Fabiana Menna (Fundación Gran Chaco, Argentina).
- c. Challenges and opportunities for financing energy efficiency in Latin America and the Caribbean, with the participation of Daniel Fonseca (IDB), Paola Cleri (BICE), María José Naranjo (Bancoldex), Jorge Arbache (CAF).

**ALIDE Award.** At the 52nd General Assembly of ALIDE Development Banks held in May 2022, BICE was recognized for the Environmental and social risk analysis system (SARAS), in the Management and Modernization category.

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# CONCLUSION

## Prospects for 2023

While 2022 was a year of great challenges and also important achievements in terms of economic and industrial activity, year 2023 will be key to boost the input that sets the productive gear in motion: financing. In this context and as a public policy tool implemented by the government, BICE will continue to support SMEs and those projects that transform the production matrix of the country in pursuit of a greater development.

Thanks to the work performed and the constant coordination with the public and private sectors, in 2022 the Bank experienced growth at a general level and in most of its strategic credit programs. Undoubtedly, this path will be replicated in 2023 in coordination with the Department of Industry and Production Development and the Ministry of Economy.

It will also promote the design and application of special lines of credit, such as the one aimed at promoting the financing of companies led by women and that of energy efficiency and renewable energy projects. And, through capital lease, with alternatives for the purchase of used vehicles for production purposes and the acquisition of plants located in industrial parks.

Besides, with the foreign trade tools in place, the promotion of exports and the bond with our main trading partners will be strengthened. In addition, we will promote products with increasingly Argentine added value to the world.

As a development bank and through trust management, BICE will continue to support the execution of major national infrastructure works. In this sense, 2023 will mark a significant chapter for the future of the country with the commissioning of the President Néstor Kirchner Gas Pipeline (GPNK) through FONDESGAS (Argentine fund for gas development).

In 2023, the Bank will continue, at the same time, to get closer to companies throughout the country, visiting all the provinces with the purpose of not only making credit tools available, but also training, advising and assisting SMEs to increase their access to financing.

BICE begins 2023 in the belief that the national development will continue to be promoted as it has done since the beginning of the current administration in 2020, in an efficient, transparent manner and ensuring financial sustainability.

## ACKNOWLEDGMENTS

The Board of Directors thanks all the Bank's personnel, the Statutory Audit Committee and the Auditors for their performance during the year. It emphasizes the trust and support of its customers, financial institutions, reciprocal guarantee companies and public agencies.