

# ANNUAL REPORT 2021





## Table of Contents

# Table of Contents

HUMAN GROUP		
	Board of Directors	6
	List of Executives	7
CALL TO THE REGULAR MEETING OF SHAREHOLDERS		9
LETTER FROM THE PRESIDENT		10
OUR COMMITMENT		
	Microeconomic environment and outlook	14
	Local economy	15
	2022 Outlook	17
	We gather impulse to keep growing	18
	Transactional business	24
	Money transfer services	25
	Other services to companies	25
	Growing digitalization	26
	Income from the year	26
	Compensation to Directors and Executives 2021	27
CONSOLIDATION AND DEVELOPMENT OF NEW BUSINESSES		
	Overcoming challenges. E-tica launched Eko	30
	Familiar Seguros consolidates operations	32



## CORPORATE SOCIAL RESPONSIBILITY

Our People	35
“Building the Banco Familiar of the future” meetings	35
“Talking about the Company” meetings	36
BF listens to you	37
New IT equipment for the branch network	38
Internal opportunities	39
Occupational health	39

## FINANCIAL STATEMENTS

Financial statements: Assets	42
Financial statements: Liabilities	43
Income statement	44
Off-balance and Contingent accounts	45
Cash flow statement	45
Statement of changes in shareholders' equity	46
Trustee's Report	47
Auditors' Opinion	48
Risk Rating	50
Notes to the financial statements	52

## ANNEXES

Our ATMs	88
Our Branches	90



## Human Group

# Board of Directors

PRESIDENT:

**Alberto Acosta Garbarino**

FIRST VICE-PRESIDENT:

**Alejandro Laufer Beissinger**

SECOND VICE-PRESIDENT:

**Jorge Rodolfo Camperchioli Chamorro**

REGULAR DIRECTORS:

**Pedro Beissinger Baum  
César Amado Barreto Otazú  
Hilton Giardina Varela  
Gloria Alice Ortega Wiszovaty**

ALTERNATE DIRECTORS:

**Roberto Amigo Marcet  
Silvia María Alicia Camperchioli de Martin  
Héctor Fadlala Wismann**

REGULAR TRUSTEE:

**Juan B.Fiorio**

ALTERNATE TRUSTEE:

**Diana Fadlala Rezk**

# List of Executives

GENERAL MANAGER:

COMMERCIAL MANAGER:

FINANCIAL MANAGER:

RISK MANAGER:

BRANCHES MANAGER:

CORPORATE BANKING MANAGER:

RETAIL AND DIGITAL BANKING MANAGER:

MARKETING AND BUSINESS

DEVELOPMENT MANAGER:

ADMINISTRATIVE MANAGER:

OPERATIONS MANAGER:

TECHNOLOGY MANAGER:

PEOPLE AND O.D. MANAGER:

INTERNAL AUDIT MANAGER:

COMPLIANCE MANAGER:

**Hilton Giardina Varela**

**Arsenio Vasconellos Spezzini**

**Diego Balanovsky Balbuena**

**Carlos Mora Garay**

**Graciela Arias Ríos**

**Nery Aguirre Valiente**

**Fabio Najmanovich Campo**

**Luján del Castillo Cordero**

**Gladys Velázquez Franco**

**Sandra Hirschfeld Spicker**

**Nancy Benet de Quintana**

**Mabel Gómez de la Fuente Miranda**

**Viviana González Amarilla**

**Oscar Daniel Fernández**



## Call to Meeting

# CALL TO THE REGULAR MEETING OF SHAREHOLDERS

In accordance with provisions of Article 32 of the Articles of Association, the Shareholders of **BANCO FAMILIAR S.A.E.C.A.**, are called to the Regular General Meeting of Shareholders to be held on April 19, 2022 at 18:00 at Sheraton Asunción Hotel, Gran Salón, 1st Floor, located at Aviadores del Chaco No. 2066 c/ Santa Teresa. If the quorum is not met, the Meeting shall be held one hour later with those Shareholders in attendance for the consideration of the following:

## AGENDA

- 1) Appointment of a secretary for the Meeting and two shareholders to sign the Minutes of the Meeting, alongside the President and Secretary of the Meeting.
- 2) Reading and consideration of the Board's Report, the Balance Sheet, the Income Statement and the Trustee's Report corresponding to the year that ended on December 31, 2021.
- 3) Proposal for Profit Distribution.
- 4) Resolution on the appointment of an external auditor.
- 5) Appointment of a Regular Trustee and Alternate Trustee and determination of the remuneration of the Regular Trustee.
- 6) Determination of the monthly remuneration and bonuses of Members of the Board according to Article 16 of the Articles of Association.

Shareholders are reminded that, according to article 1084 of the Civil Code, they must deposit their shares or a bank certificate of deposit with the name of the Shareholder at least 3 business days prior to the Meeting, for their record on the book of attendance to the meeting.

## THE BOARD

# Letter from the President

DEAR SHAREHOLDERS,

I have the pleasure to present to you the Report corresponding to the year ended on December 31, 2021.

This is the first Meeting of Shareholders that we hold with attendance after two years of being forced to do it virtually due to the COVID-19 pandemic which affected our country and the entire world.

It is an immense joy for all members of the Board of the Bank to see each other again and to feel the warmth and affection which we have always felt in all meetings of the bank.

After the year 2020, in which the pandemic paralyzed all world economies, 2021 was the year of recovery and rebound in most of the

countries, as a result of a quick and uneven process of vaccination and massive fiscal and monetary injections made.

This economic recovery, in the midst of big logistical problems, made the prices of commodities in general and soybean in particular to have a significant price surge. In this context, there is a strong resurging of inflation in all countries of the world, alongside other macroeconomic unbalances which require the attention from governments to avoid greater problems.

Our country had a 2021 which was clearly divided into two absolutely different semesters. In the first semester, we were among the countries lagging the most in terms of vaccination, which led us to suffer through a wave of coronavirus that brought contagion and death.

The significant donation of vaccination made mid-year by the government of the United States and the massive vaccination carried out from that point forward were fundamental for the reduction of contagion and the reopening of our economy.

This situation added up to a good agricultural year with a slightly lower soybean harvest than in the previous year, but with significantly higher international prices.

As of the last quarter of the year, the Paraguayan economy in general had recovered the level it had before the pandemic and according to the final estimations of the Central Bank of Paraguay, the GDP growth closed at around 4.5%.

But, due to international logistical problems, in addition to our regional problems in terms

of riverway navigation, the internal prices of products purchased by the Paraguayan consumer increased, ending the year with an inflation of 6.8%, higher than the inflation target.

In this international and national context, the management of Banco Familiar has been focused on successfully recovering the reprogramming made in the previous year as a necessary step to continue growing.

The efforts were aimed at returning to the normality of operations and to try to repair the margins, seeking to have own funds for a recovery environment, and not one in crisis. It is important to highlight the significant growth of demand deposits which has led to reach a ratio of it compared to total deposits of 64%, slightly above the market ratio of 63%.

Having exceeded the figures of the industry shows our maturity as a bank, in a

fundamental product for a commercial bank such as demand deposits.

On the side of loans, it is important to remember that in 2020, installments of loans of clients that matured during the most critical moments of the pandemic were refinanced. This refinancing benefited 70% of them at no cost.

This refinancing expired throughout 2021, so in the first semester of the year, a significant part of commercial efforts was devoted to recovering.

In was just in the second semester, coinciding with the progress of vaccination and the reopening of the economy, that credits started to grow, ending 2021 with a 8.6%, slightly below the 9.2% seen in the industry in 2021.

A gap that is clearly explained by the difference of profile of the client of Familiar

with respect to the typical banking client. Our clients -micro and small companies and salary earners of segments C2 C3- have been those most affected by the end of the economic activity.

The corporate banking comprised by medium and large companies had an increase of 9%, similar to the index of the industry as a whole. This growth is due to an increase of 6% in the portfolio in guaranies and 16% in dollars.

An aspect to be highlighted is the important expansion of the credit portfolio in construction, cement and forestry, which improves the profile of our portfolio of companies as a whole.

All of this expansion has been possible thanks to the growing digitalization of the bank, which is the only possibly way to reach and serve around 900 thousand clients who can operate with Familiar every day and at every hour.

By the end of 2021, more than 60% of the transactions of the bank are carried out through non-attendance-based channels.

A special mention should be made to two companies owned by the bank as they are contributing to the expansion and profitability of our institution.

One is Familiar Seguros, which was born three years ago and has provided a greatly important service and coverage during the pandemic for the families of many clients who suffered the loss of a loved one during the pandemic.

In addition to that, more than 150 thousand people have found a solution in the variety of products offered, such as: Life, Personal Accidents, Hospitalization and Unemployment.

The other company is e-Tica, which was the mission of developing high-quality digital

products, always focused on the client.

In 2021, we launched EKO, a digital financial services platform that has the purpose of changing the habit of the use of cash and mainly aims at the non-bancarized segment. With an exponential growth, EKO projects to reach to 80 thousand clients by the end of 2022.

All of these results have been possible thanks to the effort and talent of our people, with whom we had an intense program of communication and training throughout the year.

During the year, there were several attendance-based and virtual meetings between directors, managers and collaborators. The events named "Talking about the company" with the president and directors and "Building the Banco Familiar of the future" with the general manager and managers are important to highlight.

To conclude, on behalf of the Board of the Bank, I want to thank all of those who contributed to the construction of the bank that we have today.

I want to thank our collaborators and our clients. We would not have made possible any of this without them.

I want to specially thank all of you, our shareholders, for your support and trust, which make us proud and strengthen us. To all, thanks.

**ALBERTO ACOSTA GARBARINO**  
*President*  
*Board of Banco Familiar*



# Our Commitment

# MACROECONOMIC ENVIRONMENT AND OUTLOOK

## THE WORLD AND REGIONAL ECONOMY

In 2021, there was a strong rebound in all economies in the planet as a result of the quick vaccination process and the massive fiscal and monetary injections made. In this way, the majority of the countries have recovered the levels of economic activity they had before the pandemic.

Monetary and fiscal policies implemented worldwide to face covid-19 were extraordinary but absolutely necessary considering the general uncertainty and the effect of health measures in the real economy, employment and income of people. With the measures, the situation of the financial markets was contained, the interest rates stabilized, stock markets recovered and even exceeded the levels before the pandemic and the

economic activity had a rebound compared to the drop seen in 2020. In this way, prices of commodities and soybean in particular increased significantly, even with respect to the amounts seen in the years before the pandemic.

GDP Growth: Selected Countries				
Region/Country	2019	2020	2021 (e)	2022 (p)
World	2,8%	-3,5%	5,9%	4,4%
U.S.	2,2%	-3,4%	5,6%	4,0%
China	6,0%	2,3%	8,1%	4,8%
Brazil	1,4%	-4,5%	4,7%	0,3%

Source: IMF – WEO – January 2022

However, there is strong resurging of inflation in all countries, in addition to other unbalances that require attention from the

governments to avoid greater problems in the future. For example, the inflation rate ended December 2021 at 7.0% interannually in the U.S., and 5.3% in the Eurozone, which were levels not seen for more than three decades. On the other hand, in China, big real estate companies have financial problems due to high levels of debt. Although the talk of central banks is focused on a transitional inflation, the risk balance and the priorities of economic policy are changing.

So, the Federal Reserve of the United States starts to adjust its monetary policy from the month of November, reducing the purchase of treasury and corporate bonds until reducing them to zero in the first quarter of the coming year, when it will start the process

of adjustment of its rates of monetary policy. It is likely that the European Central Bank will take similar steps in the coming months. This has implications for our country in two aspects: a likely strengthening of the dollar and an increase in the costs of international financing. In the region, the outlook is not good. In Brazil, the post-pandemic public finances are deteriorated, with high levels of debt and fiscal deficit which will expand the following year due to the increase in interest rates decided by the Central Bank. The electoral cycle will also have an impact in public spending. The projections of the IMF indicate almost an economic stagnation for the coming year and persisting high volatility in the trading of the real. On the other hand, Argentina will probably renegotiate its debt with the IMF without more commitments of adjustment of economic unbalances, will continue with the exchange control with a halted economy and high inflation. So, the

IMF estimates a recovery and a rebound of the world economy in 2021 with a growth of 5.9% and it projects a moderate growth of 4.4% for 2022, led once again by the U.S. and Continental China, in the World Economic Outlook published in January 2022. Regionally, it estimates that the Brazilian economy also experienced a significant recovery of the GDP in 2021 with a growth of 4.6% but, as mentioned above, it is only projecting a growth of 0.3% for 2022.

## LOCAL ECONOMY

The indicators of the Central Bank also show an important rebound of the Paraguayan economy in 2021. The drop of the GDP of our country was relatively lower than in other countries in 2020, but it added up to the recession of 2019, so this economic recovery was highly expected. Even more so, the most

significant wave of coronavirus in our country was only seen in the first half of 2021. The failure of the Covax mechanism for the purchase of vaccines generated a significant delay in vaccination. However, the situation reverted afterwards with the important donation of vaccines by the Government of the United States and its effective application. This was a determining moment for the positive results that were seen in the second half of the year.

Concept	Prices (Average)			
	2019	2020	2021	Var %
Exchange rate (PYG/dollar)	6.241	6.771	6.774	0,0%
Soybean (USD/ ton FOB)	322	324	470	44,9%
Meat (USD/ton FOB)	3.771	3.730	4.494	20,5%
Brent oil (USD/barrel)	64	44	71	61,4%

Source: Central Bank of Paraguay

Although the harvest of soybean was slightly lower than in 2020, impacted marginally by the La Niña phenomenon, it was within projections and export prices were higher thanks to the rebound in international prices of commodities. Likewise, the volume and the export prices of meat experienced an important increase compared to the previous year. Therefore, the agricultural and livestock sector had a very good performance with collateral benefits for the entire related supply chain. Border trade maintained the rhythm of the activity seen since the third quarter of 2020, although it did not fully recover the volume of a normal year due to the difficulties for border crossing. On the other hand, the production and export of electricity was reduced once again this year due to the low water levels of the Paraná River. With all of this, in 2021, the Paraguayan economy has recovered its pre-pandemic level and according to the final estimations

of the Central Bank of Paraguay, the growth of the GDP had closed at around 4.5%.

On the other hand, starting in the second half of the year, there was a process of inflationary acceleration that we had not seen for many years, as a result of a combination of internal and external factors. On one side, the fiscal and monetary measures taken within the framework of the health emergency law increased the monetary issue in an environment of very important economic recession. On the other hand, the international prices of commodities such as oil and agricultural products were increased greatly due to an increase in the demand of China as well as the costs of international transport due to the congestion in the main maritime ports and the scarcity of containers. The problems of the riverway added up to this. This combination of factors impacted in the internal prices and the final consumer,

ending the year with an inflation of 6.8%, even higher than the tolerance margin set by the Central Bank itself as the inflation target.

Macroeconomic Variables				
Concept	2018	2019	2020	2021 (e)
Real GDP growth	3,2%	-0,4%	-0,8%	4,5%
Inflation rate – Dec	3,2%	2,8%	2,2%	6,8%
Interest rate – Central Bank of Paraguay	5,25%	4,00%	0,75%	5,25%
GDP Fiscal Result	-1,3%	-2,8%	-6,2%	-3,7%

*Source: Central Bank of Paraguay and Ministry of Finance*

However, with the monetary adjustment that the Central Bank is implementing through increases in its interest rate, inflation will return to its goal of 4% annually, but not immediately.

## 2022 OUTLOOK

2022 is looking very challenging. The recovery of the world economy comes with a strong rebound of inflation. The U.S. Federal Reserve already started its process of monetary normalization, and the European Central Bank will do the same in the short term. Up until now, they talk about gradual adjustments with a moderate impact in financing costs, especially in long-term rates. On the other hand, the strong monetary adjustment implemented by the Central Bank of Brazil to control inflation, added up to the uncertainty for the electoral year will slow down the Brazilian economy which could fall into recession and generate volatility in the value of the Real. In addition, Argentina will continue with its policy of multiple exchange rates and the opening of borders, which will strengthen the counterfeit of Argentine products towards our country, negatively

affecting the formal trade and national production.

Internally, the macroeconomic impact of drought will be important in the growth of the GDP, in the balance of international payments and tax income. However, there are important factors to be considered which mitigate the negative impact and will avoid catastrophic or extreme situations which are: one, that producers come from two relatively good harvests of soybean with lower debt that before and two, that the current high prices reduce economic losses. Also, the high levels of international reserves of the Central Bank and the high levels of solvency and liquidity of the financial sector are an important buffer to resist shocks and mitigate the impact in the economy and people.

Our economy depends on the weather due to its agro-industrial base and the world is

going through many problems. The pandemic is still extending, but vaccination is mitigating its effects in health and the economy. The process of normalization of fiscal and monetary policies limit the capacity to apply anti-cyclical macroeconomic policies, but the strength of them protects the economy from catastrophic situations. This year, we will have an economy under recession combined with high inflation, but it will be temporary. Good weather in the following harvest will cause a rebound as it has occurred before.



# WE GATHER IMPULSE TO KEEP GROWING

Management in 2020 was marked by the prudent fundraising and the reprogramming of loans without cost. In 2021, the work was focused on optimizing funds, successfully recovering the reprogramming made during the first semester and retaking the growth in the second half of the year. Efforts allowed to return to normal operations and recomposing margins.

**As for funding,** management worked on keeping the intensification of the growth of the portfolio with our clients, where we saw an increase of 6.2% globally, slightly below the 6.9% of the sector, and also readapting the general structure of costs from replacements and/or amortizations of adequate instruments to the new reality of margins, highlighting:

**a) A consolidation and improvement of the structure of shareholders' equity, reflecting our commitment to our shareholders.** To adapt the financial instruments to the new margins of the sector, it was necessary to make the repurchase of PYG 60 billion in preferred stock which had a minimum dividend of 12%, a dividend which reflected the market conditions, inflationary context and risk rating of the time and are no longer representative of the bank's current conditions.. The redemption itself meant a reduction of corporate capital, which is why the group of shareholders unanimously approved a capitalization in regular shares for the similar amount. As a result of both activities, the adaptation of the structure of performances of instruments was achieved, in addition to an improvement

in terms of quality of capital by replacing preferred with regular shares.

**b) The dynamic of our growth in demand deposits.** During the previous 2019/20 term, we had an important increase of 25% which was mostly a consequence of supporting the market trend; a period of high expansion of liquidity due to the measures taken then, in which the industry as a whole grew 32%. The 2021 term, even though with a slower rhythm, continued with an increase of 14.2% compared to the previous year, doubling the 7.4% of the sector thanks to the continuity and focus of our action plans. What we did was, on one hand, continuing with our mass bancarization actions allowing the attraction of thousands of clients of the retail sector and people with quick opening

processes but considering the prudent standards of anti-money laundering which mostly consists of having accounts with restricted movements and the generation of early warnings. On the other hand, to improve the adoption of existing clients, we made efforts to maintain our network of customer service with extended hours throughout the country, in addition to remain with the provision of capabilities and facilities through our web banking so that our clients can find it easier to make their payments and transactions, which generates, as a consequence, an increase of balances, especially when it comes to corporate clients. This dynamic growth has allowed us to position our ratio of demand/total deposits at 64% compared to the 63% of the sector.

Demand deposits represent, for a commercial bank, a competitive source

of funding when it comes to financial expenditures. However, said average balances of clients are the consequence of thousands of transactions which generate transactional operating costs of relevance which should also be measured and managed so that the final line results in a competitive figure with financial expenditures at negligible costs but with under control transactional costs. In that way, a big part of the increase of our transactions is the product of the strengthening of our web banking and a permanent management of costs in the management of cash which is generated in our branches because when we have an offer with extended service hours in the entire country, we turn into a commercial bank for the gathering of cash with the transactional costs involved.

### **c) The fidelity of our investors of fixed-term deposit certificates (CDA).**

Considering that 2021 was a year of uncertain expectations, it is normal as a consequence that the growth of 6% of the sector was lower than the proportion of 7.4% in demand deposits. This clearly reflects the preference of liquidity of economic agents considering an uncertain scenario, which was the main feature of 2021. Our portfolio underperformed the sector with a fall of 5.6% which equals PYG 94 billion in figures, an amount that was exchanged and compensated by investors with the issue of financial bonds for a similar amount as explained below. If we consolidate both instruments, savings accounts certificates and financial bonds, we would have a growth of 0.3% year-to-year, indicating a tie in terms of portfolio year-to-year. It should be stated that considering the performance we had in demand deposits

as stated above, it was not necessary to take additional fundraising actions.

**d) Consolidation in the market of financial bonds offered to the open market through the Asunción Stock Exchange**

We have started using this instrument in 2018 with a first and second issues for the total amount of PYG 95 billion. In 2021, we strengthened said instrument with issues for a total amount of PYG 175 billion. The issues comprised:

1) PYG 75 billion for continuity to the program of financing of houses to Social Security Institute (IPS, for its Spanish initials) contributors, funded by the IPS itself with the purchase of these financial bonds. Today, this program represents 50% of the leverage of the housing portfolio and it is a valid and supplementary option to long-term funds

of the Financial Development Agency.

2) The remaining PYG 100 billion offered to the general public. The issues were acquired on the date of issue reflecting the trust of investors in general, and they replace in a manner the drop in the savings account certificates stated in the previous item. These issues represent better rates of performance for the investors than the savings account certificates. Although for us it represents a higher financial cost, it also represents a better match for the long-term funding, as savings account certificates have average terms of 1.5 to 2.0 years compared to financial bonds with terms of issues made of 5, 7 and 10 years. It should be noted that among these series of issues, for the first time in Paraguay, a financial bond was issued with a term of 10 years. It

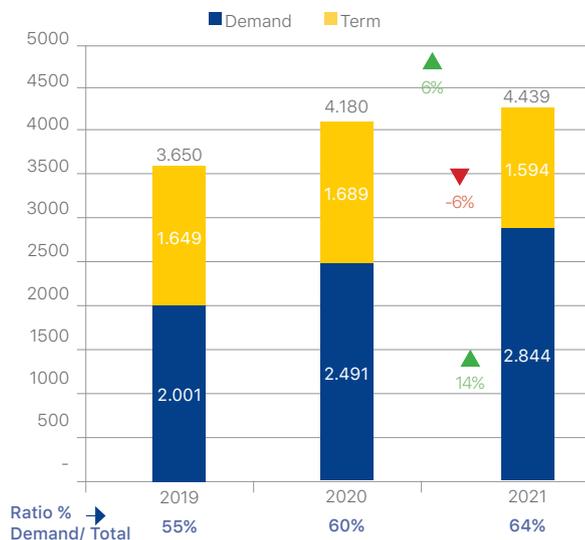
was also done with an innovative zero voucher mode, which is valued by the more sophisticated investors who prefer the property of liquidity through secondary market settlement compared to an operating scheme with recurring vouchers.

**e) Unconditional support of institutional financiers.**

Just like 2020 was the year to take loans for prudence, 2021 characterized for the repayment of them. Even in some cases, those with longer terms considering the good relationship and reciprocity with our financiers, it was possible to pre-cancel operations with the higher rates as they do not respond to the new reality of the market. Pre-cancellation and/or accelerated repayment is a non-expected practice for lenders and there are generally prohibitive exit clauses. However, thanks to the good relationship with our

fund providers, we managed to make accelerated repayments with competitive costs and left open the relationship to set new debt structures in the future.

## EVOLUTION OF DEPOSITS (Billions of PYG)



**On the side of loans,** it is important to remember that the installments of loans of our clients that matured in the most critical time of the pandemic were refinanced in 2020. All of the installments maturing between March and August 2020 were refinanced, involving more than 70% of our clients with no cost. The repayment of them came in the following month to the one of maturity of the loans in force at the time. The average term of the loans is of 16 months, which is why more than 90% of the reprogramming to more than 235,000 clients matured through 2021.

The first semester of 2021 was clearly focused on recovery. These maturities were concentrated between the months of February and May, when the economic situation was still uncertain due to the postponement of the vaccination program. To be able to face that uncertain situation and a big concentration of maturities, it was

necessary to readapt and strengthen the recovery structure to pertinently identify the correct recovery strategy for each type of situation.

When the vaccination program started to consolidate in August, a recovery of aggregate demand and loans started to be felt as it grew 8.6%, slightly below the 9.2% seen in the sector in 2021. A gap that was significantly smaller than the one seen in 2020 when, due to the type of clients, we had to focus more on recovery and reprogramming and our growth was more modest (6%) than the rest of the sector (9%) then. The consolidated growth was seen thanks to the efforts in each of the segments of the bank, seeing that:

**a) The retail segment.** The retail segment grew 3% interannually as a large part of the recovery of loans meant a reduction of 35% of past-due portfolio which allowed

to retake defaulting levels to historic pre-pandemic levels. On the side of placements, they were viable from the second semester with an effective rebound in placements during the last quarter of the year.

An important dynamizing element was operating efficiency to clients with the consolidation and growth of non-attendance-based channels for the negotiation of credits. As of the end of 2021, almost 15% of total placements are made through WhatsApp messaging, social networks, the call center and other non-attendance-based mechanisms.

The design of loans for specific targets was also strengthened significantly. Credits with targets have a better profile of risks in general. Taking the positive experience that we have historically had with housing and cars for salarymen, we have incorporated

said experience to the micro-companies channel with loans for the acquisition of fixed assets for them, which has started to provide more dynamism to that self-employed segment

**b) As for SMEs and Personal Banking,** serving small and medium companies and independent professionals (medics, attorneys, accountants, etc.), in addition to a good recovery of reprogramming, it had a particular dynamism with a growth of around 20%.

The good recovery of reprogramming was seen in the entire portfolio in general, as around 10% of this portfolio was benefited with the Fogapy facilities that allowed these economic units to access loans under soft conditions, grace periods and low rates.

The expansion of credits was also explained significantly by the growth of credit operations with specific targets. The design and alliance with strategic providers allowed a consolidation of operations in the financing of vehicles, supplies and fixed assets in general. This has allowed the significant reactivation of the USD portfolio for this segment in the mode of loans for machinery and vehicles, providing this USD portfolio a contribution of 20% of the total growth of this segment of clients.

**c) The Corporate Banking** is comprised by medium and large-sized companies and had an increase of 9% compared to the previous year. This is explained by an increase of 6% of the portfolio in guaranies and 16% of the expansion in the USD mode. The stability of the dollar contributed to the migration of part of the portfolio from one currency to the other. An aspect to

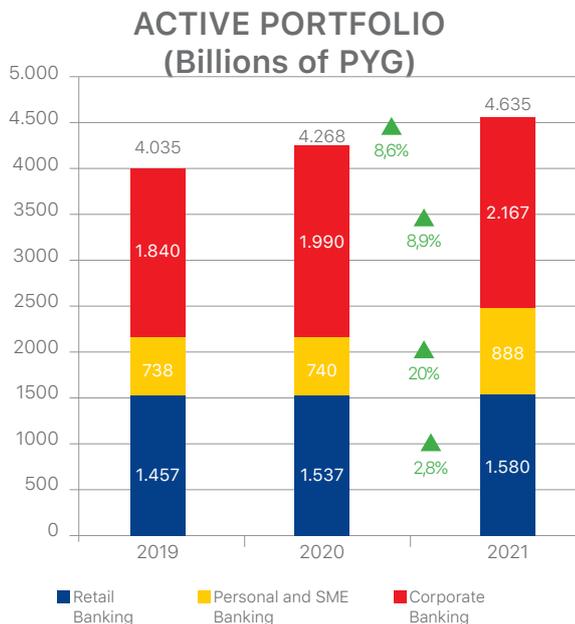
be highlighted is the consolidation in the sectors of construction and cement, as well as the incursion in the forestry sector, which improves the profile of our portfolio of companies as a whole.

**As for allowances**, like in the previous items, to fully comprehend the actions in 2021, it is important to remember that, after the mass reprogramming in 2020, contractual maturities were postponed in a massive scale to the aforementioned 235,000 clients for PYG 500,000 million in total. This postponement of payments in 2020 reduced the pressure of allowances for that year considering the lower maturities, transferring that weight to 2021. Considering that we would have this concentration of maturities in 2021 and a higher pressure for allowances than in the previous year, we had anticipated the situation setting out additional voluntary allowances for PYG 16,500 million in 2020. We stress that Familiar did not take any additional measure offered by the Regulator as to deferring losses due to bad debts, but it followed the conservative line of acknowledging the loss at the time it was produced, a criterion that was considered and recognized from 2021 when

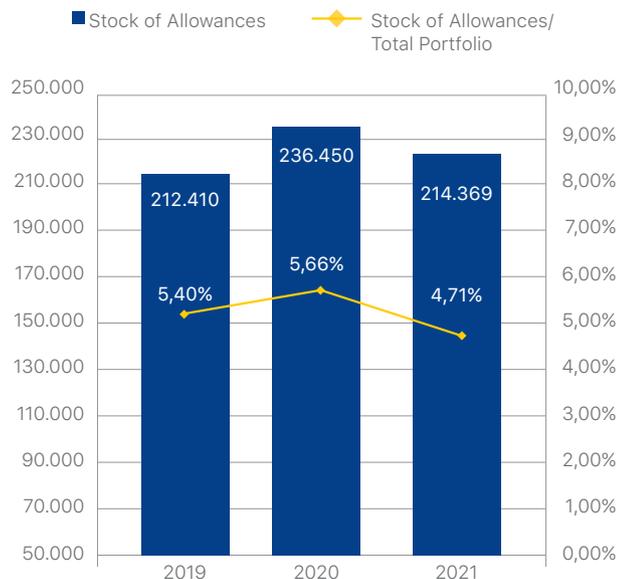
the biggest part of the mass refinancing with no cost of 2020 was concentrated.

In addition to the foregoing with respect to the financial aspect, operationally, we readapted our platform to prepare for the recovery management. The result of it allowed us to reduce the past-due portfolio around 35% compared to 2020 and set defaulting levels that were once again according to the structural values.

As for total bad debts, the amount of PYG 207 billion was 3.73% lower than 2020 by PYG 8 billion. Said reduction is a product of a combination of three things: an increase of PYG 27 billion in allowances, an increase of past-due portfolio motivated by the maturities and a subsequent use of approximately half of the additional voluntary reserves set in 2020.



## ALLOWANCES (Billions of PYG)



Considering a prudent criterion, Familiar has had allowances above the standards

for many years. We have statistical models of advanced standards of Basel II applied to portfolios of credit risk for retail and the setting of allowances for the corporate portfolio. As a product of these two additional criteria, Familiar has allowances reserves that allowed to have indexes around 5% of the total portfolio, resulting in a very good indicator for the sector, which has closed 2021 with a ratio of around 3% of the total portfolio. In addition, the balance of the past-due portfolio is fully and permanently covered by allowances and the 2020 scenario is proof of it, as due to internal model calculations, the coverage was always above 100%. In 2021, despite lower allowances set in the income statement as stated above, thanks to the reduction of the past-due portfolio, the coverage index was even increased to 134%, an index that is even better than the one seen at the end of 2019.

## TRANSACTIONAL BUSINESS

The evolution of *family remittances* is directly linked to the economic dynamic of the countries where they originate. As most of it comes from economies that have normalized their activities, such as Spain and the USA, there has been a general increase of around 12% compared to the previous year, and even 9% higher than in 2019, before the pandemic. In addition to the growth performance, the crossing of clients was deepened for the use of accounts, as the remittances channel is an important channel for the attraction of clients of savings accounts, as the beneficiaries of remittances have migrated to in 2021 in a significant manner with a share of almost 10% of total payments being remittance payments transferring to accounts.

The volume of exchange operations increased around 26% to a level that was more than

proportional than the 20% seen in the sector highlighting the increase of 31% in operations aimed at clients via debit/credit to their accounts strengthened in a great measure by the adjustments and improvements seen in the web banking.

In the consolidated total, these businesses had an increase of 26% compared to the previous year, representing more than 25% of the global result.

## MONEY TRANSFER SERVICES

In a context of reactivation in the exchange and good and services abroad, we saw a rebound in said activities and a level of operations exceeding the levels before the pandemic, showing the preference of our clients towards these services. The rebound seen was of 47% in the number of operations

and 100% in the amount. The amount of transactions represents 2.65% of imports and exports recorded in the country. This means that the duplication of payments made in 2021 allows this service to consolidate a market size that is ever more relevant and almost proportional to its total assets.

In local transactions, regularly known as Sipap operations, the operations keep growing considerably. In 2020, the amount of operations had doubled and in 2021, there was another increase of 74%. These jumps in growth represent 3.5% of the total market, indicating a good performance of Familiar in a market that keeps growing. The payments via Sipap transfer triple the traditional cheque exchange market today. Familiar has a relevant participation in both.



## OTHER SERVICES TO COMPANIES

In support of the Company, Corporate and SME Banking, the services of payment of salaries and payment of providers have been strengthened. Both rely on a friendly tech platform that allows companies to make mass payments to staffers and providers, giving them operating efficiency as a proposal of value.

2021 was a year of significant consolidation. After a slight increase of 10% in 2020 in which the majority of companies and the chain of payments were affected, in 2021, there was an increase of 35% in payments. The more than 600 companies that trust our platform make payments averaging PYG 2 million and PYG 12 million for payments of salaries and providers, respectively.

Another aspect to point out is the crossing of these payments with other accounts. The volume of payments in cash was reduced from 20% to 8% as most of the payments are made to accounts from Familiar and other banks. Today, this crossing also allows to have a relevant mechanism for the attraction of new accounts and funding, as well as for the disbursement of loans.

## GROWING DIGITALIZATION

Transactions that were already around 50% in non-attendance-based channels increased to a 60% share in 2021.

The origin of new operations also had an important jump. The opening of digital channels representing an important channel of attraction of clients had an increase of 50% in openings compared to the previous year. On the other hand, the placements of credit

compared to the previous year increased 145%.

These increases are relevant and are the consequence of the investment in technology and the development of non-traditional channels which implies the strengthening of the web banking and its capabilities, but also the consequence of a strong alliance with non-banking correspondents to achieve more branches in our customer service network.

## INCOME FROM THE YEAR

The addition of all efforts made in all fronts has allowed a substantial increase of 23.5% in net profit.

On one side, the significant effort in containing the gross financial margin that is the difference between the accrual of the

active portfolio (loans) minus the passive portfolio (deposits). Although the loans increase by more than 8%, in financial income, we see a reduction of 3% mainly due to the adjustment in the conditions of prices to clients. In the same manner in the passive portfolio, the remuneration paid to clients had reductions in the rates that allowed to reduce the financial expenditures and compensate the drop of financial income.

The other element mentioned above with detail was the one of allowances, which had a reduction of 3% compared to 2020. This performance of variation was possible thanks to the efforts made in working with the past-due portfolio and manage its reduction by around 35%. As for operational expenses, despite continued investments and technological adaptations for the future, they represent a moderate growth around the inflationary rate.

Additionally, other income which correspond to commissions and services not related to interests collected nor paid, had an increase of 21%. The increase is mainly due to the good evolution of commissions generated by services of payments in general, the growth of transactional business and the cash management, in all cases in a transversal manner seeking the crossing of clients with all of the other products and services.

## INCOME STATEMENT

Results (Millions of PYG)	2019	2020	2021	Var.21-20 num	Var. 21-20 %
Financial income	673.415	632.617	612.571	-20.046	-3,2%
Financial costs	159.818	169.450	146.782	-22,667	-13,4%
Gross financial margin	513.597	463.167	465.789	2.621	0,6%
Allowances	219.591	215.161	207.133	-8.028	-3,7%
Net financial margin	294.006	248.007	258.656	10.649	4,3%
Other operating losses	281.576	262.572	277.339	14.768	5,6%
Other net income	139.242	114.493	139.565	24.623	21,4%
Income before taxes	151.672	100.377	120.882	20.505	20,4%
Income tax	16.573	10.319	9.671	-648	-6,3%
Net income	135.099	90.058	111.211	21.153	23,5%

## COMPENSATION TO DIRECTORS AND EXECUTIVES 2021

The compensation to Directors and Executives in 2021 is explained below in the Income Statement within the Other Operating Losses item.

Compensation of the Board 2021	In millions of PYG	Articles of Association
Allowance (*)	2.904	Art. 16
Bonuses (*)	4.700	Art. 16
Other Compensations	1.320	Art. 17
	<b>8.924</b>	

(\*) Approved by the Regular General Meeting of Shareholders

Compensation of Executives 2021 (**)	In millions of PYG
Salaries	6.292
Bonus	1.614
Other Compensations	3.221
	<b>11.131</b>

*(\*\*) It includes compensation of the Director-General Manager*



## Development of **New Businesses**

# CONSOLIDATION AND DEVELOPMENT OF NEW BUSINESSES

## OVERCOMING CHALLENGES. E-TICA LAUNCHED EKO

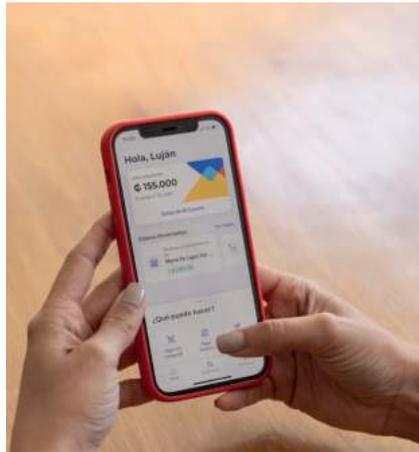
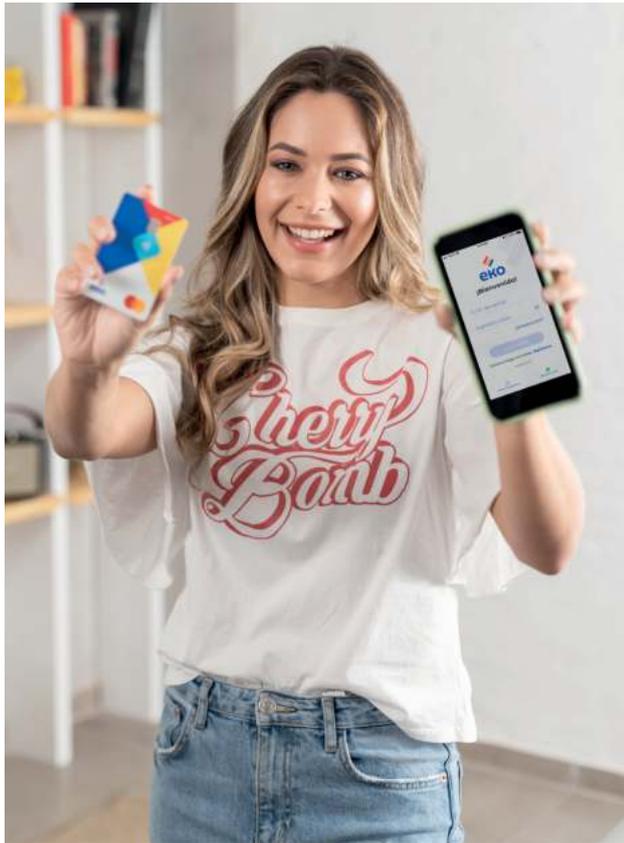
The first year of operations of e-Tica was one of great challenges. We worked strongly in the strengthening of the team of collaborators to develop high-quality digital products, always focused on the client. We currently have the capacity to cover the areas of architecture of technology, development of applications, user experience, digital design, growth marketing, among others. In e-Tica, we are convinced that the best product is the team. In 2021, we launched our first big project with the launch of Eko in the mid-year, in its trial version, to then launch to the market in November at 100%.

Eko is a digital financial services platform with the aim of changing the habit of the use of cash and mainly targets the non-bancarized segment. In Eko, the client can do everything that a bank and a digital wallet offer in a single place, with an app and a MasterCard debit card. The client can open their account digitally, without papers, without going to a branch and with self-service.

Eko uses biometric technology to digitally validate the identity of clients, complying with the information security standards. In the first three months since its launch, Eko doubled its monthly opening of savings accounts in the bank. With an exponential growth, Eko is projecting to reach 80,000 clients by the end of 2022 and to keep adding

up services such as loans, insurance, credit cards, among others. The goal of Eko is to be consolidated as a leading digital financial services platform of the country.





## FAMILIAR SEGUROS CONSOLIDATES ITS OPERATIONS

Almost three years after the establishment of the insurance company, **FAMILIAR SEGUROS** continues with its growth rhythm inside the competitive Paraguayan market. In this time, it has achieved a positive performance increasing its number of clients, extending its offering of products, complying with corporate goals proposed as to the increase in volumes of insurance premium and the contribution of value to shareholders. As for the focus of business, it remains aligned to the mission of keeping people calm, having support for unexpected moments. In that regard, more than 150,000 people have found a solution in the many products offered, such as: Life, Personal Accidents, Hospitalization and Unemployment.

The wide offer for the protection of the estate of people and their assets includes:

- Fire
- Multiple risks - Trade
- Multiple risks - Home
- Car
- Bond
- Theft, in Establishment, Transit, Deposit Box, Loyalty.
- Crystals
- Transport of Goods
- Civil Liability

As for the year ended on June 30, 2021, it corresponds to the second full year of operations of this company, in which it reached premiums for the amount of **PYG 41,971 million**, generating accrued income of **PYG 37,324 million**, figures which provide for an important organic growth considering the circumstances lived through a large part of that time.

The profitable growth was one of the goals proposed for this period and it was possible thanks to an adequate risk management considering the effect of losses due to the consequences of COVID-19 related to the life and health of people and Familiar Seguros was outstanding because it honored its commitments with the timely payment of claims received, also complying with the social duty of insurance in society.

The net profits obtained by the company were of **PYG 10,379 million** after taxes, which allowed to get higher solvency levels than those required by regulations, opening the concrete possibility to generate more businesses, undertaking more risks according to the policies of the company.

The net attributable profit for its main shareholder, **Banco Familiar** was of **PYG 9,888 million**, with a capitalization

approved by the Regular General Meeting of Shareholders held by the company in October 2021.



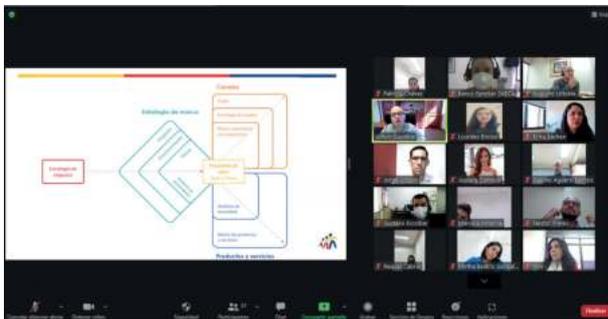


## Corporate **Social Responsibility**

# OUR PEOPLE

2021 was outstanding due to the numerous meetings of all members of the company. They were carried out in the entire country and reached all levels of the organization. These spaces in which we met, informed ourselves, received suggestions and listened to each other help us to understand and empower us on the challenging objectives in this stage of significant changes that we live in Banco Familiar.

The participation, the shared vision and the teamwork are some of our main values, so we created several meeting spaces. We mention some of them:



## “BUILDING THE BANCO FAMILIAR OF THE FUTURE” MEETINGS

In 2017, we challenged ourselves to think how the Banco Familiar of the future would be. In light of this, we worked on the design of strategies that allowed us to reach the goal of being the most loved bank of Paraguay.

We consider it essential to broadcast this vision to all of our collaborators, as our people are one of the fundamental pillars to reach our goal. With this purpose, we held attendance-



based and virtual meetings named **“BANCO FAMILIAR OF THE FUTURE”**. In these meetings, the general management and members of the Board shared the goals,

strategies and plans of action foreseen in the short and mid-term. As a result, we trust that we have informed of this vision and how each of us can contribute to this process with clarity.



## “TALKING ABOUT THE COMPANY” MEETINGS

2021 was also marked by the significant challenge of **the acceleration of the technological changes of our BANCO FAMILIAR IT system**. This change does not only impact in the technological aspect as it also involves changes in our way of changing things, in the development of new skills and even the way of serving a client who is ever more demanding and sophisticated.

For its successful, effective and motivated adoption by all members of the company, we held meetings with all areas through visits to the network of branches or meetings with IT equipment and to the several areas of the bank, reaching 1,000 staffers in person or virtually to inform them of the relevance of this process.

In these meetings, we could also talk about the results and the realities of each zone where our branches are, about the success of the products and services we are providing or receive suggestions, understand the needs of our clients and work teams.



## BF LISTENS TO YOU

Through a virtual platform, we opened up a permanent channel of communication which we call BF LISTENS TO YOU.

Through it, we could receive, assess and award the best suggestions regarding the functionalities of our new system and ideas to keep and increase the satisfaction of our clients. The participation and contribution were awarded with highly valued institutional gifts.



## NEW IT EQUIPMENT FOR THE BRANCH NETWORK

Likewise, our collaborators of the network of branches received more effective new-generation working tools for the management of service and sale to our clients which are also compatible with the new technologies in terms of training and internal communication. This update required a significant investment which generated a positive impact in people as it allowed them to access online communication through several platforms created for that purpose, which strengthened the quality of meetings and accelerated training, selection processes and other work activities, in addition to the increase in efficiency in the service to our clients.

We noticed the huge technological leap that the bank is taking and are sure that our clients will also see themselves benefiting ever more.

We increased the hours devoted to virtual training and development in which we emphasized the uses of the new IT system

### Modalidades de Entrenamiento y Capacitación



## Modalidades de Entrenamiento y Capacitación



**Lista de Actividades acorde a cada Modalidad**

Actividades	Matriculados
RIESGO OPERACIONAL	1000
CONOCIENDO A FAMILIAR SEGUROS	995
DEBIDA DILIGENCIA DE CONOCIMIENTO DEL CLIENTE	995
PISHING	982
WEBINAR SOBRE DDJJ IVA, FACTURAS y CT	360
CAPACITACION PRODUCTOS EKO	247
CAPACITACION SEGUROS PARA VEHICULOS	225
SEGURIDAD DE LA INFORMACION INCORPORADOS	201
CAPACITACION APEX TARJETAS DE CREDITO	195
CURSO DE CAPACITACION FAMILIAR SEGUROS - SEGUROS DE CAUCION	190
BANCA DIGITAL	171
CONOCIENDO A BANCO FAMILIAR	170
SEGURIDAD FISICA INCORPORADOS	170
WEBINAR SOBRE COMERCIO EXTERIOR	167
ACTUALIZACION PLA Y FT	149
CHARLA SOBRE MANEJO DE ESTRES Y EMOCIONES	140
CAPACITACION CAJA - APEX	137
CAPACITACION EN EL CARGO	125
CHARLA EKO	125
FAMILIAR SEGUROS COMERCIAL	116
ACTUALIZACION DE CREDITOS PARA FINANCIACION DE VEHICULOS	114
PORTAL CLIENTES - CUJ01 APEX	113
CAPACITACION SOBRE NEGOCIACION DE DESCUENTOS	87
<b>Total</b>	<b>8610</b>



## INTERNAL OPPORTUNITIES

Changes bring challenges and also opportunities such as the creation of new areas like the Management of

Transformation, 18 new positions mainly in the areas of Technology, Risk and Retail Banking or 36 people promoted internally, giving space to the expansion of knowledge and experience.

## OCCUPATIONAL HEALTH

2021 was the most difficult year of the **Pandemic**, for the country. Therefore, and for the care of our people, from occupational health, we launched an intense prevention campaign with training events led by expert medics as well as awareness campaigns with high levels of vaccination against covid-19,



estimated at 97% of people vaccinated with the first dose and 91% with the second one, helping to avoid having any serious case in our entire team.

We feel motivated and prepared with a leading human group who is proud to have an increasingly important space in the hearts of Paraguayans.





# Financial Statements

# ASSETS

ASSETS	December 31, 2021 - PYG	December 31, 2020 - PYG
<b>CASH AND CASH EQUIVALENTS</b>	<b>1.104.972.130.597</b>	<b>1.151.895.687.614</b>
Cash	176.738.707.329	160.593.122.413
Central Bank of Paraguay (Note C.2)	854.533.229.514	726.914.080.293
Other financial institutions	73.326.782.176	264.057.813.006
Accounts Receivables from accrued financial products (Allowances) (Note C.6)	374.107.183 (695.605)	330.837.027 (165.125)
<b>PUBLIC SECURITIES (Note C.3)</b>	<b>450.210.440.957</b>	<b>536.401.367.262</b>
<b>CURRENT LOANS FROM FINANCIAL INTERMEDIATION – FINANCIAL SECTOR (Note C.5.1)</b>	<b>265.680.422.603</b>	<b>244.989.289.630</b>
Placements	261.498.972.744	240.531.788.602
Accounts Receivable from accrued financial products	4.181.449.859	4.457.501.028
<b>CURRENT LOANS FROM FINANCIAL INTERMEDIATION – NON-FINANCIAL SECTOR (Note C.5.2)</b>	<b>4.047.742.039.251</b>	<b>3.602.028.833.390</b>
Loans	4.149.167.355.566	3.716.123.131.107
Loans – Public Sector	2.224.890.179	2.306.411.078
(Revenue from valuation on hold)	-	(873.293)
Accounts Receivable from accrued financial products (Allowances) (Note C.6)	43.713.478.938 (147.363.685.432)	45.516.696.860 (161.916.532.362)
<b>SUNDRY LOANS (Note C.15)</b>	<b>47.918.498.179</b>	<b>31.214.858.590</b>
<b>PAST-DUE RECEIVABLES FROM FINANCIAL INTERMEDIATION (Note C.5.3)</b>	<b>93.326.759.627</b>	<b>141.982.977.049</b>
Loans	155.001.289.416	209.799.778.383
(Revenue from valuation on hold)	(8.730.474)	(80.722.853)
Accounts Receivable from accrued financial products (Allowances) (Note C.6)	5.339.681.633 (67.005.480.948)	6.797.720.410 (74.533.798.891)
<b>INVESTMENTS (Note C.7)</b>	<b>166.850.873.868</b>	<b>140.806.265.462</b>
Received goods in loan recovery	27.031.806.759	16.604.175.696
Private securities – Rights and shares (Allowances) (Note C.6)	149.026.933.464 (9.207.866.355)	131.745.580.171 (7.543.490.405)
<b>FIXED ASSETS (Note C.8)</b>	<b>25.967.388.557</b>	<b>26.073.031.430</b>
<b>DEFERRED AND INTANGIBLE CHARGES (Note C.9)</b>	<b>18.390.119.307</b>	<b>15.082.991.684</b>
<b>TOTAL ASSETS</b>	<b>6.221.058.672.946</b>	<b>5.890.475.302.111</b>

The accompanying Notes A to L are integral parts of these financial statements.

# LIABILITIES

LIABILITIES	December 31, 2021 - PYG	December 31, 2020 - PYG
<b>DEBTS FROM FINANCIAL INTERMEDIATION – FINANCIAL SECTOR (Note C.13)</b>	<b>809.189.583.707</b>	<b>986.384.611.480</b>
Central Bank of Paraguay – Guarantee Fund	5.060.871.719	4.731.658.091
Deposits - Other financial institutions (Note C.14.d)	212.164.833.241	290.286.018.215
Loans from organizations and financial institutions	580.149.658.365	677.689.419.610
Accounts Payable for accrued financial charges	11.814.220.382	13.677.515.564
<b>DEBTS FROM FINANCIAL INTERMEDIATION – NON-FINANCIAL SECTOR (Note C.13)</b>	<b>4.491.131.474.546</b>	<b>3.994.895.327.521</b>
Deposits – Private Sector	3.730.188.053.167	3.363.622.277.418
Deposits – Public Sector	468.585.149.236	489.748.243.049
Obligations or debentures and Bonds issued in circulation (Note C.17)	251.254.595.700	90.833.333.340
Other Debts from Financial Intermediation	10.262.716.899	17.015.301.020
Accounts Payable for Accrued Financial Charges	30.840.959.544	33.676.172.694
<b>SUNDRY DEBTS</b>	<b>59.865.567.664</b>	<b>49.661.217.749</b>
Fiscal and corporate creditors	6.113.199.482	1.724.405.783
Other sundry debts (Note C.16)	53.752.368.182	47.936.811.966
<b>PROVISIONS</b>	<b>4.784.847.713</b>	<b>9.414.684.763</b>
<b>TOTAL LIABILITIES</b>	<b>5.364.971.473.630</b>	<b>5.040.355.841.513</b>
<b>SHAREHOLDERS' EQUITY (Note D)</b>	<b>856.087.199.316</b>	<b>850.119.460.598</b>
Paid-Up Capital (Note B.5)	360.000.000.000	360.000.000.000
Equity Adjustments	21.124.603.500	21.124.603.500
Legal Reserve	232.740.381.671	214.716.757.033
Retained Earnings	131.011.475.427	164.159.976.873
Earnings from the Fiscal Year	111.210.738.718	90.118.123.192
For Legal Reserve	18.023.624.638	18.023.624.638
Net to be distributed	93.187.114.080	72.094.498.554
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>6.221.058.672.946</b>	<b>5.890.475.302.111</b>

The accompanying Notes A to L are integral parts of these financial statements.

# INCOME STATEMENT

INCOME STATEMENT	December 31, 2021 - PYG	December 31, 2020 - PYG
<b>FINANCIAL INCOME</b>	<b>573.031.620.634</b>	<b>598.368.411.733</b>
From Current Loans from Financial intermediation - Financial Sector	16.929.792.492	21.056.967.086
From Current Loans from Financial intermediation - Non-financial Sector	513.221.482.691	535.154.495.714
From Past-due Receivables from Financial intermediation	13.534.611.006	9.903.087.117
From Revenues and Difference of Prices of Public Securities	25.889.225.724	31.282.914.044
From Assets and liabilities valuation in foreign currency – net (Note G.2)	3.456.508.721	970.947.772
<b>FINANCIAL LOSSES</b>	<b>(147.331.866.940)</b>	<b>(169.687.110.490)</b>
From Debts – Financial sector	(46.128.144.932)	(53.102.078.089)
From Debts – Non-financial Sector	(101.014.018.429)	(114.927.365.090)
Difference of Trading of Public and Private Securities	(189.703.579)	(1.657.667.311)
<b>FINANCIAL RESULT BEFORE ALLOWANCES - INCOME</b>	<b>425.699.753.694</b>	<b>428.681.301.243</b>
<b>ALLOWANCES</b>	<b>(207.700.386.504)</b>	<b>(215.726.643.577)</b>
Establishment of allowances (Note C.6)	(267.172.169.919)	(226.800.507.982)
Cancellation of allowances (Note C.6)	59.471.783.415	11.073.864.405
<b>FINANCIAL RESULT AFTER ALLOWANCES - INCOME</b>	<b>217.999.367.190</b>	<b>212.954.657.666</b>
<b>RESULT FROM SERVICES</b>	<b>116.087.680.053</b>	<b>96.279.531.780</b>
Income from services	124.193.519.062	103.096.733.248
Losses from services	(8.105.839.009)	(6.817.201.468)
<b>GROSS RESULT – INCOME</b>	<b>334.087.047.243</b>	<b>309.234.189.446</b>
<b>OTHER OPERATING INCOME</b>	<b>114.740.477.804</b>	<b>92.360.872.016</b>
Income from exchange operations	26.116.697.958	20.576.879.237
Others	88.623.779.846	71.741.019.490
From Assets and liabilities valuation in foreign currency – net (Note G.2)	-	42.973.289
<b>OTHER OPERATING LOSSES</b>	<b>(331.196.252.958)</b>	<b>(304.774.086.610)</b>
Remunerations to staff and social security charges	(139.382.757.271)	(139.902.556.623)
General expenses (Note H)	(172.433.476.553)	(149.347.531.322)
Depreciations of fixed assets (Note C.8)	(5.647.756.342)	(4.963.036.763)
Amortization of deferred charges (Note C.9)	(4.791.748.989)	(4.920.737.646)
Others	(5.612.389.951)	(5.640.224.256)
From valuation of other assets and liabilities in foreign currency – net (Note G.2)	(3.328.123.852)	-
<b>NET OPERATING RESULT – INCOME</b>	<b>117.631.272.089</b>	<b>96.820.974.852</b>
<b>EXTRAORDINARY RESULTS</b>	<b>3.250.710.201</b>	<b>3.616.332.352</b>
Extraordinary income	3.612.485.160	4.608.616.350
Extraordinary losses	(361.774.959)	(992.283.998)
<b>INCOME FROM THE FISCAL YEAR BEFORE INCOME TAX</b>	<b>120.881.982.290</b>	<b>100.437.307.204</b>
<b>INCOME TAX (Note G.4)</b>	<b>(9.671.243.572)</b>	<b>(10.319.184.012)</b>
<b>NET INCOME FROM THE FISCAL YEAR</b>	<b>111.210.738.718</b>	<b>90.118.123.192</b>
<b>NET INCOME PER SHARE (Note E)</b>	<b>3.174</b>	<b>2.857</b>

The accompanying Notes A to L are integral parts of these financial statements.

# OFF-BALANCE AND CONTINGENT ACCOUNTS

OFF-BALANCE AND CONTINGENT ACCOUNTS	December 31, 2021 - PYG	December 31, 2020 - PYG
Total Contingent Accounts (Note F)	298.607.803.693	346.277.780.545
Total Off-balance accounts (Note F)	3.004.943.765.973	2.644.303.359.796

# CASH FLOW STATEMENT

CASH FLOW STATEMENT	December 31, 2021 - PYG	December 31, 2020 - PYG
<b>FLOW FROM OPERATIONAL ACTIVITIES</b>		
Collected interest and other financial income	653.915.543.624	656.536.476.923
Paid interest and other financial expenses	(106.383.379.753)	(115.744.914.197)
Income from collected services and other sundry income	142.204.378.011	116.856.411.017
Payments to providers and employees and others	(310.338.162.038)	(333.932.042.820)
Income tax payment	(6.940.573.904)	(11.097.511.095)
Net variation of the public and private securities portfolio	86.190.926.305	(171.405.709.814)
Net variation of term placements in other financial entities	(26.307.940.237)	75.982.154.474
Net increase of loans granted to clients of the financial sector and non-financial sectors	(652.847.382.973)	(405.320.431.234)
Net increase of deposits received from clients of the financial sector and non-financial sectors	263.003.721.136	462.323.789.085
Net cash flow from operating activities	42.497.130.171	274.198.222.339
<b>FLOW FROM INVESTMENT ACTIVITIES</b>		
Paying-in in cash in Etica S.A.	-	(4.975.000.000)
Extraordinary net income – dividends of Bancard S.A. and Familiar Seguros S.A.	14.820.655.422	13.061.984.704
Purchase of fixed assets and deferred charges	(17.370.323.541)	(11.982.640.409)
Net cash flow used in investment activities	(2.549.668.119)	(3.895.655.705)
<b>FLUJO DE EFECTIVO DE ACTIVIDADES DE FINANCIACIÓN</b>		
Net variation of loans received from other financial entities	(94.234.968.068)	138.518.515.223
Interest paid over loans received from other financial entities	(45.699.396.069)	(50.099.028.082)
Redemption of shares	(59.782.650.000)	-
Issue of financial bonds	164.812.288.000	-
Payment of financial bonds	(4.391.025.640)	(2.083.333.330)
Payment of dividends	(46.051.553.885)	(49.053.738.252)
Net flow from financial activities	(85.347.305.662)	37.282.415.559
Net increase of cash	(45.399.843.610)	307.584.982.193
Result from the variation of cash and cash equivalents	(1.523.182.927)	27.209.884.406
Variation of allowances over cash	(530.480)	(165.125)
<b>CASH AT THE START OF THE YEAR</b>	<b>1.151.895.687.614</b>	<b>817.100.986.140</b>
<b>CASH AT THE END OF THE YEAR</b>	<b>1.104.972.130.597</b>	<b>1.151.895.687.614</b>

The accompanying notes A-L are integral parts of these financial statements.

# STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Concept	Paid-Up Capital	Equity Adjustments (Revaluation Reserve)	Legal Reserve	Retained Earnings	Result from the Fiscal Year	Total
<b>BALANCE AS OF DECEMBER 31, 2019</b>	<b>330.000.000.000</b>	<b>21.124.603.500</b>	<b>187.697.009.305</b>	<b>135.386.985.961</b>	<b>135.098.738.640</b>	<b>809.307.337.406</b>
- Transfer	-	-	-	135.098.738.640	(135.098.738.640)	-
- Capitalization of results (a)	30.000.000.000	-	-	(30.000.000.000)	-	-
- Establishment of legal reserve (a)	-	-	27.019.747.728	(27.019.747.728)	-	-
- Distribution of dividends in cash (a)	-	-	-	(49.306.000.000)	-	(49.306.000.000)
- Net Income from the Fiscal Year	-	-	-	-	90.118.123.192	90.118.123.192
<b>BALANCE AS OF DECEMBER 31, 2020</b>	<b>360.000.000.000</b>	<b>21.124.603.500</b>	<b>214.716.757.033</b>	<b>164.159.976.873</b>	<b>90.118.123.192</b>	<b>850.119.460.598</b>
- Transfer	-	-	-	90.118.123.192	(90.118.123.192)	-
- Capitalization of results (b)	60.000.000.000	-	-	(60.000.000.000)	-	-
- Establishment of legal reserve (b)	-	-	18.023.624.638	(18.023.624.638)	-	-
- Redemption of preferred shares (c)	(60.000.000.000)	-	-	-	-	(60.000.000.000)
- Distribution of dividends in cash (b)	-	-	-	(45.243.000.000)	-	(45.243.000.000)
- Net Income from the Fiscal Year	-	-	-	-	111.210.738.718	111.210.738.718
<b>BALANCE AS OF DECEMBER 31, 2021</b>	<b>360.000.000.000</b>	<b>21.124.603.500</b>	<b>232.740.381.671</b>	<b>131.011.475.427</b>	<b>111.210.738.718</b>	<b>856.087.199.316</b>

(a) Issue of regular capital approved by the General Meeting of Shareholders held on April 30, 2020 (Minutes No. 49).

(b) Issue of regular capital approved by the General Meeting of Shareholders held on April 26, 2021 (Minutes No. 52).

(c) Redemption of preferred shares approved by the General Meeting of Shareholders held on April 26, 2021 (Minutes No. 53).

The accompanying notes A-L are integral parts of these financial statements.

# TRUSTEE'S REPORT



**Fiorio  
Cardozo  
& Alvarado**  
LAW FIRM

**TRUSTEE'S REPORT CORRESPONDING TO THE FISCAL YEAR THAT ENDED  
ON DECEMBER 31, 2021 OF THE COMPANY BANCO FAMILIAR S.A.E.C.A.**

**TO THE SHAREHOLDERS OF BANCO FAMILIAR S.A.E.C.A., GATHERED IN REGULAR MEETING OF SHAREHOLDERS.**

Dear Messrs.,

In compliance with the mandate given to me as **REGULAR TRUSTEE**, I have supervised the direction and management of Banco Familiar S.A.E.C.A. during the fiscal year of 2021.

In order to verify the internal system of control and the financial statements, and in compliance with the legal obligations for Financial and Publicly-Traded Institutions, the Board hired the services of the independent external audit firm **Ernst & Young Paraguay – Auditors and Business Advisors**.

According to the opinion of the aforementioned auditors dated February 25, 2022, the **BALANCE SHEET and the INCOME STATEMENT** are a reasonable representation, in all significant aspects, of the financial position of Banco Familiar Sociedad Anónima Emisora de Capital Abierto as of December 31, 2021, and the results of its operations from the year that ended on said date, in accordance with regulations of the Central Bank of Paraguay.

In my opinion:

- 1) THE REPORT OF THE BOARD** is a reasonable representation of the relevant facts of the company during the year 2021;
- 2) THE EXTERNAL AUDIT** has been performed in accordance with generally accepted standards in the area;
- 3) THE FINANCIAL STATEMENTS** presented by the Board and verified by external auditors are a reasonable representation of the economic and financial position of the company.

Sincerely,



**Dr. Juan Fiorio**  
Regular Trustee

# AUDITORS' OPINION



Ernst & Young Paraguay - Auditores y  
Asesores de Negocios  
Moat López 9794 esq. Cruz del Chaco  
Edificio Citicenter - 5° Piso  
Asunción, Paraguay

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## INDEPENDENT AUDITORS' OPINION

Messrs.  
President and Members of the Board of  
**BANCO FAMILIAR S.A.E.C.A.**

### Identification of the financial statements subjected to audit

1. We have audited the attached accounting statements of BANCO FAMILIAR SA.E.C.A., that are comprised by the General Balance Sheet as of December 31, 2021 and the corresponding Income Statement, Statement of Changes in Shareholders' Equity and Cash Flow Statement for the fiscal year ended on said date, as well as a summary of important accounting policies and other enclosed explanatory notes.

### Responsibility of the administration for the financial statements

2. The administration of the Bank is responsible for the reasonable preparation and presentation of the accounting statements in accordance with the accounting norms, regulations and instructions issued by the Superintendency of Banks of the Central Bank of the Republic of Paraguay (see Note B.2). This responsibility includes: the design, implementation and sustainability of relevant internal control regarding the reasonable preparation and presentation of the accounting statements to make them free from material misstatement through fraud or error, by selecting and applying appropriate accounting policies and devising reasonable accounting estimations considering the circumstances.

### Responsibility of the auditor

3. Our responsibility is to express an opinion on the financial statements based on our audit. We audit in accordance with independent audit standards established in the "Manual of Norms and Regulations of Independent Audit for Financial Institutions", approved by the Superintendency of Banks in Resolution No. SB.SG. 313/01 dated November 30, 2001 and audit standards in force in the Republic of Paraguay issued by the Council of Public Accountants of Paraguay. These rules require that we comply with ethical principles and plan and perform the audit to obtain reasonable assurance on whether the financial statements are free from material misstatement.

An audit involves the development of procedures to gather audit evidence on the amounts and disclosures in the accounting statements. The selected procedures depend on the judgment of the auditor, including the evaluation of risks of material misstatement in the financial statements through fraud or error. By performing the risk assessment, the auditor considers the relevant internal control in force for the reasonable preparation and presentation of the financial statements by the Institution. This is done in order to design the appropriate audit procedures for the circumstances, but not to express an opinion on the effectiveness of said internal control of the Institution.



### **Building a better working world**

An audit also includes an assessment of the suitability of the adopted accounting policies and the reasonability of the estimations made by the administration, as well as an evaluation on the general presentation of the financial statements. We believe that the evidence we gathered was enough and appropriate for the foundation of our audit opinion.

### **Opinion.**

4. In our opinion, the accounting statements mentioned in the first paragraph are a reasonable representation, on the important issues, of the balance sheet of **BANCO FAMILIAR S.A.E.C.A.** as of December 31, 2021, and its income statement, and the cash flow for the fiscal years ended as of those dates, in accordance with the accounting norms, regulations and instructions of the Superintendency of Banks of the Central Bank of Paraguay.

### **Emphasis on the accounting framework applied**

5. We point out at Note B.2 to the attached financial statements, in which the base used in the preparation of these financial statements and the main differences compared to other accounting frameworks of reasonable presentation is described. This issue does not modify the opinion expressed in paragraph 4, but we expressly say that the statement on the reasonable presentation in our opinion only refers to the application of the accounting framework set in the norms, regulations and instructions of the Superintendency of Banks of the Central Bank of Paraguay.

### **Other issues**

6. The financial statements as of December 31, 2020, which are presented for comparative purposes, were examined by other independent external auditors, who issued on February 26, 2021, a report without objections on said financial statements.

**Asunción, Paraguay**  
**February 25, 2022**

  
**Lic. Antonio F. Brítez Balzarini**  
**Partner**  
**Ernst & Young Paraguay**  
**Auditors and Business Advisors**  
Res. SB.SG. N°. 00393/03  
Professional Registration No. C-92  
Firm Registration No. F-21. Res. No. 056/03  
CNV Registration No. AE 028  
SET Registration No. 247/2020

# RISK RATING



## Banco Familiar S.A.E.C.A.

### Profile

Banco Familiar S.A.E.C.A. (Familiar) is a commercial bank with local capital, owned by 12 families (102 shareholders). It is a medium company of the financial system that historically has been specialized in serving retail banking.

### Relevant factors of the rating

**Good capitalization.** Familiar has historically preserved a good position of capitals, based on its business model, sustained by its consistent generation of results which allowed it to feed the expansion of its business. FIX estimates as likely that in the long term, the capitalization of the institution will converge at levels close to those seen for the average of the banking system, as the strategy of the Bank for the diversification of its client segments materializes, its business scale increases, and the compression of spreads consolidates.

**Adequate profitability.** The profitability of Familiar is based on the sustained and good intermediation margin, a product of its business model which is mostly oriented to retail banking and its capacity to generate income from its wide base of clients. The Bank has margins for improvement in its operating efficiency and the diversification of its client segment, central aspects of its current strategy.

In 2021, the operating result of Familiar recorded a strong recovery (+40% interannually) thanks to the lower impact due to allowances, the improvement in the generation of income from services and exchange operations, although it has a margin for improvement in its performance. FIX forecasts that the context will remain challenging for the financial institutions considering the impact of the drought and the negative effect on international trade of the war conflict between Russia and Ukraine. However, the Risk Rating Company assesses that Familiar should continue its process of recovery of profitability thanks to the growth of demand of loans and the exploitation of income of operating efficiencies.

**Quality of assets according to the business model.** The credit risk of Familiar is adjusted to its client segments and the risk appetite of the Bank. As of December 2021, the past-due portfolio represented 3.7% of the gross loans (private banks: 2%). The defaulting of the portfolio is mainly a response to the retail portfolio (8.3%) with heavier weight over the financing portfolio, which is in part offset by the lower risk of credit of middle market (2.4%) and corporate segments (0.3%). Likewise, the quality of assets of the institution recorded, like the average of the sector, a sustained improvement and recovery which was also reflected in the lower proportion of past-due, renewed portfolio, with refinancing or restructuring, under COVID measures and affected by temporary measures with respect to the total of financing (24% as of December 2024 v. 32% as of December 2020). Fix estimates that the defaulting of the banks cuts part of the improvement achieved in the year, although it is expected that it will remain in healthy levels.

**Adequate risk of liquidity.** Familiar manages the risk of liquidity prudently with adequate limits of coverage of liquidity that minimize the costs linked to a potential exit of deposits. During 2021, the coverage of liquid assets was preserved above 30% of the placements both in local and foreign currency.

**Adequate funding structure.** The main source of resources comes from deposits of the non-financial private sector (67.5% of assets), which is supplemented by the own capital (13.7% of assets), credit facilities with local and foreign financial institutions (13%) and issues of bonds in the capital market (4%). The funding of deposits is largely in local currency (71%), with a good mix of demand deposits (65%) and compensations (35%) which provide a constrained cost of funding and a moderate concentration per creditor (22% in the first ten depositors).

Financial Institutions  
Banks  
Paraguay

### Integral Report

### Ratings

Long-term national rating A+py

Trend Stable

### Financial Summary

Banco Familiar S.A.E.C.A.		
Billions of	31/12/21	31/12/20
Guaranties (PYG)	903	853
Assets (Millions of USD)*	6,221	5,890
Assets (Guaranties)	856	850
Shareholders' Equity (PYG)	111	90
Net Income (PYG)	1,9	1,6
ROA (%)	13,3	10,9
ROE (%)	13,8	14,4
Shareholders' Equity/Assets	13,8	14,4

\*Exchange Rate of the Central Bank of Paraguay, December 2021: 6,885 and December 2020: 6,900.

### Related Criteria

Manual of Procedures of Rating of Financial Institutions, March 2020, Registered before the CNV Paraguay.

### Analysts

Main Analyst  
Dario Logiodice  
Director  
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Secondary Analyst  
Maria Luisa Duarte  
Director  
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Senior Director  
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(35%) which provide a constrained cost of funding and a moderate concentration per creditor (22% in the first ten depositors).

### Sensitivity of the rating

**Business scale, diversification of clients and funding and efficiency.** A success in the execution of the change of strategy of the institution leading to increase its scale of business in the system, as well as more diversification of its segments of clients and sources of funding and the improvement of the operating efficiency that allows to consolidate its performance facing the strong competition in the sector may lead to a review on the rise of the rating of the institution.

**Deterioration of the performance impacting its solvency as well as limitation to fund growth.** A marked or sustained deterioration in its performance affecting its solvency negatively, as well as limitations to fund the expansion of operations may lead to reduce the ratings.

# NOTES TO THE FINANCIAL STATEMENTS CORRESPONDING TO THE YEAR ENDED ON DECEMBER 31, 2021

PRESENTED COMPARATIVELY WITH THE PREVIOUS YEAR (DESIGNATED IN GUARANIES)

## A. CONSIDERATION BY THE MEETING OF SHAREHOLDERS

These financial statements of Banco Familiar Sociedad Anónima Emisora de Capital Abierto (hereinafter referred to as "Banco Familiar SAECA" or "the Institution") will be studied by the next Regular General Meeting of Shareholders to be held in 2022, within the term established by Article 32 of the Articles of Association and in accordance with provisions of the Paraguayan Civil Code.

The financial statements corresponding to the fiscal year of 2020 were approved by the Regular General Meeting of Shareholders held on April 26, 2021, according to Minutes of the Meeting No. 52.

## B. BASIC INFORMATION ON THE FINANCIAL INSTITUTION

### b.1 Legal Nature

The Institution was established as a Corporation on January 21, 1992. Presidential Decree No. 13239 dated April 14, 1992 recognized its legal personality and approved its Articles of Association. It began operations on July 1, 1992, performing activities allowed for financial institutions in accordance with Paraguayan law and provisions set out in regulations by the Central Bank of Paraguay.

The Articles of Association were amended on December 15, 1995 for the Institution to become a publicly traded company, and again on July 17, 2008 to become a bank. On November 17, 2008, Board Resolution No. 2, Minutes No. 95 of the Central Bank of Paraguay approved the conversion of Financiera Familiar S.A.E.C.A. into

a Bank and granted the license to operate as Banco Familiar Sociedad Anónima Emisora de Capital Abierto, which began operations under that name on January 1, 2009.

The Institution performs all the operations that are allowed to commercial banks in accordance with Paraguayan laws and provisions set out by the Central Bank of Paraguay and the Superintendency of Banks.

On December 20, 2011, Banco Familiar S.A.E.C.A. acquired 100% of the shares of Bríos S.A. de Finanzas, widening its commercial activities. On May 2, 2012, the merger by absorption of this Company was done.

Resolution SS.SG No. 053/14 dated September 1, 2014, issued by the Superintendency of Insurance, registered Banco Familiar S.A.E.C.A. in the Registry to operate as an insurance broker, under license No. 062. On November 12, 2019, upon request of the Institution, according to Resolution SS.SG No. 230/19, it revoked the registration on the registry of insurance ancillaries as the company FAMILIAR SEGUROS S.A. was fully operational, so the authorization to act as Insurance Broker was withdrawn. As of the date of issue of these financial statements, the Institution maintains a permanent participation in one insurance company – see note b.4.

As of December 31, 2021 and 2020, the Institution had forty-seven customer service offices in Paraguay.

### b.2 Basis for the preparation of the financial statements

These financial statements have been prepared in accordance with the accounting

standards, regulations and instructions set out by the Central Bank of Paraguay and the Superintendency of Banks, which is why some issues not regulated by the Central Bank of Paraguay in terms of presentation and disclosure are not included. However, they are usually required in other accounting frameworks prepared by organizations considered relevant in the processes of issue of standards for the preparation of financial statements with general purposes. The accounting standards, regulations and provisions set out by the Central Bank of Paraguay and the Superintendency of Banks differ from those accounting frameworks, mostly in the following aspects:

- a) Adjustments to results of previous years are recorded as results of the year without directly affecting shareholders' equity accounts of the Institution,
- b) The accounting record of assets or liabilities due to deferred taxes is not foreseen,
- c) Specific criteria are set for the classification and valuation of the credit portfolio, the accrual and suspension of interests and gains from valuation, as mentioned in note C.5,
- d) Institutions must set allowances for the portfolio of loans, contingent risks and assets in general based on the parameters set in Resolution No. 1, Minutes 60 of the Board of the Central Bank of Paraguay dated September 28, 2007 and its amendments,
- e) There is no requirement to disclose the average interest rates nor the average of assets and liabilities that have accrued interests,
- f) There is no requirement for the calculation nor revelation of profit per share,
- g) There is no requirement for the disclosure of the base to identify the general risks of the banking industry and the accounting treatment of said risks,
- h) They allow accounting treatments for special situations in specific cases expressly approved by the Superintendency of Banks, as mentioned in note C.5.

The balances included in the financial statements have been prepared based on historical costs, except for foreign currency accounts and fixed assets, as explained in items C.1) and C.8) of note C), and they do not recognize the effects of inflation in the balance sheet of the Institution nor in the income statement and cash flow as a full currency correction is not a generally accepted accounting practice in Paraguay. According to the Consumer Price Index (CPI) published by the Central Bank of Paraguay, the cumulative inflation as of December 31, 2021 and 2020 was 6.8% and 2.2%, respectively.

The preparation of these financial statements requires the Board and the Management of the Institution to perform some estimations and assumptions that affect the balances of assets and liabilities, the exposure of contingencies and the acknowledgement of income and expenses. The assets and liabilities are acknowledged in the financial statements when it is likely that future economic benefits flow from or to the Institution and that the accounts have a cost or value that can be reliably assessed.

If, in the future, these estimations and assumptions, which are based on the best judgment of the Board and the Management as of the date of these financial statements, were to be modified regarding the current circumstances, the original estimations and assumptions will be adequately changed in the date of said changes. The main estimations related to the financial statements are referred to allowances on assets and doubtful loan risks, depreciations of fixed assets, amortization of deferred charges and intangible assets, allowances for lawsuits against the Institution and allowances to cover other contingencies.

#### **(i) Comparative information:**

The financial statements as of December 31, 2021 and the complementary information related to them, are presented in a comparative manner with the corresponding statements and complementary information corresponding to the fiscal year that ended on December 31, 2020.

### b.3 . Branches abroad

As of December 31, 2021 and 2020, the Institution does not have branches abroad.

### b.4 Participation in other companies

As of December 31, 2021, the Institution keeps a participation in the share capital of Bancard S.A. Familiar Seguros S.A. and Etica S.A. (successor company of Tracem S.A.).

Familiar Seguros S.A. has received the authorization to operate on March 14, 2019 according to Resolution SS.SG No. 046/2019 and has formally started its operations on April 22, 2019.

The shares are valued at acquisition cost (see note c.7). The data on said Companies is as follows:

As of December 31, 2021				
Company	Share Capital	Face Value Guaranies	Accounting value Guaranies	% of participation
Bancard S.A.	135.450.000.000	9.675.000.000	9.675.000.000	7,14%
Familiar Seguros S.A.	26.938.000.000	26.803.310.000	26.803.310.000	99,50%
Ética S.A.	5.000.000.000	4.975.000.000	4.975.000.000	99,50%
<b>Totales</b>	<b>167.388.000.000</b>	<b>41.453.310.000</b>	<b>41.453.310.000</b>	

Al 31 de diciembre de 2020				
Company	Share Capital	Face Value Guaranies	Accounting value Guaranies	% of participation
Bancard S.A.	135.450.000.000	9.675.000.000	9.675.000.000	7,14%
Familiar Seguros S.A.	17.000.000.000	16.915.000.000	16.915.000.000	99,50%
Etica S.A.	5.000.000.000	4.975.000.000	4.975.000.000	99,50%
<b>Totales</b>	<b>157.450.000.000</b>	<b>31.565.000.000</b>	<b>31.565.000.000</b>	

### b.5 Composition of the capital and characteristics of the shares

The composition of the paid-up capital per types of shares as of December 31, 2021 and 2020, is as follows:

Subscribed and paid-up shares as of December 31, 2021				
Type of Shares	No. of votes per share	Value per share	Number	Total
Ordinary Registered Class "A" Shares	5 (cinco)	10.000	36.000.000	360.000.000.000
Preferred Registered Class "A" Shares (*)	Sin voto	10.000	-	-
Preferred Registered Class "B" Shares (*)	Sin voto	10.000	-	-
<b>Totales</b>			<b>36.000.000</b>	<b>360.000.000.000</b>

Subscribed and paid-up shares as of December 31, 2020				
Type of Shares	No. of votes per share	Value per share	Number	Total
Ordinary Registered Class "A" Shares	5 (cinco)	10.000	30.000.000	300.000.000.000
Preferred Registered Class "A" Shares (*)	Sin voto	10.000	3.000.000	30.000.000.000
Preferred Registered Class "B" Shares (*)	Sin voto	10.000	3.000.000	30.000.000.000
<b>Totales</b>			<b>36.000.000</b>	<b>360.000.000.000</b>

As explained in note d.2, the level of capital paid-in as of the date of the closure of financial statements, is above the minimum capital required by the Central Bank of Paraguay for banks.

(\*) On December 3, 2020, the Special General Meeting of Shareholders, as seen in Minutes No. 51, decided to start the process of recovery of all preferred shares of Class "A" and Class "B",

approved by the Regular General Meetings held on April 22, 2010 and March 7, 2011, respectively, as part of a plan of strengthening of the financial solvency of the Institution. On said occasion, it was approved to pay holders for the registered value of shares, for a total of PYG 60,000 million (PYG 30,000 million for each class), following that with the annulment of shares redeemed and a reduction of the share capital for the same amount, as stated in article 1072 of the Paraguayan Civil Code. Said redemption is projected for May 20, 2021, subject to the authorization of the Central Bank of Paraguay.

On December 11, 2020, the Central Bank of Paraguay and the Superintendency of Banks were sent the application to comply with Resolution No. 2, Minutes No. 3, dated January 31, 2012, and on March 25, 2021, the Board of the Central Bank of Paraguay authorized the redemption of the preferred shares, according to Resolution No. 4, Minutes No. 17.

On May 20, 2021, the redemption and annulment of Preferred Shares of Classes "A" and "B" occurred as defined in the Special General Meetings of Shareholders as stated in Minutes No. 51 dated December 3, 2020 and Minutes No. 53 dated April 26, 2021.

## b.6 Composition of shares according to circular SB.SG. No. 00224/2018

Shareholding as of December 31, 2021 and 2020, was as follows:

Shareholder	Percentage of participation in votes		Nationality or country of incorporation
	2021	2020	
Alberto Enrique Acosta Garbarino	3,63%	3,63%	Paraguayan
Alejandro Daniel Laufer Beissinger	3,17%	1,50%	Paraguayan
Alexis Manuel Emiliano Frutos Ruíz	0,51%	0,51%	Paraguayan
Alfredo Rodolfo Steinmann Rosenbaum	4,50%	6,17%	Paraguayan
Ana Elizabeth Fadlala de Del Valle	1,16%	1,16%	Paraguayan
Celia Ismajovicz de Steinmann	1,50%	1,50%	Paraguayan
César Amado Barreto Otazú	1,24%	1,24%	Paraguayan
Chulamit Estrella Cohenca de Arditi	0,27%	0,27%	Paraguayan
Diana Fadlala Rezk	1,34%	1,34%	Paraguayan
Fabián Ari Laufer Beissinger	1,01%	1,01%	Paraguayan
Fundadores S.A.	0,14%	0,14%	Paraguayan
Gabriel Laufer Beissinger	1,08%	1,08%	Paraguayan
Graciela Fadlala Rezk	1,34%	1,34%	Paraguayan
Grisel Ma. Aurora Camperchioli de Obelar	4,40%	4,40%	Paraguayan
Gudrun Margrete Wismann de Fadlala	-	2,29%	Paraguayan
Héctor Fadlala Wismann	2,29%	2,29%	Paraguayan
Hilton Giardina Varela	0,90%	0,90%	Paraguayan
Hugo Fernando Camperchioli Chamorro	4,40%	4,40%	Paraguayan
Irene Steinmann de Arditi	2,55%	2,55%	Paraguayan
Jaime Laufer	1,61%	1,61%	Argentine
Jorge Rodolfo Camperchioli Chamorro	4,40%	4,40%	Paraguayan
Lucía Aurora Chamorro de Camperchioli	4,40%	4,40%	Paraguayan
María Del Pilar Frutos de Elizeche	0,51%	0,51%	Paraguayan
Pedro Beissinger Baum	3,98%	3,98%	Paraguayan
Raul Erik Fadlala Wismann	2,29%	-	Paraguayan
Rossana Ma. Beatriz Camperchioli Chamorro	4,40%	4,40%	Paraguayan
Samuel Arditi Palombo	5,60%	5,60%	Paraguayan
Silvia María Alicia Camperchioli de Martin	4,40%	4,40%	Paraguayan
Sonia Fadlala de Gallagher	1,34%	1,34%	Paraguayan
Víctor Fadlala Rezk	1,34%	1,34%	Paraguayan
Wilma Patricia Frutos Ruíz	0,51%	0,51%	Paraguayan
Wylma Inés Ruíz Vda. De Frutos	5,44%	5,44%	Paraguayan
Otros	24,35%	24,35%	
<b>Total</b>	<b>100,00%</b>	<b>100,00%</b>	

## b.7 List of Directors of the Board and Executives

As of December 31, 2021, the List of Directors of the Board and Upper Management is as follows

Board	
President	Alberto Enrique Acosta Garbarino
First Vice-President	Alejandro Laufer Beissinger
Second Vice-President	Jorge Rodolfo Camperchioli Chamorro
Regular Directors	Pedro Beissinger Baum
	César Amado Barreto Otazú
	Hilton Giardina Varela
Alternate Directors	Gloria Alice Ortega Wiszovaty
	Roberto Daniel Amigo Marcet
	Silvia María Alicia Camperchioli de Martín
Regular Trustee	Héctor Fadlala Wismann
	Juan B. Fiorio
Alternate Trustee	Diana Fadlala Rezk

Upper management	
General Manager	Hilton Giardina Varela
Commercial Manager	Arsenio Vasconsellos Spezzini
Financial Manager	Diego Balanovsky Balbuena
Risks Manager	Carlos Mora Garay
Branches Manager	Graciela Arias Ríos
Corporate Banking Manager	Nery Aguirre Valiente
Consumption and Digital Banking Manager	Fabio Najmanovich Campo
Marketing and Product Development Manager	Lujan del Castillo Cordero
Administrative Manager	Gladys Velázquez Franco
Operations Manager	Sandra Hirschfeld Spicker
Technology Manager	Nancy Benet de Quintana
People and Organizational Development Manager	Mabel Gómez de la Fuente
Internal Audit Manager	Viviana González Amarilla
Compliance Manager	Oscar Daniel Fernández

As of December 31, 2020, the List of Directors of the Board and Upper Management was as follows:

Directorio	
President	Alberto Enrique Acosta Garbarino
First Vice-President	Hugo Fernando Camperchioli Chamorro
Second Vice-President	Alejandro Laufer Beissinger
Regular Directors	Alfredo Rodolfo Steinmann Rosenbaum
	Pedro Beissinger Baum
	Jorge Rodolfo Camperchioli Chamorro
	César Amado Barreto Otazú
Alternate Directors	Roberto Daniel Amigo Marcet
	Silvia María Alicia Camperchioli de Martín
	Héctor Fadlala Wismann
Regular Trustee	Juan B. Fiorio
Alternate Trustee	Diana Fadlala Rezk

Upper management	
General Manager	Hilton Giardina Varela
Commercial Manager	Arsenio Vasconsellos Spezzini
Financial Manager	Diego Balanovsky Balbuena
Risks Manager	Wilson Castro Burgos
Branches Manager	Graciela Arias Ríos
Corporate Banking Manager	Nery Aguirre Valiente
Consumption and Digital Banking Manager	Fabio Najmanovich Campo
Marketing and Product Development Manager	Luján del Castillo Cordero
Administrative Manager	Gladys Velázquez Franco
Operations Manager	Sandra Hirschfeld Spicker
Technology Manager	Nancy Benet de Quintana
People and Organizational Development Manager	Mabel Gómez de la Fuente
Internal Audit Manager	Venancio Paredes Alarcón
Compliance Manager	Oscar Daniel Fernández

## C. INFORMATION RELATED TO THE MAIN ASSETS AND LIABILITIES

### c.1 . Valuation of foreign currency and exchange position

The assets and liabilities in foreign currency are valued at the exchange rate as of the end of the fiscal years of 2021 and 2020, as reported by the Exchange Desk of the Department of International Operations of the Central Bank of Paraguay, which do not differ significantly from those in the free exchange market:

Currency	December 31, 2021 (*)	December 31, 2020 (*)
U.S. Dollar	6.885,79	6.900,11
Euro	7.805,73	8.476,10
Argentine Peso	67,01	82,00
Real	1.230,53	1.329,83

(\*) Guaranies per unit of foreign currency

The differences in exchange from fluctuations in exchange rates, between the dates of execution of operations and their liquidations and valuation as of the end of the fiscal year, are presented in the results of each fiscal year with the exceptions made in note g1. The position of changes as of December 31, 2021 and 2020 is as follows:

Description	December 31, 2021		December 31, 2020	
	Dollars	Guaranies	Dollars	Guaranies
Total Assets in foreign currency	210.387.597,37	1.448.676.083.710	208.846.818,59	1.440.984.425.305
Total Liabilities in foreign currency	(211.767.178,61)	(1.458.184.320.801)	(209.878.104,66)	(1.448.182.008.747)
<b>Net Position in foreign currency</b>	<b>(1.379.581,24)</b>	<b>(9.508.237.091)</b>	<b>(1.031.286,07)</b>	<b>(7.197.583.442)</b>

As of December, 2021 and 2020, the net position in foreign currency did not exceed the position limit established by the Central Bank of Paraguay according to regulations in force.

## c.2 Deposits in the Central Bank of Paraguay

The deposits in the Central Bank of Paraguay as of December 31, 2021 and 2020, are as follows:

Description	December 31, 2021		December 31, 2020	
	Foreign Currency	Local Currency	Foreign Currency	Local Currency
Required reserve – PYG	-	345.657.121.570	-	312.184.069.367
Required reserve – USD	29.936.647,70	206.137.469.366	21.240.580,87	146.562.344.467
Special reserve Resolution 1/131	-	458.951.015	-	434.161.498
Required reserve – Early redemption USD	-	-	16.800,00	115.921.848
<b>Sub-total (*)</b>	<b>29.936.647,70</b>	<b>552.253.541.951</b>	<b>21.257.380,87</b>	<b>459.296.497.180</b>
Current account – PYG	-	14.180.908.275	-	2.140.367.097
Current account – USD	29.308.561,78	201.812.601.619	32.125.397,92	221.668.779.442
<b>Sub-total</b>	<b>29.308.561,78</b>	<b>215.993.509.894</b>	<b>32.125.397,92</b>	<b>223.809.146.539</b>
Deposits for Monetary Operations	-	86.286.177.669	-	43.808.436.574
<b>Sub-total</b>	<b>-</b>	<b>86.286.177.669</b>	<b>-</b>	<b>43.808.436.574</b>
<b>TOTAL</b>	<b>59.245.209,48</b>	<b>854.533.229.514</b>	<b>53.382.778,79</b>	<b>726.914.080.293</b>

(\*) See also section a) of note C.11.a.

## c.3 Public securities

Public securities acquired by the Institution are valued at their cost value plus accrued revenue to be collected at the end of every period. It should be noted that the Management's intention is to keep the securities until their maturity. The Board and the Management of the Institution estimate that the calculated amount does not exceed its likely value of execution.

The securities in the portfolio as of December 31, 2021 and 2020 are composed as follows:

Unlisted public securities issued	December 31, 2021		December 31, 2020	
	Face Value	Current Value and Interests	Face Value	Current Value and Interests
Treasury Bonds (*)	46.000.000.000	46.752.069.487	31.000.000.000	31.272.925.790
Letters of Monetary Regulation (**)	410.000.000.000	403.458.371.470	516.430.000.000	505.128.441.472
<b>Total</b>	<b>456.000.000.000</b>	<b>450.210.440.957</b>	<b>547.430.000.000</b>	<b>536.401.367.262</b>

(\*) As of December 31, 2021, it includes Treasury Bonds with restricted availability, kept in the Central Bank of Paraguay, guaranteeing the operations made through SIPAP (Paraguayan Payment System) for the amount of PYG 46,000,000,000.

(\*\*) Including letters of monetary regulation with restricted availability, kept in the Central Bank of Paraguay, which guarantee operations made through the SIPAP for the value of PYG 290,000,000,000 and PYG 155,000,000,000 as of December 31, 2021 and 2020, respectively.

The schedule for maturity of public securities in the portfolio as of December 31, 2021 and 2020 is as follows:

Current Value of Capital and Interests		
Period	December 31, 2021	December 31, 2020
2021	-	354.598.587.854
2022	376.125.508.393	155.581.096.721
2023	27.332.863.077	-
2025	13.534.491.696	13.534.491.696
2028	12.687.190.991	12.687.190.991
2036	20.530.386.800	-
<b>Total</b>	<b>450.210.440.957</b>	<b>536.401.367.262</b>

#### c.4 Assets and liabilities with adjustment clause

As of December 31, 2021 and 2020, there are no assets nor liabilities with capital adjustment clause. The loans from Financial Agency for Development [*Agencia Financiera de Desarrollo (AFD)*], Oikocredit, International Finance Corporation (IFC), financial bonds issued and certain loans granted (with funds from the AFD and with funds from financial bonds issued) include contractual clauses of eventual adjustments of annual interest rates. As of December 31, 2020, the full amount of the loan obtained from the institution Oikocredit has been repaid.

#### c.5 Loan portfolio

Loan risk is controlled by the Management of the Institution, mainly through the evaluation and analysis of individual transactions, for which certain aspects clearly defined in the loan policies of the Institution are considered, such as: proven ability to pay and indebtedness of the debtor, loan concentration of economic groups, individual limits to grant loans, evaluation of economic sectors, calculable guarantees and the requirement of a working capital, in accordance with market risks.

The loan portfolio has been valued at face value plus accrued interest, net of allowances, which have been calculated in accordance with Resolution No. 1, Minutes No. 60 of the Board of the Central Bank of Paraguay dated September 28, 2007 and its subsequent amendments, for which:

- a) Debtors are classified in the following groups: (i) big debtors; (ii) medium and small debtors; (iii) personal –consumer and housing– debtors; and (iv) microcredits;
- b) Debtors have been classified in six risk categories based on the evaluation and rating of the ability to pay of a debtor or a group of debtors composed of related people, in respect to its total debts. Since January 2012, an amendment of Resolution 1/2007 from the Central Bank of Paraguay requires the first category (category 1) to be sub-classified in three sub-categories for the purposes of the calculation of allowances.

- c) Accrued interests from current loans classified in the lower-risk categories "1" and "2" have been assigned to revenues in their whole. Non-collected accrued interests as of the date of end of the period from past-due loans and/or current loans classified in categories higher than "2" have been considered income until their default, have been fully provisioned.
- d) Earnings from valuation and non-collected accrued interests from debtors with past-due loans and/or current loans classified in categories "3", "4", "5" and "6" are kept on hold and are recognized as earning at the moment of collection.
- e) Specific necessary allowances have been established to cover eventual losses that may arise from the non-recovery of the portfolio, following the methodology included in the aforementioned Resolution 1/2007, considering its amendments and complementary rules.
- f) As of December 31, 2021 and 2020, the Institution keeps generic allowances on its loan risks portfolio, distributed as follows:
- Generic allowances on the loan portfolio, net of specific allowances according to requirements set by the aforementioned Resolution No. 1/2007;
  - Generic allowances for the portfolio of the Retail Banking based on an internal model, authorized and demanded by the Superintendency of Banks on January 12, 2017, and;
  - Additionally, voluntary generic allowances have been set according to provisions of the Board of the Institution
- g) Bad loans that are discharged from the assets, in the conditions established in the applicable regulation of the Central Bank of Paraguay in the subject, are registered and exposed as off-balance accounts.

In addition to the criteria mentioned above, the Institution has considered performing certain operations and reprogramming of clients under exceptional measures of support to sectors affected economically by the spread of coronavirus (COVID-19), according to the conditions set by Resolution No. 4, Minutes No. 18 dated March 18, 2020 of the Board of the Central Bank of Paraguay. The amounts are stated as "Exceptional measures of support issued by the Central Bank of Paraguay – Reprogramming" in note C.5.2.

The mentioned resolution states that the risk of spread of COVID-19 had a predictable adverse economic impact in commercial, financial, industrial and productive activities of the country, especially for Micro, Small and Medium Enterprises and also individuals. After the stoppage of all productive activities, the bank opted for a scheme of reprogramming of installments until August 2020, taking them to the end of the loans for benefited clients.

In 2021, there have also been operations made under the criteria set in Resolution No. 1, Minutes No. 17 dated March 25, 2021.

Banco Familiar did not take the benefit stated in the Resolutions issued by the Central Bank of Paraguay related to Exceptional Measures, as for the deferral of the charges generated by the allowances calculated over the balance of the portfolio benefited up to sixty (60) months. The Bank has registered as a result the full impact of said allowances in the years 2020 and 2021, according to the moment of disbursement.

### c.5.1 Current loans to the financial sector

This item includes short-term placements in local financial institutions in national and foreign currency, as well as short-term loans granted to local financial institutions and cooperatives.

Current loans to the financial sector as of December 31, 2021 and 2020 are as follows:

According to the type of product:

Accounts	December 31, 2021	December 31, 2020
Fixed-term loans	73.533.955.213	80.537.379.921
Amortizable loans	118.798.680.611	117.255.247.844
Placements in Financial Institutions	73.347.786.779	47.196.661.865
<b>Total</b>	<b>265.680.422.603</b>	<b>244.989.289.630</b>

According to the risk category:

As of December 31, 2021

Risk category	Accounting balance before allowances	Guarantees for allowances	Allowances		Accounting balance after allowances
			Minimum %	Established	
Category 1	265.680.422.603	-	-	0	265.680.422.603
<b>Total</b>	<b>265.680.422.603</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>265.680.422.603</b>

As of December 31, 2020

Risk category	Accounting balance before allowances	Guarantees for allowances	Allowances		Accounting balance after allowances
			Minimum %	Established	
Category 1	244.989.289.630	-	-	-	244.989.289.630
<b>Total</b>	<b>244.989.289.630</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>244.989.289.630</b>

### c.5.2 Current loans to the non-financial sector

Current loans to the non-financial sector as of December 31, 2021 and 2020 are as follows:

According to the type of product:

Accounts	December 31, 2021	December 31, 2020
Non-adjustable fixed-term loans	522.880.859.888	465.596.079.973
Non-adjustable amortizable loans	2.819.176.865.727	2.461.431.297.047
Credits used in Checking Account – Overdraft	18.095.545.475	7.026.229.320
Purchase of portfolio	10.252.734.575	-
Public sector loans	2.224.890.179	-
Debtors from use of Credit Cards	174.987.121.765	160.462.521.322
Discounted deferred checks	121.016.675.048	60.262.819.524
Loans with administered resources – Agencia Financiera de Desarrollo (AFD)	375.526.591.997	273.712.294.658
Housing loans with funds of the Social Security Institution (IPS)	33.897.492.921	23.043.139.000
Discounted documents	-	26.990.494
Exceptional Measures of Support issued by the Central Bank of Paraguay – Reprogramming	73.333.468.170	266.868.170.847
Debtors from accrued financial products	43.713.478.938	45.516.696.860
Income from valuation on hold	-	(873.293)
Allowances	(147.363.685.432)	(161.916.532.362)
<b>Total</b>	<b>4.047.742.039.251</b>	<b>3.602.028.833.390</b>

According to the risk category:

As of December 31, 2021

Risk Category	Accounting balance before allowances (a)	Guarantees for allowances	Allowances		Accounting balance after allowances
			Minimum % (b)	Constituidas	
Category 1	3.624.188.222.836	520.019.649.077	-	(71.477.809)	3.624.116.745.027
Category 1a	422.893.713.891	74.830.012.037	0,5	(1.379.033.446)	421.514.680.445
Category 1b	98.099.947.737	16.362.827.166	1,5	(1.056.405.702)	97.043.542.035
Category 2	28.179.908.185	-	5	(1.146.138.138)	27.033.770.047
Category 3	11.093.420.356	-	25	(2.505.899.903)	8.587.520.453
Category 4	8.866.430.409	-	50	(4.144.572.274)	4.721.858.135
Category 5	1.625.921.321	-	75	(1.217.392.469)	408.528.852
Category 6	158.159.948	-	100	(158.159.948)	-
Generic allowances (c)	-	-	-	(135.684.605.743)	(135.684.605.743)
<b>Total</b>	<b>4.195.105.724.683</b>	<b>611.212.488.280</b>		<b>(147.363.685.432)</b>	<b>4.047.742.039.251</b>

As of December 31, 2020

Risk Category	Accounting balance before allowances (a)	Guarantees for allowances	Allowances		Accounting balance after allowances
			Minimum % (b)	Established	
Category 1	3.254.517.736.121	466.445.313.372	-	(407.566.023)	3.254.110.170.098
Category 1a	347.047.868.490	50.804.040.121	0,5	(1.025.680.621)	346.022.187.869
Category 1b	112.518.511.321	22.985.542.488	1,5	(1.156.911.687)	111.361.599.634
Category 2	32.284.473.048	-	5	(1.419.390.205)	30.865.082.843
Category 3	6.803.912.152	-	25	(1.661.114.663)	5.142.797.489
Category 4	9.434.130.824	-	50	(3.806.789.681)	5.627.341.143
Category 5	1.265.399.096	-	75	(950.697.646)	314.701.450
Category 6	73.334.700	-	100	(73.334.700)	-
Generic allowances (c)				(151.415.047.136)	(151.415.047.136)
<b>Total</b>	<b>3.763.945.365.752</b>	<b>540.234.895.981</b>		<b>(161.916.532.362)</b>	<b>3.602.028.833.390</b>

(a) Including capital and interest (net of revenue from valuation on hold).

(b) For debtors without calculable guarantees, the percentage is applied on the total risk (cash debt plus contingent debt). For other debtors, the allowance is calculated in two ways, including the guarantees only for the second segment.

(c) This amount includes generic allowances in accordance with requirements of Resolution No. 1, Act No. 60 dated September 28, 2007, generic allowances for internal models for the portfolio of Retail Banking and additional generic allowances defined by the Board of the Institution.

### c.5.3 Past-due loans to the financial and non-financial sectors

Past-due loans to the financial and non-financial sectors as of December 31, 2021 and 2020 are as follows:

As of December 31, 2021

Risk Category	Accounting balance before allowances (a)	Guarantees for allowances	Allowances		Accounting balance after allowances
			Minimum % (b)	Established	
Category 1	758.581.172	-	-	(76.748.938)	681.832.234
Category 1a	135.493.743	-	0,5	(37.149.781)	98.343.962
Category 1b	1.547.948.075	-	1,5	(48.693.580)	1.499.254.495
Category 2	38.293.562.721	11.314.167.061	5	(3.364.858.654)	34.928.704.067
Category 3	45.914.811.504	3.561.193.255	25	(12.505.838.982)	33.408.972.522
Category 4	22.147.542.701	1.681.605.685	50	(11.232.063.176)	10.915.479.525
Category 5	42.553.850.564	612.844.003	75	(31.975.375.690)	10.578.474.874
Category 6	8.980.450.095	1.874.445.569	100	(7.764.752.147)	1.215.697.948
<b>Total</b>	<b>160.332.240.575</b>	<b>19.044.255.573</b>		<b>(67.005.480.948)</b>	<b>93.326.759.627</b>

As of December 31, 2020

Risk Category	Accounting balance before allowances (a)	Guarantees for allowances	Allowances		Accounting balance after allowances
			Minimum % (b)	Established	
Category 1	119.640.901	-	-	(14.089.012)	105.551.889
Category 1a	74.069.674	-	0,5	(10.993.215)	63.076.459
Category 1b	2.200.503.588	-	1,5	(48.380.758)	2.152.122.830
Category 2	48.233.841.126	8.796.713.476	5	(4.031.401.988)	44.202.439.138
Category 3	91.813.520.983	1.012.943.188	25	(25.173.577.732)	66.639.943.251
Category 4	39.325.865.005	3.395.066.351	50	(20.202.543.777)	19.123.321.228
Category 5	22.549.967.587	1.599.326.113	75	(16.178.288.196)	6.371.679.391
Category 6	12.199.367.076	3.324.842.861	100	(8.874.524.213)	3.324.842.863
<b>Total</b>	<b>216.516.775.940</b>	<b>18.128.891.989</b>		<b>(74.533.798.891)</b>	<b>141.982.977.049</b>

(a) Including capital and interest (net of profit from valuation on hold).

(b) For debtors without calculable guarantees, the percentage is applied on the total risk (cash debt plus contingent debt). For other debtors, the allowances are calculated in two ways, including the guarantees only for the second segment.

## c.6 Allowances for direct and contingent risks

Periodically, the Board and the Management of the Institution make, in accordance with rules of credit valuation established by the Superintendency of Banks of the Central Bank of Paraguay and criteria and policies of the Institution, reviews and analysis of the loan portfolio for the purposes of adjusting the allowances for doubtful accounts. All allowances necessary to cover eventual losses over direct and contingent risks have been established, in accordance with the requirements of Resolution No. 1, Minutes No. 60 of the Board of the Central Bank of Paraguay dated September 28, 2007 and its subsequent modifications and the criterion of the Board and the Management of the Institution.

Changes in the allowances accounts of the fiscal years that ended on December 31, 2021 and 2020 are as follows:

As of December 31, 2021

Concept	Balance as of the start of the period	Establishment of allowances in the period	Execution of allowances in the period	Cancellation of allowances in the period	Variation from Valuation in foreign currency	Balance as of the end of the period
Cash and cash equivalents	(165.125)	(857.605)	162.000	165.125	-	(695.605)
Current loans from financial intermediation – Non-financial sector	(161.916.532.362)	(43.096.397.545)	29.979.193	57.618.323.526	941.756	(147.363.685.432)
Sundry loans (Note C.15)	(5.725.248.569)	(814.633.302)	86.779.404	36.116.254	3.848.021	(6.413.138.192)
Past-due loans from financial intermediation – Financial and non-financial sectors	(74.533.798.891)	(221.437.490.975)	227.266.154.432	1.728.041.107	(28.386.621)	(67.005.480.948)
Investments	(7.543.490.405)	(1.780.632.108)	37.438.424	78.817.734	-	(9.207.866.355)
Contingencies (*)	(96.110.774)	(42.158.384)	-	10.319.669	-	(127.949.489)
<b>Total</b>	<b>(249.815.346.126)</b>	<b>(267.172.169.919)</b>	<b>227.420.513.453</b>	<b>59.471.783.415</b>	<b>(23.596.844)</b>	<b>(230.118.816.021)</b>

(\*) These allowances are included in the item "Provisions" in Liabilities.

As of December 31, 2020

Concept	Balance as of the start of the period	Establishment of allowances in the period	Execution of allowances in the period	Cancellation of allowances in the period	Variation from Valuation in foreign currency	Balance as of the end of the period
Cash and cash equivalents	-	(165.125)	-	-	-	(165.125)
Current loans from financial intermediation – Non-financial sector	(145.137.662.345)	(27.276.208.593)	27.822.954	10.459.606.869	9.908.753	(161.916.532.362)
Sundry loans (Note C.15)	(4.993.012.685)	(888.392.641)	271.882.717	62.187.565	(177.913.525)	(5.725.248.569)
Past-due loans from financial intermediation – Financial and non-financial sectors	(67.272.700.146)	(198.476.772.402)	190.757.679.875	480.870.344	(22.876.562)	(74.533.798.891)
Investments	(7.409.494.821)	(133.995.584)	-	-	-	(7.543.490.405)
Contingencies (*)	(142.336.764)	(24.973.637)	-	71.199.627	-	(96.110.774)
<b>Total</b>	<b>(224.955.206.761)</b>	<b>(226.800.507.982)</b>	<b>191.057.385.546</b>	<b>11.073.864.405</b>	<b>(190.881.334)</b>	<b>(249.815.346.126)</b>

(\*) These allowances are included in the item "Provisions" in Liabilities.

## c.7 Investments

The Investment item includes the possession of capital securities issued by the national private sector and private debt securities. The investments are valued according to their nature, in accordance with the following criteria:

- a) Goods received in discharge of receivables: These goods are valued at the lowest of the following values: valuation value, award value and balance of the debt immediately before the award, in accordance with provisions of the Central Bank of Paraguay. For goods that exceed the established terms set forth by the Central Bank of Paraguay regarding their possession, allowances are established pursuant to provisions of Resolution No. 1, Minutes 60 of September 28, 2007 of the Board of the Central Bank of Paraguay and its modifications.
- b) Investments of variable income issued by the private sector: permanent investments from the participation in companies, valued at the lowest amount between their market value or their estimated value of execution.

The investments of the Institution are detailed as follows:

As of December 31, 2021

Concept	Accounting balance before allowances	Allowances	Accounting balance after allowances
Received goods in discharge of receivables	27.031.806.759	(9.046.654.025)	17.985.152.734
Investments in Bancard S.A. (Note b.4 (*) and Note c.12)	9.675.000.000	-	9.675.000.000
Investments in Familiar Seguros S.A. (Note b.4) (*)	26.803.310.000	-	26.803.310.000
Investments in Etica S.A: (Note b.4)	4.975.000.000	-	4.975.000.000
Investments in securities issued by the national private sector	106.846.928.330	(161.212.330)	106.685.716.000
Income from securities issued by the private sector	726.695.134	-	726.695.134
<b>Total</b>	<b>176.058.740.223</b>	<b>(9.207.866.355)</b>	<b>166.850.873.868</b>

As of December 31, 2020

Concept	Accounting balance before allowances	Allowances	Accounting balance after allowances
Received goods in discharge of receivables	16.604.175.696	(7.382.278.075)	9.221.897.621
Investments in Bancard S.A. (Note b.4 (*) and Note c.12)	9.675.000.000	-	9.675.000.000
Investments in Familiar Seguros S.A. (Note b.4) (*)	16.915.000.000	-	16.915.000.000
Investments in Etica S.A: (Note b.4)	4.975.000.000	-	4.975.000.000
Investments in securities issued by the national private sector	99.567.213.830	(161.212.330)	99.406.001.500
Income from securities issued by the private sector	613.366.341	-	613.366.341
<b>Total</b>	<b>148.349.755.867</b>	<b>(7.543.490.405)</b>	<b>140.806.265.462</b>

(\*) For its stake in investments, the Institution received as of December 31, 2021 and 2020, dividends for PYG 14,820,655,422 and PYG 13,061,984,704, respectively; which are part of the balance of "Extraordinary Income" according to the following table.

Concept	In cash	For capitalization of profits	Total Registered in Extraordinary Income
Dividends received from Bancard S.A.	4.932.345.422	-	4.932.345.422
Dividends received from Familiar Seguros S.A.	-	9.888.310.000	9.888.310.000
<b>Total 2021</b>	<b>4.932.345.422</b>	<b>9.888.310.000</b>	<b>14.820.655.422</b>
<b>Total 2020</b>	<b>6.096.984.704</b>	<b>6.965.000.000</b>	<b>13.061.984.704</b>

## c.8 Fixed assets

The initial recognition of these goods corresponds to the cost of purchase. The subsequent valuation of these assets is presented net of cumulative depreciation and, if corresponding, deterioration. From December 31, 2020, and due to the entry into force of Law No. 6380/2019, it is mandatory to determine the residual value set by the regulation which includes, also, the estimations of useful life for each type or class of good that can depreciate.

The Executive Branch may set the mandatory revaluation of the fixed assets goods when the variation of the Consumer Price Index determined by the Central Bank of Paraguay reaches at least 20% (twenty percent), accumulated since the year in which the last adjustment for revaluation has been set. The recognition of the mandatory revaluation set by the Executive Branch will be part of an equity reserve with the sole purpose of capitalization.

Until December 31, 2019, the values of fixed assets are revalued according to the variation of the Consumer Price Index published by the Central Bank of Paraguay (see Note b.2).

The net increase in the revaluation reserve for the year ended on December 31, 2019 was PYG 801,852,414 and it is shown in the account "Adjustments to the Shareholders' Equity" in the Statement of Changes in Shareholders' Equity of the Institution.

As of December 31, 2021 and 2020, the improvements or additions are included, while the maintenance and repair expenses that do not increase the value of the assets nor their useful life are charged to the results of the fiscal year they are incurred. The depreciations are calculated starting from the month after their incorporation to the estate of the Institution, through monthly charges to results based on a lineal method in the estimated months of useful life.

As of December 31, 2021 and 2020, the residual value of the goods, considered as a whole, does not exceed its recoverable value.

The composition and variation of fixed assets for the years that ended on December 31, 2021 and 2020 are as follows:

Accounts	Acquisition value				
	Balance at the start of the year	Bought	Sold and adjustments	Revaluation	Balance at the end of the year
Real Estate – Buildings	6.709.560.767	-	(12.470.000)	-	6.697.090.767
Real Estate – Land	4.816.834.293	-	-	-	4.816.834.293
Furniture	18.307.130.213	73.111.944	(174.999.118)	-	18.205.243.039
Machines and equipment	30.297.609.136	567.436.742	(631.265.992)	-	30.233.779.886
Facilities in owned property	3.840.784.393	14.042.137	7.331.566	-	3.862.158.096
IT equipment	48.624.171.315	4.729.137.270	(5.654.649.519)	-	47.698.659.066
Transport	1.043.662.897	158.940.135	(134.053.265)	-	1.068.549.767
<b>Total al 31/12/2021</b>	<b>113.639.753.014</b>	<b>5.542.668.228</b>	<b>(6.600.106.328)</b>	<b>-</b>	<b>112.582.314.914</b>
<b>Total al 31/12/2020</b>	<b>110.872.372.295</b>	<b>3.560.322.681</b>	<b>(792.941.962)</b>	<b>-</b>	<b>113.639.753.014</b>

Accounts	Annual rate %	Depreciation				Net value at the end of the fiscal year
		Balance at the start of the year	From the fiscal year	Sold / adjustments	Cumulative as of the end of the fiscal year	
Real Estate – Building	2,5	(2.238.688.385)	(140.385.781)	-	(2.379.074.166)	4.318.016.601
Real Estate – Land	0	-	-	-	-	4.816.834.293
Furniture	10	(15.756.804.289)	(793.031.252)	174.982.480	(16.374.853.061)	1.830.389.978
Machines and equipment	10	(23.836.860.450)	(1.705.598.432)	630.934.024	(24.911.524.858)	5.322.255.028
Facilities in owned property	10	(3.141.117.131)	(104.173.061)	5.138.434	(3.240.151.758)	622.006.338
IT equipment	25	(41.745.042.978)	(2.873.295.084)	5.654.443.366	(38.963.894.696)	8.734.764.370
Transport	20	(848.208.351)	(31.272.732)	134.053.265	(745.427.818)	323.121.949
<b>Total al 31/12/2021</b>		<b>(87.566.721.584)</b>	<b>(5.647.756.342)</b>	<b>6.599.551.569</b>	<b>(86.614.926.357)</b>	<b>25.967.388.557</b>
<b>Total al 31/12/2020</b>		<b>(83.213.709.917)</b>	<b>(4.963.036.763)</b>	<b>610.025.096</b>	<b>(87.566.721.584)</b>	<b>26.073.031.430</b>

According to banking legislation, the financial institutions that work in Paraguay are forbidden from granting fixed assets as guarantee except those affected supporting operations of financial leasing and to the Central Bank of Paraguay. The banking legislation sets a limit for the investment in fixed assets which is 50% of the effective shareholders' equity. The investment in fixed assets of the Institution as of December 31, 2021 and 2020 is within the set limit.

## c.9 Deferred charges

The deferred charges as of December 31, 2021 and 2020 are as follows:

As of December 31, 2021

Concept	Net initial balance	Bought / Sold (net)	Amortization - use in the fiscal year	Net balance as of December 31, 2021
Improvements and installations in leased real estate (*)	2.216.727.109	367.372.396	(818.484.610)	1.765.614.895
Intangible	10.395.297.307	8.222.262.748	(3.973.264.379)	14.644.295.676
<b>Sub-total</b>	<b>12.612.024.416</b>	<b>8.589.635.144</b>	<b>(4.791.748.989)</b>	<b>16.409.910.571</b>
Desktop utilities and others	2.470.967.268	3.238.020.169	(3.728.778.701)	1.980.208.736
<b>Sub-total</b>	<b>2.470.967.268</b>	<b>3.238.020.169</b>	<b>(3.728.778.701)</b>	<b>1.980.208.736</b>
<b>Total</b>	<b>15.082.991.684</b>	<b>11.827.655.313</b>	<b>(8.520.527.690)</b>	<b>18.390.119.307</b>

As of December 31, 2020

Concept	Net initial balance	Bought / Sold (net)	Amortization - use in the fiscal year	Net balance as of December 31, 2020
Improvements and installations in leased real estate (*)	3.511.494.737	23.760.640	(1.318.528.268)	2.216.727.109
Intangible	8.557.319.028	5.440.187.657	(3.602.209.378)	10.395.297.307
<b>Sub-total</b>	<b>12.068.813.765</b>	<b>5.463.948.297</b>	<b>(4.920.737.646)</b>	<b>12.612.024.416</b>
Desktop utilities and others	3.046.014.268	3.141.284.277	(3.716.331.277)	2.470.967.268
<b>Sub-total</b>	<b>3.046.014.268</b>	<b>3.141.284.277</b>	<b>(3.716.331.277)</b>	<b>2.470.967.268</b>
<b>Total</b>	<b>15.114.828.033</b>	<b>8.605.232.574</b>	<b>(8.637.068.923)</b>	<b>15.082.991.684</b>

(\*) Purchases since the year 2020, corresponding to improvements and installations in leased real estate owned by third parties are amortized starting in the following year, in 10 years unless the contract states a shorter term.

## c.10. Subordinated liabilities

As of December 31, 2021 and 2020, there are no subordinated liabilities.

### **c.11. Limitations to the free availability of assets and equity and any other property right restriction**

There are no restricted availability goods nor property right restrictions, except for:

#### **a) Required Reserve:**

The account Central Bank of Paraguay as of December 31, 2021 and 2020 includes the sums of PYG 552,253,541,951 and PYG 459,296,497,180, respectively, corresponding to restricted availability accounts, kept in said bank in concept of required reserve.

#### **b) Guarantees in the Central Bank of Paraguay:**

As of December 31, 2021 and 2020, Letters of Monetary Regulation for the value of PYG 290,000,000,000 and PYG 155,000,000,000, respectively, are restricted as Guarantees in compliance with the General Regulation of Payment Systems (SIPAP). Additionally, as of December 31, 2021, they include Treasury Bonds of restricted availability, kept by the Central Bank of Paraguay, guaranteeing operations made through SIPAP for the value of PYG 46,000,000,000.

#### **c) Statutory Reserve:**

According to Article 27 of Law 861/96, financial institutions must have a minimum reserve equivalent to one-hundred percent (100%) of their capital or more, to be established with annual transfers of at least twenty percent (20%) of the net income of each fiscal year.

#### **d) Monetary Correction of Capital:**

According to Law 5787/16, "Of Modernization and Strengthening of Regulations Governing the Functioning of the Paraguayan Financial System", financial institutions must update their capital annually, considering the Consumer Price Index as calculated by the Central Bank of Paraguay. The updated value of the minimum capital for the year of 2021 was PYG 56,647,000,000, according to Circular SB SG No. 01/2021. The updated value of the minimum capital for 2020 was PYG 55,445,000,000, according to Circular SB SG N° 13/2020.

The paid-up capital of the Institution as of December 31, 2021 and 2020 (Note b.5) is above the legal minimum required as of said dates.

#### **e) Distribution of profits:**

According to provisions of Law 861/96 "General of Banks, Financial Institutions and other Credit Institutions", financial institutions can distribute their profits after the approval of their audited annual financial statements by the Superintendency of Banks within 120 days of the end of the fiscal year. If the Superintendency does not refer to the statements within said term, profits can be distributed.

#### **f) Dividends of preferred shares:**

According to the minutes of the Special General Meeting of Shareholders No. 53 dated April 26, 2021, the distribution of dividends from the proportional profit for the period between January 1, 2021 and May 20, 2021 shall be presented to the Regular General Meeting of Shareholders to be held within the first four months of 2022, for the shareholders of preferred shares of Classes "A" and "B" at the time of redemption.

The amount of proportional dividends to be paid for Preferred Registered Class "A" and "B" Shares redeemed as of May 20, 2021, is of PYG 2,952,657,534. As of December 31, 2021, the amount will be deducted from the retained earnings after the approval of the respective meeting.

Also see note b.5 to these financial statements.

## c.12 Guarantees pledged in respect to liabilities

**Bancard:** To guarantee the obligations with Bancard S.A. and/or Visa International and/or Mastercard and/or participating establishments that could arise from its condition of issuer of credit cards and for balances arising from transactions with ATMs of users, Banco Familiar S.A.E.C.A. pledged a guarantee on part of the shares of Bancard S.A. it owns in favor of Bancard S.A. for an amount of PYG 12,517,498,400 and PYG 6,619,800,000, for 2021 and 2020, respectively.

**AFD:** To guarantee the obligations with the Financial Agency for Development, promissory notes of clients have been endorsed to said institution for the value of PYG 16,182,541,483 and PYG 20,292,982,193 as of December 31, 2021 and 2020.

## c.13 Distribution of loans and obligations from financial intermediation according to their maturity

As of December 31, 2021

Concept	Remaining term to maturity					
	Up to 30 days	31-180 days	181 days-1 year	More than 1 year to 3 years	More than 3 years	Total
Current loans from financial intermediation - Financial sector (*)	28.664.703.286	95.332.891.588	44.632.876.082	97.049.951.647	-	265.680.422.603
Current loans from financial intermediation - Non-financial sector (*)	382.631.004.570	1.407.890.016.228	835.622.283.237	838.811.665.878	582.787.069.338	4.047.742.039.251
<b>Total Current Loans</b>	<b>411.295.707.856</b>	<b>1.503.222.907.816</b>	<b>880.255.159.319</b>	<b>935.861.617.525</b>	<b>582.787.069.338</b>	<b>4.313.422.461.854</b>
Obligations from financial intermediation - Financial sector	136.054.262.889	81.640.669.677	149.661.092.377	143.289.999.626	298.543.559.138	809.189.583.707
Obligations from financial intermediation - Non-financial sector	2.845.944.827.864	343.137.082.343	365.029.779.937	565.468.316.419	371.551.467.983	4.491.131.474.546
<b>Total Obligations</b>	<b>2.981.999.090.753</b>	<b>424.777.752.020</b>	<b>514.690.872.314</b>	<b>708.758.316.045</b>	<b>670.095.027.121</b>	<b>5.300.321.058.253</b>

(\*) Amounts net of provisions.

As of December 31, 2020

Concept	Remaining term to maturity					
	Up to 30 days	31-180 days	181 days-1 year	More than 1 year to 3 years	More than 3 years	Total
Current loans from financial intermediation - Financial sector (*)	19.488.284.736	82.686.394.042	35.452.586.606	107.362.024.246	-	244.989.289.630
Current loans from financial intermediation - Non-financial sector (*)	288.793.955.561	1.248.064.930.204	848.977.415.709	694.265.654.151	521.926.877.765	3.602.028.833.390
<b>Total Current Loans</b>	<b>308.282.240.297</b>	<b>1.330.751.324.246</b>	<b>884.430.002.315</b>	<b>801.627.678.397</b>	<b>521.926.877.765</b>	<b>3.847.018.123.020</b>
Obligations from financial intermediation - Financial sector	143.033.891.692	243.141.973.659	142.862.807.968	225.710.922.640	231.635.015.521	986.384.611.480
Obligations from financial intermediation - Non-financial sector	2.473.555.358.215	363.278.935.899	392.580.911.638	539.910.474.650	225.569.647.119	3.994.895.327.521
<b>Total Obligations</b>	<b>2.616.589.249.907</b>	<b>606.420.909.558</b>	<b>535.443.719.606</b>	<b>765.621.397.290</b>	<b>457.204.662.640</b>	<b>4.981.279.939.001</b>

(\*) Amounts net of provisions.

## c.14. Concentration of the portfolio and the obligations from financial intermediation

### a) Concentration of the portfolio by number of clients - Financial sector

Number of clients	Amount and percentage of the portfolio as of December 31, 2021			
	Current (*)	%	Past-due (*)	%
10 Biggest Debtors	258.245.805.412	97%	-	0%
Other Debtors	7.434.617.191	3%	-	0%
<b>Total</b>	<b>265.680.422.603</b>	<b>100%</b>	<b>-</b>	<b>0%</b>

Number of clients	Amount and percentage of the portfolio as of December 31, 2020			
	Current (*)	%	Past-due (*)	%
10 Biggest Debtors	243.461.631.463	99%	-	0%
Other Debtors	1.527.658.167	1%	-	0%
<b>Total</b>	<b>244.989.289.630</b>	<b>100%</b>	<b>-</b>	<b>0%</b>

(\*) The amounts considered in this table include balances of capital, interest and income from valuation on hold before allowances.

## b) Concentration of the portfolio by number of clients – Non-financial sector

Number of clients	Amount and percentage of the portfolio as of December 31, 2021			
	Current (*)	%	Past-due (*)	%
10 Biggest Debtors	543.743.177.496	13%	7.098.020.708	5%
Next 50 Biggest Debtors	726.691.118.791	17%	8.054.789.566	5%
Next 100 Biggest Debtors	356.053.071.645	9%	6.949.752.425	4%
Others	2.568.618.356.751	61%	138.229.677.876	86%
<b>Total</b>	<b>4.195.105.724.683</b>	<b>100%</b>	<b>160.332.240.575</b>	<b>100%</b>

Number of clients	Amount and percentage of the portfolio as of December 31, 2020			
	Current (*)	%	Past-due (*)	%
10 Biggest Debtors	597.891.156.271	16%	14.000.208.854	6%
Next 50 Biggest Debtors	622.801.847.724	17%	8.787.316.483	4%
Next 100 Biggest Debtors	270.244.987.774	7%	7.130.751.619	3%
Others	2.273.007.373.983	60%	186.598.498.984	86%
<b>Total</b>	<b>3.763.945.365.752</b>	<b>100%</b>	<b>216.516.775.940</b>	<b>100%</b>

(\*) Amounts considered in this table include balances of capital, interests and income from valuation on hold before allowances.

## c) Concentration of obligations by financial intermediation

The balance is comprised as follows:

Financial Sector	December 31, 2021	December 31, 2020
<b>Central Bank of Paraguay</b>		
Demand deposits	5.060.871.719	4.731.658.091
Checking accounts	50.933.286.137	68.302.944.859
Savings deposit certificates	35.393.779.821	43.497.219.391
Operations pending compensation	125.837.767.283	178.485.853.965
Loans from foreign financial institutions	5.306.429.597	2.849.499.830
Loans from financial institutions – AFD	103.286.850.000	269.104.290.000
Creditors for accrued financial charges	471.556.378.768	405.735.629.780
Total Financial Sector	11.814.220.382	13.677.515.564
<b>Total Sector Financiero</b>	<b>809.189.583.707</b>	<b>986.384.611.480</b>

Non-financial Sector	December 31, 2021	December 31, 2020
<b>Deposits - Private Sector</b>		
Checking accounts	1.453.935.204.208	1.177.371.080.074
Demand deposits	1.277.019.183.155	1.137.185.631.761
Loans for documents to compensate	9.510.217.850	15.152.245.799
Drafts and transfers to be paid	1.340.750.486	1.973.524.215
Obligations with participating establishments in the credit card system	2.748.431.185	1.986.729.591
Savings deposit certificates	988.382.697.468	1.031.939.795.569
<b>Total Financial Sector</b>	<b>3.732.936.484.352</b>	<b>3.365.609.007.009</b>
<b>Deposits - Public Sector</b>		
Checking accounts	1.753.515.832	3.980.349.983
Demand deposits	20.297.439.904	47.108.255.016
Savings deposit certificates	446.534.193.500	438.659.638.050
Bonds issued in the market (Note c.17)	251.254.595.700	90.833.333.340
Sundry loans in the country	7.514.285.714	15.028.571.429
<b>Total Deposits - Public Sector</b>	<b>727.354.030.650</b>	<b>595.610.147.818</b>
Creditors for accrued financial charges	30.840.959.544	33.676.172.694
<b>Total non-financial sector</b>	<b>4.491.131.474.546</b>	<b>3.994.895.327.521</b>

#### d) Concentration of deposits by number of clients

Balance as of December 31, 2021

Number of depositors	Financial sector	%	Non-financial sector (*)	%
10 Biggest Depositors	115.281.560.617	54%	909.976.710.296	22%
Next 50 Biggest Depositors	90.649.839.762	43%	460.620.869.104	11%
Next 100 Biggest Depositors	6.233.432.862	3%	376.853.121.525	9%
Others	-	0%	2.451.322.501.478	58%
<b>Total</b>	<b>212.164.833.241</b>	<b>100%</b>	<b>4.198.773.202.403</b>	<b>100%</b>

(\*) Including deposits from the private and public sectors.

## Balance as of December 31, 2020

Number of depositors	Financial sector	%	Non-financial sector (*)	%
10 Biggest Depositors	184.693.089.628	64%	910.332.521.634	24%
Next 50 Biggest Depositors	98.342.815.120	34%	484.768.026.840	13%
Next 100 Biggest Depositors	7.250.113.467	2%	363.281.710.196	9%
Others	-	0%	2.094.988.261.797	54%
<b>Total</b>	<b>290.286.018.215</b>	<b>100%</b>	<b>3.853.370.520.467</b>	<b>100%</b>

(\*) Including deposits from the private and public sectors.

## c.15. Sundry loans

The composition of sundry loans as of December 31, 2021 and 2020 is as follows:

Concept	December 31, 2021	December 31, 2020
Accounts receivable from Pronet	5.918.385.572	6.256.191.575
Accounts receivable from Netel	1.672.623.623	1.711.183.107
Accounts receivable - Trust funds	5.681.284.044	5.691.041.144
Accounts receivable - Bancard and Infonet	2.006.006.065	1.539.364.253
Prepaid expenses	10.892.838.172	9.465.855.939
Prepayment for the purchase of assets and services	5.954.300.530	1.789.207.638
Other national taxes	8.860.480.159	670.753.584
Compensation claimed for accidents	-	110.890.799
Sundry - Remittances receivable	4.737.499.540	370.614.223
Sundry - Accounts receivable from related parties (Note K)	3.130.665.573	1.656.362.180
Sundry - Rental collateral	728.013.820	723.629.100
Sundry - Others	4.749.539.273	6.955.013.617
Allowances (*)	(6.413.138.192)	(5.725.248.569)
<b>Total</b>	<b>47.918.498.179</b>	<b>31.214.858.590</b>

(\*) The allowances were established in accordance with valuation standards set forth by the Central Bank of Paraguay, see Note C.6.

## c.16 Other sundry debts

Other sundry debts are composed as follows:

Concept	December 31, 2021	December 31, 2020
Management checks payable	5.986.743.696	9.545.258.907
Insurance payable	18.158.346.404	13.772.769.161
Suppliers	5.976.613.861	4.847.992.805
Seizures payable	5.558.937.760	4.780.955.789
Remittances payable	3.993.123.511	4.013.965.004
Bonuses payable	11.000.000.000	8.500.000.000
Sundry	3.078.602.950	2.475.870.300
<b>Total</b>	<b>53.752.368.182</b>	<b>47.936.811.966</b>

## c.17 Obligations or debentures and bonds issued in the market

The item "Obligations from financial intermediation – Non-financial sector" from the balance sheet includes Financial Bonds, whose balances and details as of December 31, 2021 and 2020, are as follows:

Number of Resolution of authorization	Currency of Issue	Value of program of issue	Amount of issue	Term to maturity	Balance as of December 31, 2021	
099/2018 (*)	Guaraníes	200.000.000.000	25.000.000.000	July 25, 2030	18.750.000.010	
099/2018 (*)	Guaraníes		30.000.000.000	July 21, 2033	27.692.307.690	
0033/2019 (**)	Guaraníes	60.000.000.000	40.000.000.000	May 23, 2023	40.000.000.000	
00037/2021 (***)	Guaraníes	175.000.000.000	75.000.000.000	May 18, 2033	75.000.000.000	
00037/2021 (***)	Guaraníes		42.000.000.000	May 20, 2026	42.000.000.000	
00037/2021 (***)	Guaraníes		30.000.000.000	December 16, 2026	30.000.000.000	
00037/2021 (***)	Guaraníes		10.000.000.000	December 13, 2028	10.000.000.000	
00037/2021 (***)	Guaraníes		18.000.000.000	December 22, 2031	7.812.288.000	
<b>Total</b>	<b>GS</b>		<b>435.000.000.000</b>	<b>270.000.000.000</b>		<b>251.254.595.700</b>

Number of Resolution of authorization	Currency of Issue	Value of program of issue	Amount of issue	Term to maturity	Balance as of December 31, 2020
099/2018 (*)	Guaranies	200.000.000.000	25.000.000.000	July 25, 2030	20.833.333.340
099/2018 (*)	Guaranies		30.000.000.000	July 21, 2033	30.000.000.000
0033/2019 (**)	Guaranies	60.000.000.000	40.000.000.000	May 23, 2023	40.000.000.000
<b>Total</b>	<b>Gs.</b>	<b>260.000.000.000</b>	<b>95.000.000.000</b>		<b>90.833.333.340</b>

(\*) Authorized by Resolution of the Superintendency of Banks No. SB SG 99/2018 dated July 10, 2018 and Resolution of Bolsa de Valores & Productos de Asunción S.A. No. 1767/2018 dated July 31, 2018.

(\*\*) Authorized by Resolution of the Superintendency of Banks No. SB SG 0033/2019 dated March 26, 2019 and Resolution of Bolsa de Valores & Productos de Asunción S.A. No. 1882/2019 dated May 23, 2019.

(\*\*\*) Authorized by Resolution of the Superintendency of Banks No. SB SG 00037/2021 dated April 19, 2021 and Resolution of Bolsa de Valores & Productos de Asunción S.A. No. 2225/2021 dated May 18, 2021.

The issue of the programs of global issue and their series is not covered by Law No. 2334/2003 and, as a consequence, it is not secured by the Deposit Guarantee Fund.

## c.18 Relevant events of the year

In the first quarter of 2020, the World Health Organization declared that the outbreak of coronavirus (COVID-19) was a pandemic. The emergency situation of public health expanded practically through the entire world and the countries took diverse measures to face it. This situation and the measures adopted have significantly affected the international economic activity with different impacts in many countries and business sectors. As a consequence of it, in March 2020, in Paraguay, mandatory social isolation measures were adopted by the National Government through Decree 3478/2020 with respect to the COVID-19 pandemic and other supplementary regulations, as to the health emergency declared nationally. Likewise, the Central Bank of Paraguay issued specific regulations which are mentioned in the Notes that accompany these Financial Statements. The Board of the Bank estimates that the situation generates and will continue to generate a not minor impact on the operations of the Institution, but the uncertainties as to the effects, extension and duration of this issue do not allow a reasonable estimation of that impact as of the date of issue of these Financial Statements, which will depend on the severity of the health emergency and the success of the measures taken and to be taken in the future.

## D. SHAREHOLDERS' EQUITY

### d.1 Effective equity

The limits for the operations of financial institutions are determined according to their effective equity. The effective equity of the Institution as of December 31, 2021 and 2020 was approximately PYG 741,211 million and PYG 774,574 million, respectively.

According to the applicable regulation, the minimum percentage of equity that financial institutions of the country must maintain, as of December 31, 2021 and 2020, is: Level 1 (Main capital) of 8% and Level 2 (Main capital plus Supplementary capital) of 12%. As of December 31, 2021 and 2020, the Company maintained this relation in Level 1 at 13.15% and 14.28%, respectively; and in Level 2 at 17.37% and 20.01%, respectively.

## d.2. Minimum capital

The minimum and indexed capital for inflation which, in compliance with provisions of the Central Bank of Paraguay, Banks operating in the national financial system must have as paid-in capital as of December 31, 2021 and 2020, is of PYG 56.647 million and PYG 55,445 million, respectively. The eventual deficit of capital of an institution as to the minimum capital required annually for financial institutions, must be covered before the end of the first semester of each year.

As of December 31, 2021 and 2020, the Institution had a paid-in capital of PYG 360,000,000,000 and 360,000,000,000, amounts that are higher than the minimum required by Central Bank of Paraguay regulations.

In the General Meeting of Shareholders held on April 26, 2021, according to Minutes No. 52, the capitalization of profit from the previous years was approved for the amount of PYG 60,000,000,000. Said issue was formalized by Notarial Document No. 119 dated May 20, 2021

## E. NET PROFIT PER COMMON SHARE

The net profit per share attributable to regular shareholders is determined based on the net profit of the year after deducting dividends attributed to preferred shares, with respect to the average weighted of outstanding regular shares in the year

Concept	December 31, 2020	December 31, 2020
Net profit of the year	111.210.738.718	90.118.123.192
<b>Less</b>		
Dividends for preferred registered shares, Classes "A" and "B" (*)	(2.952.657.534)	(7.200.000.000)
<b>Basis for the determination of the net profit per common share</b>	<b>108.258.081.184</b>	<b>82.918.123.192</b>
Number of outstanding common shares in weighted average	34.109.589	29.021.918
<b>Net profit per common share</b>	<b>3.174</b>	<b>2.857</b>

(\*) Dividends of preferred shares are determined according to the descriptions in note c.11 f).

## F. OFF-BALANCE AND CONTINGENT ACCOUNTS

### Contingent accounts

Contingent accounts are composed as follows:

Concept	December 31, 2021	December 31, 2020
Receivables from granted guarantees	59.289.584.783	95.658.657.909
Balance of lines of credit to be used in credit cards	152.859.464.511	139.078.255.218
Balance of lines of credit for current accounts prepayments	55.526.623.191	36.794.211.286
Balance of lines of credit of letters of import-export	30.932.131.208	74.746.656.132
<b>Total</b>	<b>298.607.803.693</b>	<b>346.277.780.545</b>

There are no credit lines that individually exceed 10% of total assets.

### Off-balance accounts

Off-balance accounts are composed as follows:

Concept	December 31, 2021	December 31, 2020
Trust funds (*)	169.977.781.713	158.653.520.754
Collaterals, mortgages, pledges and others	695.687.957.315	631.473.446.814
Insurance policies taken	114.310.772.660	46.857.158.140
Bad loans	27.948.965.057	23.099.486.943
Exchange position	9.499.506.707	7.115.987.324
Businesses abroad and collections	1.008.241.610	5.425.659.962
Credit facilities available	467.958.891.232	483.915.503.537
Others – Sundry accounts	29.307.277.609	27.506.872.060
Other securities in custody	293.040.000	215.991.898
Sale of portfolio (**)	1.488.951.332.070	1.260.039.732.364
<b>Total</b>	<b>3.004.943.765.973</b>	<b>2.644.303.359.796</b>

(\*) As of December 31, 2021 and 2020, the following trust funds were in force:

Type of trust fund	December 31, 2021	December 31, 2020
Guarantee and flow management trust fund	161.643.202.976	148.391.897.033
Guarantee trust fund	8.334.578.737	10.261.623.721
<b>Total</b>	<b>169.977.781.713</b>	<b>158.653.520.754</b>

(\*\*) The balance reflects the amounts of capital and interests of past-due loans sold to Nexo S.A. since December of 2013, complying with Resolution SB. SG. No. 278/2013 of the Superintendency of Banks. The Institution has executed on March 21, 2018, a framework agreement without resources with said Company and a supplementary agreement is made for every sale.

## G. INFORMATION RELATED TO RESULTS

### g.1 Recognition of gains and losses

The Institution applied the principle of accrual to recognize income and to charge incurred expenses or costs, with the following exceptions referred to income being recognized as earnings at the moment of its receipt or collection, according to rules set forth in Resolution No. 1, Act No. 60 of September 28, 2007 of the Central Bank of Paraguay:

- non-collected accrued receivables from financial products ranking in categories "3", "4", "5" and "6" (see Note c.5.1.d).
- earnings from valuation of receivables from past-due loans.
- future gains from forward sales of goods.
- earnings from valuation of operations from forward sales of goods; and certain commissions for banking services.

The Plan and Manual of Accounts of the Central Bank of Paraguay states that the adjustments to profits of previous years are registered in the income statement of the year without affecting the accounts of the shareholders' equity of the Institution.

### g.2 Foreign exchange differences

The foreign exchange differences corresponding to the maintenance of assets and liabilities in foreign currency are shown net in the items of the Income Statement "Valuation of assets and liabilities in foreign currency", and its composition is detailed as follows:

Concept	December 31, 2021	December 31, 2020
Earnings from financial assets and liabilities valuation in foreign currency	1.096.690.665.500	571.839.475.406
Losses from financial assets and liabilities valuation in foreign currency	(1.093.234.156.779)	(570.868.527.634)
<b>Earnings - (Losses) from the exchange difference on financial assets and liabilities in foreign currency</b>	<b>3.456.508.721</b>	<b>970.947.772</b>
Earnings from other assets and liabilities valuation in foreign currency	10.234.877.876	3.921.720.907
Losses from other assets and liabilities valuation in foreign currency	(13.563.001.728)	(3.878.747.618)
<b>(Losses) - Earnings from the exchange difference on the total of other assets and liabilities in foreign currency</b>	<b>(3.328.123.852)</b>	<b>42.973.289</b>
<b>Earnings - (Losses) resulting from the exchange difference on the total assets and liabilities in foreign currency</b>	<b>128.384.869</b>	<b>1.013.921.061</b>

### g.3 Contributions to the Deposit Guarantee Fund (DGF)

In accordance with Law 2334 of December 12, 2003, financial institutions are obligated to contribute quarterly to the DGF, which is managed by the Central Bank, 0.12% of the average quarterly balances of their deposit portfolio in local and foreign currency.

The amounts contributed by the Institution for the fiscal years that ended on December 31, 2021 and 2020 are PYG 19.879,334,758 and PYG 18,122,233,733, respectively. The amounts contributed by the Institution to the DGF are non-recoverable expenses and are shown in the item "General expenses" (see Note H).

### g.4 Income Tax

The current Income Tax charged to the result of the fiscal year at a 10% rate is based on the accounting value before this concept, adjusted to the items the law and regulations include or exclude for the determination of the taxable net income.

With the entry into force of Law 6380/2019 "Of Modernization and Simplification of the National Tax System" that sets out the Dividends and Earnings Tax, the distribution of dividends is taxed at the rates of 8% for residents in the country and 15% for non-residents.

## H. GENERAL EXPENSES

The composition as of December 31, 2021 and 2020 is as follows:

Description	December 31, 2021	December 31, 2020
Provision of services of call center, telemarketing and collection	17.863.101.128	15.921.147.907
Leases and expenses	14.337.891.080	14.745.456.925
Contributions to Deposit Guarantee Fund (see Note g.3)	19.879.334.758	18.122.233.733
Publicity, marketing and events	14.737.787.006	10.226.033.201
Card processing expenses	15.803.186.416	12.306.529.031
IT services	17.687.362.480	11.399.547.145
Commissions paid to non-banking correspondents and managers of payment networks	9.585.437.650	7.463.205.621
Security and vigilance	7.331.953.205	7.423.903.750
Paid insurance	7.527.371.310	7.623.049.576
Repairs and maintenance of property	5.381.010.873	4.497.646.092
Armored transport	5.793.105.297	4.389.056.740
Cleaning service	3.525.759.130	3.815.605.211
Information expenses	3.008.593.502	3.279.865.232
Papers and prints	2.893.903.137	2.528.802.077
Provision of services expenses	4.941.110.388	6.419.533.289
Electricity	2.311.163.551	2.576.879.520
Phone and communications	1.844.904.967	1.855.059.647
Shipping charges (courier)	1.150.742.480	1.961.350.061
Counsel, audit and other fees	2.199.270.214	1.541.167.891
Severance and notice to staff	2.825.631.736	1.104.308.119
Banking expenses	2.594.814.970	1.979.654.166
Clearing house expenses	1.174.801.238	791.876.226
Commissions paid to Fogapy	720.930.259	328.914.268
Others	7.314.309.778	7.046.705.894
<b>Total</b>	<b>172.433.476.553</b>	<b>149.347.531.322</b>

## I. INFLATIONARY EFFECTS

As of December 31, 2021 and 2020, inflationary adjustments procedures have not been applied.

## J. RISK MANAGEMENT

The main risks managed by the Institution for the purpose of achieving its goals are:

### **a) Credit risks**

Banco Familiar is an institution focused on the retail segment of consumers and microbusinesses. As such, it has a fragmented portfolio.

The general strategy of credit risk management is that the time of analysis, the items to be assessed, the evaluation-approval process and follow-up is higher as the risk involved is higher. Therefore, the strategy to be followed is adequate for the nature and characteristics of each business segment. In the retail and consumers segments, the statistic criteria of scoring are followed, based on our experience of 50 years in business that allows us to maintain a portfolio with defaulting indexes in accordance with the nature of the business and profitability.

In the segment of medium and large companies, the risks to be undertaken are assessed by executives and senior staffers for approval, through Credit Committees, established selectively in accordance with the amount of risk involved. The follow-up and monitoring of the credit risks is entrusted to an independent Risk Management and adequately organized for each business segment.

### **b) Financial risk**

#### **b.1) Market risk**

Represented by the possibility of financial loss due to the fluctuation of prices and/or interest rates of the assets of the Bank, in the manner in which their lending and borrowing portfolios can present a mismatching of terms, currencies or indexes.

##### **b.1.1) Interest rate risk**

The Institution performs monthly controls of the structure of assets and liabilities that are sensitive to readjustments of the interest rate, in diverse terms.

As of December 31, 2021 and 2020, all mismatches of assets and liabilities that are sensitive to interest rates are below the maximum limits recommended by the policy of Financial Risk management of the Institution.

##### **b.1. 2) Exchange rate risk**

The Institution actively operates in financial intermediation, as well as in the purchase and sale of foreign currency and the purchase of checks. For that, there is a division of businesses with qualified and experienced staff in currency trading, supported by IT tools for a permanent monitoring of the business and the performance of markets.

To perform the measurement of exposure of the Institution to variations in the exchange rate, the VaR (Value at Risk) methodology is followed, in which the Financial Risks area calculates daily the likely loss from exchange rate variations considering the foreign currency positions. The Board has set out a low and conservative VaR limit for the net position in foreign currency, limiting the risk of losses due to unfavorable changes in the exchange rate.

In the opinion of the Board and the Management, the VaR limit for the net position of foreign currency is low, limiting thereby the risk of losses due to unfavorable changes in the exchange rate.

## **b.2) Liquidity risk**

The Liquidity Risk is mitigated with a very conservative policy of asset management, always maintaining a significant percentage of them as cash and highly liquid assets that allow to face extreme situations.

The monitoring of liquidity and the several associated variables to this item are managed by the Financial Risks area, through daily and monthly reports to the Committee of Assets and Liabilities for decision-making.

As of December 31, 2021 and 2020, the levels of basic liquidity are above the recommended minimum levels for the Financial Risk management policy of the Institution, both in guaranies and dollars. As for extended liquidity, which considers in addition to net availabilities, discountable assets by the Central Bank of Paraguay (Letters of Monetary Regulation and Sovereign Bonds) through its liquidity window, the indexes are also in levels above the minimum limits recommended by the policy.

## **c) Operating risks**

The Institution has a Unit of Operating Risks, intended to identify, measure, evaluate, supervise, control and mitigate critical operating risks to which the Institution is exposed and managing them efficiently, as well as to mitigate operating risks events, contributing to preventing and reducing the occurrence of future related losses.

The Unit executes its annual work plan that includes the review of the Model of Internal Control, the test of control in every area and the calculation of the amounts that were lost due to operating risk with the statistics of their origin and sector. This methodology allows to adequately value the risks, to prioritize them establishing their level of criticality and to develop mitigation plans. The Institution keeps a map of risks, which allows it to adequately manage them

## **d) Environmental and Social Risk**

The implementation of the Environmental and Social Management System is according to the guidelines stated in the "Guidelines for the Environmental and Social Risk Management for entities regulated and supervised by the Central Bank of Paraguay" approved by Resolution No. 8 dated November 22, 2018, issued by the Board of the Central Bank of Paraguay.

The management of this risk allows to identify, assess and monitor the likely impacts related to the activities developed by clients and set out mitigation measures, facilitating also the administration of other risks associated such as the reputational, legal, credit and other risks.

The methodology implemented, with a systemic approach that is integrated to the process of credit analysis is a Risk Matrix based on a risk estimation that supposes an activity to fund and a determination of the exposure of our institution, which allows to determine the most appropriate level of supervision and to set out conditions for the mitigation of the risks identified.

The criteria for the analysis have the basis in the national legislation, international agreements and international standards in Environmental and Social Risks and are set out in the internal standard approved by the Board (Environmental and Social Risk Analysis System).

## K. BALANCES WITH RELATED PARTIES

The balances and transactions with the related parties are as follows:

As of December 31, 2021

Institution	Demand deposits	Certificate of savings account	Loans	Sundry loans	Accounts payable	Contingencies	Interests Earned	Interests Paid	Other income and outlays
Directors	36871096952	95909217208	125.339.266	-	-	1252.702.929	2181.961	6.326.143.032	124.841.025
Fundadores S.A. (a)	2.634.733.540	-	-	-	-	-	-	986.842	(88.232.924)
Nexo S.A. (b)	21.903.469.889	10.328.685.000	-	3.130.665.573	-	50.000.000	-	178.365.965	55.384.048.375
Ventasy cobranzas S.A. (VEYCO) (c)	-	-	-	-	84.173.855	70.000.000	-	2.945.091	(24.127.126.444)
Familiar Seguros S.A. (d)	2.634.733.540	-	-	-	-	-	-	986.842	10.017.698.979
Ética S.A. (e)	3.050.179.259	-	1018.202	-	-	48.981.798	-	1.654.829	687.290
<b>Total</b>	<b>72.012.580.064</b>	<b>106.237.902.208</b>	<b>126.357.468</b>	<b>3.130.665.573</b>	<b>84.173.855</b>	<b>142.1684.727</b>	<b>2.181.961</b>	<b>6.511.082.601</b>	<b>41.311.916.301</b>

As of December 31, 2020

Institution	Demand deposits	Certificate of savings account	Loans	Sundry loans	Accounts payable	Contingencies	Interests Earned	Interests Paid	Other income and outlays
Directors	15.642.383.957	149.134.214.090	141.913.909	-	-	1.311.586.091	3.303.107	8.551.185.470	116.350.886
Fundadores S.A. (a)	904.578.013	-	-	-	-	-	-	1418.668	(95.478.731)
Nexo S.A. (b)	33.915.014.508	10.000.000.000	-	1.573.573.331	-	-	-	37.387.026	35.408.949.110
Ventasy cobranzas S.A. (VEYCO) (c)	-	-	-	-	62.129.541	-	-	7.428.868	(21.170.827.684)
Familiar Seguros S.A. (d)	823.860.478	-	-	-	-	-	-	3.405.768	9.819.495.500
Ética S.A. (e)	4.436.164.100	-	-	-	-	-	-	54.666	-
<b>Total</b>	<b>61.136.196.157</b>	<b>159.134.214.090</b>	<b>141.913.909</b>	<b>1.573.573.331</b>	<b>62.129.541</b>	<b>1.311.586.091</b>	<b>3.303.107</b>	<b>8.600.880.466</b>	<b>23.973.773.281</b>

- a) Fundadores S.A. leases customer service offices and rooms to the Bank.
- b) Nexo S.A. buys portfolio from Banco Familiar S.A.E.C.A.
- c) Ventas y Cobranzas S.A. provides sales services and collection arrangements to Banco Familiar S.A.E.C.A.
- d) Familiar Seguros S.A. is a company cleared by the Superintendency of Insurance; issues insurance policies since April 2019.
- e) Etica S.A. is a company under organization.

## L. SUBSEQUENT EVENTS

Between December 31, 2021 and the date of issuing of these financial statements, there were no significant financial or other events that would affect the structure of the estate and the results of the institution or its inclusion in the notes to the financial statements.



## Annexes

# OUR ATMS

- **CASA MATRIZ:** Chile 1080 esq. Jejuí
- **CENTRO:** 25 de Mayo esq. Iturbe
- **PINOZA:** Avda. Eusebio Ayala y Bomberos Voluntarios
- **AVDA. ESPAÑA:** Avda. España 1039 c/ Washington
- **PASEO LA GALERÍA:** Avda. Santa Teresa e/ Aviadores del Chaco y Herminio Maldonado
- **VILLA MORRA:** Avda. Mcal. López esq. Cruz del Chaco
- **SAN MARTÍN:** Avda. San Martín esq. Lillo
- **ARTIGAS:** Avda. Artigas esq. Avda. Santísima Trinidad
- **LAMBARE:** Avda. Cacique Lambaré 9035 c/ Cerro Corá
- **ACCESO SUR:** Avda. Acceso Sur 1795 esq. Calle 3
- **MARIANO ROQUE ALONSO:** Ruta Transchaco y Capitán Alliana - Shopping El Portal
- **LUQUE I:** Cerro Corá c/ C. A. López
- **LUQUE II:** Avda. De las Residentas c/ Humaitá
- **LUQUE - SILVIO PETTIROSSI AIRPORT** Pasaje Juan Justo 4133 Bqueras.
- **SAN LORENZO:** Ruta Mcal. Estigarribia y Sgto. Silva
- **SAN LORENZO II:** Julia Miranda Cueto y Saturio Ríos
- **ITAUGUÁ:** Ruta Mcal. Estigarribia esq. Caballero
- **CAPIATÁ:** Ruta 2 Mcal. José Félix Estigarribia esq. Martin Ledezma
- **NEMBY:** Ruta Acceso Sur e/ Avda. Manuel Ortiz Guerrero y Calle Santa Rosa
- 
- **LIMPIO:** Ruta Gral. Elizardo Aquino y Mcal. José Felix Estigarribia
- **CORONEL OVIEDO:** Tuyutí 165 c/ Blas Garay
- **CORONEL OVIEDO - MACHETAZO:** Avda. Defensores del Chaco 2237 esq. Vice Pte. Sánchez
- **VILLARRICA:** Gral. Díaz esq. Rui Díaz de Melgarejo
- **CAMPO 9:** José Asunción Flores 478 esq. Enfermeras del Chaco.
- **CAAGUAZÚ:** Bernardino Caballero esq. Juan E. O`Leary.
- **CAAGUAZÚ II:** 15 de agosto 1988 y Cristobal Colón
- **CIUDAD DEL ESTE 1:** Avda. Bernardino Caballero c/ San Fernando
- **CIUDAD DEL ESTE 2:** Calle Super Carretera esq. Las Tórtolas, Km. 4

- **CIUDAD DEL ESTE 3:** Avda. Julio César Riquelme esq. R.I. 3 Corrales
- **CIUDAD DEL ESTE 4:** Avda. Adrián Jara 352 e/ Nanawa y Boquerón
- **SANTA RITA:** Ruta VI Avda. Carlos A. López c/ Eusebio Ayala
- **HERNANDARIAS:** Mcal. Francisco Solano López c/ Chaco Boreal
- **CONCEPCIÓN II:** Avda. Pinedo 1018 c/ Don Bosco Martín
- **HORQUETA:** Pte. Franco 1626 e/ Curupayty y Mcal. López.
- **P. J. CABALLERO:** Carlos Antonio López esq. Curupayty
- **CURUGUATY:** 14 de Mayo 1016 c/ Julia Miranda Cueto de Estigarribia.
- **KATUETÉ:** Las Residentas esq. Capellán Arzamendía
- **SANTA ROSA DEL AGUARAY:** Gral. Elizardo Aquino 627
- **CARAPEGUÁ:** Ruta 1 Mcal. López esq. Avda. Fdo. de la Mora (Ramal Acahay)
- **ENCARNACIÓN:** Mcal. Estigarribia esq. 14 de Mayo
- **MARÍA AUXILIADORA:** Avda. Ma. Auxiliadora 37 esq. Ñasaindy
- **OBLIGADO:** Avda. Gaspar Rodríguez de Francia e/ Fortín Toledo y Curupayty
- **SAN IGNACIO:** Mcal. Estigarribia esq. Iturbe
- **PILAR:** Avda Irala 1292 esq. Alberzoni



# OUR BRANCHES

## METROPOLITAN AREA

CASA MATRIZ	Chile 1080 esq/ Jejuí
CENTRO	25 de Mayo esq. Iturbe
ESPAÑA	Avda. España 1039 c/ Washington
VILLA MORRA	Mcal. López y Cruz del Chaco
SAN MARTIN	San Martín esq. Lillo
PINOZA	Av. E. Ayala y Bomberos Voluntarios
ARTIGAS	Avda. Artigas esq. Avda. S.Trinidad
MARIANO ROQUE ALONSO	Ruta Transchaco y Cap. Alliana
LIMPIO	Ruta Gral. Elizardo Aquino y Mcal. Estigarribia
LUQUE 1	Cerro Corá c/ C. A. López
LUQUE 2	Avda. De las Residentas c/ Humaitá

## LAMBARÉ

## SALEMA SUPER CENTER

## ACCESO SUR

## ÑEMBY

## SAN LORENZO 1

## SAN LORENZO 2

## CAPIATÁ

## ITAUGUA

## CAACUPE

## VILLA HAYES

Avda. C.Lambaré 9.035 c/  
Cerro Cora

Ruta Mcal. Estigarribia y  
Pastora Céspedes, Km. 9

Avda. Acceso Sur 1.795  
esq. calle 3

Ruta Acceso Sur e/ Avda.  
M. Ortiz Guerrero y Sta.

Rosa

Ruta Mcal. Estigarribia y  
Sgto. Silva

J. M. Cueto y Saturio Ríos  
Ruta Mcal. Estigarribia

esq. Martín Ledezma  
Ruta Mcal. Estigarribia

esq. Cerro Corá  
Mcal. Estigarribia esq. V.

Pino

Avda. E. de Felice (Ruta  
Transchaco) esq. Avda.

L.Hayes

## REGIÓN CENTRO

## CARAPEGUÁ

Ruta 1 Mcal. Solano López  
esq. Avda. Fdo. de la Mora  
(Ramal Acahay)

## CNEL. OVIEDO

Tuyutí 165 c/ Blas Garay

## MACHETAZO CNEL. OVIEDO

Avda. Defensores del  
Chaco 2237 esq. Vice Pte.  
Sánchez

## CAAGUAZU 1

B. Caballero esq. J.E.

## CAAGUAZU 2

O`Leary  
15 de Agosto 1988 esq.  
Cristóbal Colón

## VILLARRICA

Mcal. Estigarribia c/ Gral.  
Díaz

## CAMPO 9

José A. Flores 478 esq.  
Enfermeras del Chaco

## EAST REGION

## HERNANDARIAS

Mcal. López c/ Chaco  
Boreal

CIUDAD DEL ESTE 1

Avda. B. Caballero c/ San Fernando

CIUDAD DEL ESTE 2

Calle Super Carretera esq. Las Tórtolas Km. 4

CIUDAD DEL ESTE 3

Avda. J.C. Riquelme esq. R.I. 3 Corrales

CIUDAD DEL ESTE 4

Avda. A. Jara 352 e/ Nanawa y Boquerón

SANTA RITA

Ruta VI Avda. C.A. Lopez c/ E. Ayala

MARIA AUXILIADORA

Avda. Ma. Auxiliadora 37 esq. Ñasaindy

SANTANI

Cnel. Zoilo e/ Mcal. López y Adolfo Mello

## NORTH REGION

STA. ROSA DEL AGUARAY

CONCEPCION 2

HORQUETA

PEDRO JUAN CABALLERO

CURUGUATY

KATUETÉ

## SOUTH REGION

ENCARNACION

OBLIGADO

SAN IGNACIO

Ruta Gral. El. Aquino 627

Avda. Pinedo e/ Don

Bosco y Padre Sarmiento

Pte. Franco 1626 e/

Curupayty y Mcal. López

C.A. López esq. Curupayty

14 de Mayo 1016 c/ Julia

Miranda Cueto

Las Residentas esq.

Capellán Arzamendia

Avda. Irrazabal casi Avda.

Japón

Avda. Rodríguez de

Francia e/ Fortín Toledo y

Curupayty

Mcal. Estigarribia esq.

Iturbe

SAN JUAN

Monseñor Bogarín c/ Raúl Villalba

PILAR

Avda. Irala 1292 esq.

Alberzoni

