

BANCO HIPOTECARIO S.A.

EARNINGS RELEASE – FIRST QUARTER 2025





Banco Hipotecario cordially invites you to participate in its
First Quarter 2025 conference call

Thursday, May 29th, 2025, 10:00 AM EST

If you would like to participate, the hyperlink is:
<https://us06web.zoom.us/j/81424871370?pwd=nyMSv8PUtRxbNSIzirpea1XbcQqa2u.1>

Web Seminar ID: 814 2487 1370

Access code: 422693

Or you can dial in:

U.S.A: +1 646 558 8656 or +1 646 931 3860

Preferably 10 minutes before the call is due to begin.
The conference will be held in English.





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FIRST QUARTER 2025 CONSOLIDATED RESULTS

The Bank began reporting results applying Hyperinflation Accounting, in accordance to IFRS rule IAS 29 ("IAS 29") as established by the Central Bank as of Q1 2020. Therefore, every result and variation described in this report is expressed in constant currency as of March 31st, 2025. Also, the provisioning model of IFRS 9 section 5.5 was applied, as established by the Central Bank.

HIGHLIGHTS

EXECUTIVE SUMMARY

- Net income attributable to the owners of the parent company for the quarter was Ps. (10.8 billion), compared to Ps. 32.9 billion in the previous quarter and Ps. 22.6 billion in the same quarter of last year.
- ROAE for Q1 2025 was (8.4)%, compared to 25.9% in Q4 2024 and 17.8% in the same quarter last year, while ROAA for the same periods was (1.3)%, 3.9%, and 2.6%, respectively.
- Net operating income for the quarter was Ps. 73.7 billion, 67.7% less than the Ps. 228.2 billion of the previous quarter and 75.6% lower than Ps. 301.5 billion in the same quarter of last year.
- Operating income for the quarter was Ps. 5.7 billion, compared to Ps. 95.5 billion in the previous quarter and Ps. 183.2 billion of same quarter of last year.
- As of March 31st 2025, Net Stable Funding Ratio (NSFR) was 154.0% and the liquid assets to deposits ratio was 87.2%.
- Loans to the non-financial private sector and foreign residents increased by 13.5% QoQ and 156.4% YoY.
- Deposits increased by 4.4% QoQ and decreased by 21.4% YoY, while capital markets debt increased by 49.8% QoQ and 65.4% YoY.
- The NPL ratio decreased from 2.8% in Q1 2024 to 2.6% in Q4 2024, and remained stable at 2.6% in Q1 2025, while the coverage ratio increased from 100.6% to 108.9% from Q4 2024 to Q1 2025.
- Total capital ratio as a percentage of RWA as of March 31st 2025, was 19.3%, compared to 25.0% in the previous quarter and 36.1% in the same quarter of last year.
- General level of the Consumer Price Index was 8.6% in the first quarter of 2025, compared to 8.0% in the previous quarter and 51.6% in the same quarter of the previous year.
- On February 21st 2025, the Bank issued the notes Class IX for Ps. 50 billion, maturing on February 21, 2026





Buenos Aires, May 28th, 2025

I. BANCO HIPOTECARIO'S CONSOLIDATION

Banco Hipotecario S.A. has consolidated line by line its balance sheet and income statement with the financial statements of its subsidiaries: BACS Banco de Crédito y Securitización S.A. and BHN Sociedad de Inversión S.A. The consolidated financial statements as of March 31st, 2025, were prepared under IFRS according to Central Bank's convergence plan (Communication "A" 5541 and its modifications). Also, provisions under IFRS 9 (5.5) and inflation accounting were implemented starting on January 1st, 2020 (Communications "A" 6430, "A" 6651, "A" 6778 and "A" 6847).

II. FIRST QUARTER 2025 CONSOLIDATED RESULTS

Net income attributable to owners of the parent company for the quarter was Ps. (10.8 billion) compared to Ps. 32.9 billion in the last quarter and Ps. 22.6 billion in the same quarter last year.

Regarding profitability ratios, ROAA for Q1 2025 was (1.3)% compared to 3.9% in Q4 2024 and 2.6% in Q1 2024, while ROAE for the same periods was (8.4)%, 25.9% and 17.8%, respectively.

Income statement (in millions of pesos)	3 month period ended			Variation (%)	
	31/03/25	31/12/24	31/03/24	QoQ	YoY
Interest and adjustments income	95.986,6	82.348,5	638.309,7	16,6%	(85,0)%
Interest and adjustments expense	(126.589,6)	(144.522,7)	(493.137,3)	(12,4)%	(74,3)%
Net interest income	(30.603,0)	(62.174,2)	145.172,4	(50,8)%	(121,1)%
Fee and commission income	14.986,8	13.873,4	12.025,8	8,0%	24,6%
Fee and commission expense	(1.046,9)	(679,6)	(1.006,1)	54,1%	4,1%
Net fee and commission income	13.939,9	13.193,9	11.019,7	5,7%	26,5%
Net income from financial instruments at fair value through profit or loss	75.217,7	269.661,6	132.799,7	(72,1)%	(43,4)%
Income from asset derecognition measured at amortized cost	92,9	-	-	N/A	N/A
Gold and foreign currency exchange rate differences	(2.527,6)	(4.147,2)	(5.804,6)	(39,1)%	(56,5)%
Other operating income	25.851,3	19.868,6	21.054,4	30,1%	22,8%
Loan loss provision	(8.284,6)	(8.369,5)	(2.724,0)	(1,0)%	204,1%
Net operating income	73.686,6	228.165,6	301.517,5	(67,7)%	(75,6)%
Personnel expenses	(25.189,9)	(65.225,4)	(40.323,7)	(61,4)%	(37,5)%
Administrative expenses	(14.505,6)	(23.490,8)	(14.312,2)	(38,2)%	1,4%
Depreciation and impairment of non-financial assets	(1.771,3)	(3.617,4)	(8.723,1)	(51,0)%	(79,7)%
Other operating expenses	(26.470,2)	(40.369,5)	(54.938,2)	(34,4)%	(51,8)%
Operating income	5.749,6	95.462,6	183.220,4	(94,0)%	(96,9)%
Share of profit (loss) of subsidiaries, associates and joint ventures	-	-	-	N/A	N/A
Gain (loss) on net monetary position	(29.415,1)	(31.321,5)	(131.975,4)	(6,1)%	(77,7)%
Income tax	11.946,2	(25.510,6)	(28.517,1)	(146,8)%	(141,9)%
Net income of the period attributable to non-controlling interests	(910,5)	5.669,5	101,7	(116,1)%	N/A
Net Income attributable to the parent's company	(10.808,8)	32.961,0	22.626,2	(132,8)%	(147,8)%





Financial margin, measured as the sum of Net Interest Income, Net Income from financial instruments at fair value through profit or loss, Income from asset derecognition measured at amortized cost and Gold and foreign currency exchange rate differences was Ps. 42.2 billion, compared to Ps. 203.5 billion in the previous quarter and Ps. 272.2 billion in the same period last year.

Financial Margin	For the period ended on			Variation (%)	
	31/03/25	31/12/24	31/03/24	QoQ	YoY
Net interest income	(30.603,0)	(62.174,2)	145.172,4	(50,8)%	(121,1)%
Net Income from financial instruments at fair value	75.217,7	269.661,6	132.799,7	(72,1)%	(43,4)%
Gold and foreign currency exchange rate differences	(2.527,6)	(4.147,2)	(5.804,6)	(39,1)%	(56,5)%
Income from asset derecognition measured at amortized cost	92,9	132,4	-	(29,9)%	N/A
Financial Margin	42.180	203.472,7	272.167,5	(79,3)%	(84,5)%

Net interest income for the quarter was Ps. (30.6) billion representing a 50.8% decrease and a 121.1% decrease in QoQ and YoY respectively.

Interest and adjustments income for the quarter was Ps. 95.986 billion compared to Ps. 82.3 billion in Q4 2024 and Ps. 638.3 billion in Q1 2024, representing a 16.6% increase QoQ and an 85.0% decrease YoY.

Interest and adjustments income

(in millions of pesos)

	3 month period ended			Variation (%)	
	31/03/25	31/12/24	31/03/24	QoQ	YoY
Interest on cash and due from bank	907.5	1,489.2	536,545.2	(39.1)%	(99.8)%
Interest on loans to the financial sector	946.9	153.1	85.4	N/A	N/A
Interest from public and corporate securities	31,587.7	942.5	19,694.5	N/A	60.4%
Interest on overdrafts facilities	2,000.3	3,584.3	3,314.1	(44.2)%	(39.6)%
Interest on promissory notes	5,143.6	6,712.8	5,851.4	(23.4)%	(12.1)%
Interest on pledge loans	251.2	145.5	2.3	72.7%	N/A
Interest on financial leases	187.4	105.9	409.1	77.0%	(54.2)%
Interest on other loans	8,532.0	12,024.1	6,368.9	(29.0)%	34.0%
Interest from commercial loans	16,114.6	22,572.6	15,945.8	(28.6)%	1.1%
Interest on consumer loans	14,829.7	9,671.6	3,206.0	53.3%	N/A
Interest on credit card loans	15,673.0	14,494.3	13,326.4	8.1%	17.6%
Interest from consumer loans	30,502.7	24,165.9	16,532.4	26.2%	84.5%
Interest on mortgage loans	2,780.4	2,348.1	1,698.5	18.4%	63.7%
Interest on other receivables from financial operations	(0.9)	7.6	(3.3)	(111.9)%	(72.4)%
Income from CER, CVS, UVA and UVI adjustments	13,147.2	30,667.5	47,811.1	(57.1)%	(72.5)%
Interest from mortgage loans	15,926.7	33,023.2	49,506.4	(51.8)%	(67.8)%
Others	0.6	2.1	0.0	(72.1)%	N/A
Total	95,986.6	82,348.5	638,309.7	16.6%	(85.0)%





Interest and adjustments expense for the quarter was Ps. (126.6) billion compared to Ps. (144.5) billion in Q4 2024 and Ps. (493.1) billion in Q1 2024, representing a 12.4% decrease QoQ and a 74.3% decrease YoY.

Interest and adjustments expense (in millions of pesos)	3 month period ended			Variation (%)	
	31/03/25	31/12/24	31/03/24	QoQ	YoY
Interest on current accounts deposits	(49,334.5)	(76,024.7)	(336,031.2)	(35.1)%	(85.3)%
Interest on saving accounts deposits	(74.5)	(72.3)	(80.5)	3.0%	(7.5)%
Interest on time deposits	(59,400.6)	(62,552.4)	(144,350.2)	(5.0)%	(58.8)%
Interest from deposits	(108,809.6)	(138,649.4)	(480,461.9)	(21.5)%	(77.4)%
Interest on other liabilities resulting from financial transactions	(6,963.9)	285.1	(3,468.5)	N/A	100.8%
Expense for CER, CVS, UVA and UVI adjustments	(458.8)	(1,990.7)	(9,041.2)	(77.0)%	(94.9)%
Interest from corporate bonds	(7,422.7)	(1,705.6)	(12,509.7)	N/A	(40.7)%
Interest on interfinancial loans received	(1,412.5)	(177.4)	(53.7)	N/A	N/A
Others	(8,944.8)	(3,990.3)	(112.0)	124.2%	N/A
Total	(126,589.6)	(144,522.7)	(493,137.3)	(12.4)%	(74.3)%

Net fee and commission income for the quarter was Ps. 13.9 billion, compared to Ps. 13.2 billion in Q4 2024 and Ps. 11 billion in Q1 2024, representing a 5.7% and 26.5% increase QoQ and YoY respectively.

Net fee and commission income (in millions of pesos)	3 month period ended			Variation (%)	
	31/03/25	31/12/24	31/03/24	QoQ	YoY
Fee and commission income					
Fee charged on consumer clients	7,875.0	7,613.3	7,281.9	3.4%	8.1%
Linked to liabilities	6,244.0	5,346.5	4,212.9	16.8%	48.2%
Others	867.9	913.7	531.0	(5.0)%	63.4%
Total	14,986.8	13,873.4	12,025.8	8.0%	24.6%
Fee and commission expense					
Credit related fees	(442.2)	53.3	(531.6)	N/A	(16.8)%
Debt placement charges	(437.1)	(608.8)	(355.9)	(28.2)%	22.8%
Others	(167.7)	(124.0)	(118.7)	35.2%	41.3%
Total	(1,046.9)	(679.6)	(1,006.1)	54.1%	4.1%
Net fee and commission income	13,939.9	13,193.9	11,019.7	5.7%	26.5%

Net income from financial instruments at fair value through profit and loss for the quarter was Ps. 75.2 billion, compared to Ps. 269.7 billion in Q4 2024 and Ps. 132.8 billion in Q1 2024, representing a decrease of 72.1% QoQ and 43.4% YoY.

Net income from financial instruments at fair value through profit or loss (in millions of pesos)	3 month period ended			Variation (%)	
	31/03/2025	31/12/2024	31/03/2024	QoQ	YoY
Income from government securities	67,822.6	261,522.4	123,059.2	(74.1)%	(44.9)%
Income from other corporate securities	509.7	7,076.8	5,022.3	(92.8)%	(89.9)%
Income from other securities	6,885.5	1,062.4	4,718.1	N/A	45.9%
Total	75,217.7	269,661.6	132,799.7	(72.1)%	(43.4)%





Other operating income for the quarter was Ps. 25.8 billion, compared to Ps. 19.9 billion in Q4 2024 and Ps. 21 billion in Q1 2024, which represents a increase of 30.1% QoQ and of 22.8% YoY.

Other operating income (in millions of pesos)	3 month period ended			Variation (%)	
	31/03/2025	31/12/2024	31/03/2024	QoQ	YoY
Loan servicing	2,953.9	3,088.3	2,645.7	(4.4)%	11.6%
Borrowing transactions commissions	1,140.7	1,283.6	818.0	(11.1)%	39.4%
Income from Procrear services	(2,734.1)	7,342.5	(1,962.1)	(137.2)%	39.3%
Other income from services	(287.4)	2,193.1	(293.9)	(113.1)%	(2.2)%
Penalty interest	349.6	281.0	231.9	24.4%	50.7%
Loans recovered	1,035.8	171.5	274.1	N/A	277.9%
Net Income from non current assets held for sell measured at fair value	-	-	-	N/A	N/A
Premium and income from insurance activity	13,902.6	13,269.3	11,787.3	4.8%	17.9%
Others	9,490.2	(7,760.7)	7,553.4	(222.3)%	25.6%
Total	25,851.3	19,868.6	21,054.4	30.1%	22.8%

Provision for loan losses for the quarter was Ps. (8.3) billion, compared to Ps. (16.9) billion of Q4 2024 and to Ps. (2.7) billion in Q1 2024, which represents a decrease in 50.8% QoQ and an increase of 204.1% YoY.

Personnel expenses for the quarter were Ps. 25.2 billion, compared to Ps. 65.2 billion in Q4 2024 and to Ps. 40.3 billion in Q1 2024, which represents a decrease of 61.4% QoQ and an increase of 37.5% YoY.

Personnel expenses (in millions of pesos)	3 month period ended			Variation (%)	
	31/03/2025	31/12/2024	31/03/2024	QoQ	YoY
Salaries	(17,758.6)	(20,740.4)	(19,401.8)	(14.4)%	(8.5)%
Vacation bonus	(1,541.1)	(1,283.5)	(3,601.4)	20.1%	(57.2)%
Social security expenses	(2,387.7)	(4,078.1)	(4,982.9)	(41.5)%	(52.1)%
Severance and bonus expenses	(763.2)	(35,381.7)	(10,587.1)	(97.8)%	(92.8)%
Other personnel expenses	(2,739.3)	(3,741.7)	(1,750.5)	(26.8)%	56.5%
Total	(25,189.9)	(65,225.4)	(40,323.7)	(61.4)%	(37.5)%

Administrative expenses for the quarter were Ps. 14.5 billion, compared to Ps. 23.5 billion in Q4 2024 and to Ps. 14.3 billion in Q1 2024, which represents a decrease of 38.2% QoQ and an increase of 1.4% YoY.

Administrative expenses (in millions of pesos)	3 month period ended			Variation (%)	
	31/03/2025	31/12/2024	31/03/2024	QoQ	YoY
Directors' and statutory auditors' fees	(2,236.3)	(7,835.1)	(2,043.2)	(71.5)%	9.4%
Fees and compensation for services	(4,507.5)	(5,952.3)	(4,740.3)	(24.3)%	(4.9)%
Advertising, promotion and research expenses	(744.4)	(1,156.8)	(753.8)	(35.6)%	(1.2)%
Taxes and duties	(2,102.3)	(2,567.8)	(1,892.7)	(18.1)%	11.1%
Maintenance and repairs	(1,148.5)	(1,679.5)	(1,186.2)	(31.6)%	(3.2)%
Electricity, gas and telephone services	(1,050.6)	(876.8)	(1,033.7)	19.8%	1.6%
Others	(2,716.0)	(3,422.5)	(2,662.2)	(20.6)%	2.0%
Total	(14,505.6)	(23,490.8)	(14,312.2)	(38.2)%	1.4%





Other operating expenses for the quarter were Ps. 26.5 billion, compared to Ps. 40.4 billion in Q4 2024 and to Ps. 54.9 billion in Q1 2024, which represents a decrease of 34.4% QoQ and of 51.8% YoY.

Other operating expenses (in millions of pesos)	3 month period ended			Variation (%)	
	31/3/2025	31/12/2024	31/3/2024	QoQ	YoY
Turnover tax and others	(9,681.7)	(11,703.6)	(36,644.4)	(17.3)%	(73.6)%
Contribution to the deposit insurance fund	(885.9)	(864.8)	(766.9)	2.4%	15.5%
Loan servicing	(9,447.5)	(7,804.4)	(8,154.2)	21.1%	15.9%
Charges for other provisions	(1,550.1)	(5,277.6)	(4,114.6)	(70.6)%	(62.3)%
Debit card, credit card & loan rebates	(1,254.3)	(1,201.9)	(707.1)	4.4%	77.4%
Others	(3,650.6)	(13,517.2)	(4,551.0)	(73.0)%	(19.8)%
Total	(26,470.2)	(40,369.5)	(54,938.2)	(34.4)%	(51.8)%

Loans to the non-financial private sector and foreign residents totaled Ps. 813.6 billion in the quarter, compared to Ps. 717.1 billion in Q4 2024 and Ps. 317.4 billion in Q1 2024, representing an increase of 13.5% QoQ and 156.4% YoY.

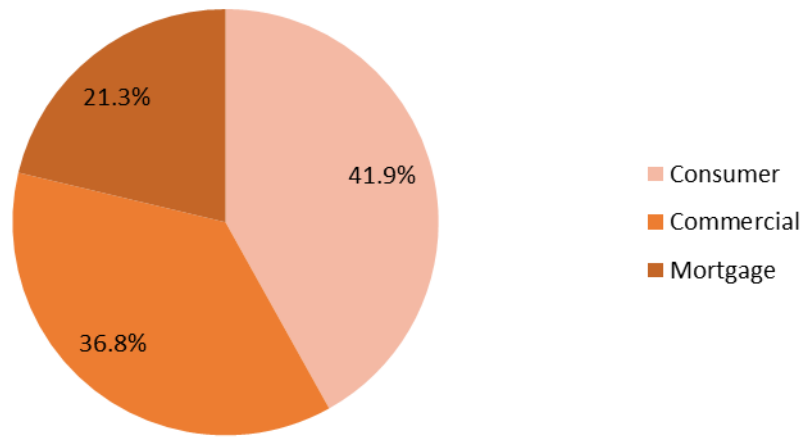
Loans to the non-financial private sector and foreign residents (in millions of pesos)	3 month period ended			Variation (%)	
	31/03/2025	30/12/2024	31/03/2024	QoQ	YoY
Overdraft facilities	32,924.3	24,693.7	15,517.2	33.3%	112.2%
Promissory notes	17,825.3	24,666.6	21,081.1	(27.7)%	(15.4)%
Mortgage loans	156,656.1	143,277.8	91,323.3	9.3%	71.5%
Pledge loans	2,686.2	2,978.9	19.3	(9.8)%	N/A
Consumer loans	104,665.4	67,740.3	12,475.7	54.5%	N/A
Credit cards	236,352.5	207,226.4	99,364.2	14.1%	137.9%
Financial leases	99,863.2	75,373.5	2,153.2	32.5%	N/A
Loans to entity's personnel	16,322.8	13,011.8	3,695.7	25.4%	N/A
Unallocated collections	(35.2)	(34.7)	(33.6)	1.3%	4.7%
Other Loans to Businesses	124,928.0	137,663.3	50,065.6	(9.3)%	175.0%
Others	11,730.9	12,522.9	15,343.2	(6.3)%	(23.5)%
Accrued interest and quotation differences receivable	11,164.1	10,303.9	6,359.0	8.3%	75.6%
Documented interest	(1,447.1)	(2,311.9)	-	(37.4)%	N/A
Total	813,636.6	717,112.5	317,363.8	13.5%	156.4%





BH's non-financial private sector loan portfolio composition as of March 31st, 2025, was 63.2% of retail financing and housing loans (41.9% consumer and 21.3% housing) and 21.3% of commercial loans, providing a highly diversified client base.

Non-financial Private Sector and Foreign Residents' Loan Portfolio Diversification
Q1 2025





Non-performing loans at a consolidated level decreased from 2.8% in Q1 2024 to 2.6% in Q1 2025, while the coverage ratio declined from 120.9% to 108.9% over the same period. Additionally, non-performing loans in the commercial portfolio decreased from 2.6% to 2.5% between Q1 2024 and Q1 2025.

Non-performing loans

(in millions of pesos)

As of

	31/3/2025	31/12/2024	31/3/2024
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Consolidated level

Non-performing loans	23,887.8	20,557.5	9,940.2
Total portfolio	919,658.1	794,839.0	359,982.1
Allowances (total)	26,016.1	20,680.0	12,017.0
Non-performing loans / Total portfolio	2.6%	2.6%	2.8%
Allowances (total) / Non-performing loans	108.9%	100.6%	120.9%

Consumer portfolio

Non-performing loans (consumer)	13,894.7	9,413.4	5,947.1
Consumer portfolio	517,464.4	435,189.9	206,364.1
Allowances (consumer)	15,688.9	10,885.1	8,262.2
Non-performing loans (consumer) / Consumer portfolio	2.7%	2.2%	2.9%
Allowances (consumer) / Non-performing loans (consumer)	112.9%	115.6%	138.9%

Commercial portfolio

Non-performing loans (commercial)	9,993.1	11,144.0	3,993.1
Commercial portfolio	402,193.7	359,649.1	153,618.0
Allowances (commercial)	10,327.2	9,794.9	3,754.8
Non-performing loans (commercial) / Commercial portfolio	2.5%	3.1%	2.6%
Allowances (Commercial) / Non-performing loans (commercial)	103.3%	87.9%	94.0%

Deposits totaled Ps. 1.993 billion, representing an increase of 4.4% QoQ and decrease of 21.4% YoY, while capital markets debt totaled Ps. 134.6 billion, increasing 49.8% QoQ and 65.4% YoY.

Funding

(in millions of pesos)

	31/03/2025		31/12/2024		31/03/2024		Variation (%)	
	Ps.	%	Ps.	%	Ps.	%	QoQ	YoY
Deposits	1,993,501	93.7%	1,909,715	95.5%	2,535,833	96.9%	4.4%	(21.4)%
Local capital markets debt	117,802.1	5.5%	73,692.8	3.7%	54,505.8	2.1%	59.9%	116.1%
International capital markets debt	16,824.7	0.8%	16,176.4	0.8%	26,866.7	1.0%	4.0%	(37.4)%
Unsubordinated Senior Notes	134,626.8	6.3%	89,869.1	4.5%	81,372.6	3.1%	49.8%	65.4%
Total	2,128,128	100.0%	1,999,584	100.0%	2,617,205	100.0%	6.4%	(18.7)%





Comparative consolidated balance sheet

(in millions of pesos)

	As of			Variation (%)	
	31/03/2025	31/12/2024	31/03/2024	QoQ	YoY
Assets					
Cash and due from banks deposits	454,719.9	302,813.5	170,303.3	50.2%	167.0%
Debt securities at fair value through profit or loss	684,387.9	1,306,372.4	534,377.3	(47.6)%	28.1%
Derivatives	494.6	151.4	3,652.1	226.6%	(86.5)%
Repo transactions	1,939.7	16,552	1,868,991.6	(88.3)%	(99.9)%
Loans and other financing	69,378.2	66,378.1	86,123.4	4.5%	(19.4)%
Non-Financial Public Sector	-	2.4	2.0	N/A	N/A
Financial Sector	59,659.8	45,142.7	9,730.9	32.2%	N/A
Non-Financial Private Sector and Foreign Residents	813,636.6	717,112.5	317,363.8	13.5%	156.4%
Allowances	(11,304.2)	(15,729.1)	(10,646.7)	(28.1)%	6.2%
Loans, net of allowances	862,837.1	746,528.6	316,450.0	15.6%	172.7%
Other debt securities	596,523.0	239,549.4	182,765.8	149.0%	226.4%
Financial assets in guarantee	575,802.9	245,162.4	77,665.6	134.9%	N/A
Investment in subsidiaries, associates and joint ventures	67,910.7	67,246.0	75,667.5	1.0%	(10.3)%
Property, plant and equipment	92,949.0	91,695.4	88,148.6	1.4%	5.4%
Others	52,621.8	47,830.5	43,778.4	10.0%	20.2%
Total Assets	3,459,565	3,130,280	3,447,924	10.5%	0.3%
	-	-			
Liabilities					
Deposits	1,993,501	1,909,715	2,535,833	4.4%	(21.4)%
Liabilities at fair value through profit or loss	12,972.5	30,739.3	42,538.9	(57.8)%	(69.5)%
Derivatives	25.2	43.4	243.1	(41.9)%	(89.6)%
Repo transactions	447,862.8	168,380.4	-	166.0%	N/A
Other financial liabilities	129,014.9	172,786.2	105,376.9	(25.3)%	22.4%
Financing received from Argentine Central Bank and other financial institutions	35,220.8	2,921.1	4,953.1	N/A	N/A
Unsubordinated Senior Notes	134,626.8	89,869.1	81,372.6	49.8%	65.4%
Current income tax liabilities	65,049.8	69,375.5	30,681.5	(6.2)%	112.0%
Subordinated Senior Notes	-	-	-	N/A	N/A
Provisions	7,614.0	10,933.8	5,474.0	(30.4)%	39.1%
Deferred income tax liabilities	10,897.7	23,849.8	32,219.5	(54.3)%	(66.2)%
Other non financial liabilities	93,726.4	109,583.7	75,378.9	(14.5)%	24.3%
Total Liabilities	2,930,512	2,588,197	2,914,071	13.2%	0.6%
Shareholders' Equity attributable to non-controlling interest	18,028.4	20,406.9	14,243.8	(11.7)%	26.6%
Shareholders' Equity attributable to parent's shareholders	511,024.3	521,675.6	519,608.3	(2.0)%	(1.7)%
Total Shareholders' Equity	529,052.7	542,082.5	533,852.1	(2.4)%	(0.9)%





Statistic data and comparative ratios

For the period ended on
31/03/2025 31/12/2024 31/03/2024

Profitability			
Annualized Quarterly ROAA (Return on Average Assets)	(1.3)%	3.9%	2.6%
Annualized Accumulated ROAA (Return on Average Assets)	(1.3)%	2.6%	2.6%
Annualized Quarterly ROAE (Return on Average Equity)	(8.4)%	25.9%	17.8%
Annualized Accumulated ROAE (Return on Average Equity)	(8.4)%	17.2%	17.8%
Net financial margin*	5.1%	22.0%	31.0%
Efficiency**	78.8%	36.4%	25.0%
Capital			
Shareholders' Equity / Total Assets	14.8%	16.7%	15.1%
CET I Ratio	19.2%	24.8%	36.0%
Tier 1 Ratio	19.2%	24.9%	36.1%
Total Capital Ratio	19.3%	25.0%	36.1%
Liquidity			
Liquid Assets / Deposits	87.2%	97.7%	108.7%
NSFR	154.0%	190.0%	267.2%
Loans / Deposits	43.3%	39.1%	12.5%

* (Annualized net interest income + annualized Net Income from financial instruments at Fair Value through profit and loss + annualized Difference in quoted prices of gold and foreign currency) / Average Assets

** (Personnel expenses + administrative expenses + depreciation and impairment of assets) /

(Net Interest Income + Net Fee Income + Net Income from financial instruments at Fair Value through profit and loss + difference in quoted prices of gold and foreign currency + other items included in income and operating expenses)

III. VISION AND STRATEGIC FOCUSES





The bank's vision is to be the provider of financial services for Argentine households, families and companies: efficient and digital, recognized for its excellence in customer service, promoting a culture focused on people, decision-making based on data and characterized in a positive social footprint.

This new perspective includes three objectives that involve the entire Organization including the development and implementation of different initiatives that promote compliance. In turn, they are measured through the analysis of key results in their respective indicators.

The first objective, or strategic focus, is about the customer experience, omnichannel and recognized for its excellence. The second objective focuses on people's development within an agile and flexible culture, supported by decisions based on data and promoting a positive social impact. And the last strategic focus is about efficiency and profitability, sustainable and supported by a balanced and competitively funded business.

The key results that measure these strategic focuses are: Global NPS, digital channel satisfaction index, job satisfaction index, positive social footprint index, ROE, efficiency, NPL, Demand deposits/liabilities and net profit.

IV. NEXT QUARTER AND 2025 PERSPECTIVES

Regarding the Bank's outlook for the next quarter and 2025, it is based on:

- ✓ **Continue with Operational Excellence:** Upholding the highest quality standards in our operations to ensure consistent and reliable service.
- ✓ **Balance Asset and Liability Structure:** Sustaining a balanced structure of assets and liabilities to effectively manage different tenors and currencies.
- ✓ **Advance Sustainable Housing Solutions:** Continuing the development of sustainable housing solutions and consolidating our leadership in this sector, in accordance with our vision.
- ✓ **Enhance Efficiency and Expense Management:** Improving operational efficiency and rationalizing expenses to optimize cost management.
- ✓ **Prioritize Client-Centric Solutions:** Emphasizing a client-first approach by tailoring our services and solutions to meet the distinct needs and preferences of each client.
- ✓ **Drive Growth in Credit and Deposits:** Focusing on expanding our credit portfolio and increasing deposit volumes to support business growth and strengthen our market position.
- ✓ **Development of an Artificial Intelligence Hub:** Implementation of an AI innovation center to optimize processes, improve operational efficiency, and enhance data-driven decision-making.

Assets and liabilities denominated in foreign currency as of March 31st, 2025, were converted to Pesos at the exchange rate of Ps. (\$1073.8800/U\$1.00) and Ps. (\$1161.6384/Euro1.00) which was the reference exchange rate published by the Central Bank on such date.

Unless otherwise indicated, all figures are stated in billions of pesos.

Disclaimer

Any comment made in this release in relation to future events is subject to many conditions and risks detailed and described in our Offering Memorandums and financial statements available at our website (www.hipotecario.com.ar / Investor Relations). The words "believe," "may," "will," "aim," "estimate," "continue," "anticipate," "intend," "expect" and similar words are intended to identify forward-looking statements. Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, industry environment, potential growth opportunities, the effects of future regulation and the effects of competition.





This release is a summary analysis of Banco Hipotecario's financial condition and results of operations as of and for the period indicated, which might have certain reclassification from the Financial Statements. For a correct interpretation, this release must be read in conjunction with all other material periodically filed with the Comisión Nacional de Valores (www.cnv.gov.ar) and the Bolsa de Comercio de Buenos Aires (www.bolsar.com). In addition, the Central Bank (www.bkra.gov.ar) may publish information related to Banco Hipotecario as of a date subsequent to the last date for which the Bank has published information

Eduardo S. Elzstain
Chairman

