



**RAIFFEISEN BANK S.A.**

*(a joint-stock company organized and functioning in accordance with the laws of Romania, administrated in dualist system, with its registered office at 246C Calea Floreasca, Sky Tower Building, floors 2nd – 7th, 10th and 15th, Bucharest 1st District, Romania, registered with the Trade Registry under no. J40/44/1991 EUID ROONRC J40/44/1991, sole registration code 361820, registered with the Credit Institutions Registry held by National Bank of Romania under number RB-PJR-40-009 as of 18 February 1999, subscribed and paid-in share capital of RON 1,200,000,000)*

**relating to the**

**€850,000,000**

**EURO MEDIUM TERM NOTE PROGRAMME**

**FOR THE ISSUE OF NOTES (as defined in the Prospectus)**

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This supplement (the "**Supplement**") constitutes a prospectus supplement pursuant to Article 23 of Regulation (EU) 2017/1129 of the European Parliament and the Council of 14 June 2017, as amended (the "**Prospectus Regulation**") and is supplemental to, and should be read in conjunction with, the base prospectus dated 27 April 2021 (the "**Prospectus**") relating to a €850,000,000 Euro Medium Term Note Programme (the "**Programme**") of Raiffeisen Bank S.A. (the "**Issuer**" or "**Raiffeisen Bank**").

The Prospectus was approved on 27 April 2021 by the Commission de Surveillance du Secteur Financier ("**CSSF**") and published on 27 April 2021 by making it available in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of Raiffeisen Bank ([www.raiffeisen.ro](http://www.raiffeisen.ro)).

This Supplement has been filed for approval with the CSSF in its capacity as competent authority in Luxembourg for approving this Supplement and to provide the competent authorities in Romania with a certificate of approval attesting that this Supplement has been drawn up in accordance with the Prospectus Regulation. This Supplement has been filed with and approved by the CSSF on the date first above written and has been published on or about such date by making it available in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of Raiffeisen Bank ([www.raiffeisen.ro](http://www.raiffeisen.ro)).

The CSSF only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer that is subject of this Supplement.

Terms defined in the Prospectus shall have the same meaning when used in this Supplement.

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**This Supplement does not constitute an offer of, or an invitation by or on behalf of any of the Issuer, the Dealers or the Arranger to subscribe for, or purchase, any Notes.**

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To the extent that there is any inconsistency between a) any statement in this Supplement and b) any other statement in or incorporated by reference in the Prospectus, the statements in a) above will prevail.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.

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*The Issuer accepts responsibility for the information contained in this Supplement. Having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of the knowledge of the Issuer, in accordance with the facts and contains no omission likely to affect its import.*

*No person has been authorised to give any information or to make any representation other than those contained in this Supplement in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of Raiffeisen Bank International AG and Raiffeisen Bank S.A. (the "**Arrangers and Dealers**"). Neither the delivery of this Supplement nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the RBI Group since the date hereof or that there has been no adverse change in the financial position of the Issuer or the RBI Group since the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.*

*The distribution of this Supplement and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Supplement comes are required by the Issuer and the Arrangers and Dealers to inform themselves about and to observe any such restrictions. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, and may include Notes in bearer form that are subject to US tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to US persons. For a description of certain restrictions on offers and sales of Notes and on distribution of this Supplement, see "Subscription and Sale" of the Prospectus.*

*The Arrangers and Dealers have not separately verified the information contained in this Supplement. None of the Arrangers and Dealers makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Supplement. Neither this Supplement nor any financial statements supplied in connection with the Programme or any Notes are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer or the Arrangers and Dealers that any recipient of this Supplement or any financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Supplement or any financial statements and its purchase of Notes should be based upon any such investigation as it deems necessary. None of the Arrangers and Dealers undertakes to review the financial condition or affairs of the Issuer or the RBI Group during the life of the arrangements contemplated by this Supplement or to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Arrangers and Dealers.*

The following significant new factors (Article 23 of the Prospectus Regulation) relating to the information included in the Prospectus which is capable of affecting the assessment of the Notes, have arisen:

- I. On 9 June 2021, the Issuer has received new MREL requirements from the NBR in its role of Romanian Resolution Authority.

Consequently, the following change to the Prospectus shall be made:

1. On page 24 of the Prospectus, after the fourth paragraph of the Risk Factor "*The Issuer is subject to substantial regulation and supervision. Any new governmental or regulatory requirement and/ or any change in perceived levels of adequate capitalisation and leverage could subject the Issuer to increased capital and MREL requirements and require the Issuer to obtain additional capital or liquidity in the future.*" the following paragraphs shall be inserted:

"In June 2021, NBR, in its role as Romanian Resolution Authority, has communicated to the Issuer the new MREL targets in accordance with BRRD2 provisions, set in a joint decision with the Single Resolution Board in its capacity of Resolution Authority of the RBI Group.

Based on the joint decision, it was determined that the Issuer shall comply on a consolidated basis at the level of the resolution group with an MREL target of 26.19% in terms of Total Risk Exposure Amount ("TREA") and 5.90% in terms of Leverage Ratio Exposure Measure ("LRE") as of 1 January 2024. On a fully loaded basis, the subordinated requirements are set at the levels of 22.69% in terms of TREA and 5.9% of LRE, effective from 1 January 2024. According to the final sub-paragraph of Article 128 of Directive 2013/36/EU, own funds that are used to comply with the combined capital buffer requirement shall not be eligible to comply with the requirement expressed in terms of TREA. The intermediate binding MREL levels shall be met starting with 1 January 2022 and shall be equal to 21.10% of TREA (excluding the combined capital buffer requirement) and 5.9% of LRE. The minimum interim subordination requirement is set at 19.88% of TREA and 5.90% of LRE.

Until BRRD2 is transposed into national law, MREL requirements communicated to the Issuer in 2020, which require RBRO to comply with individual MREL on a sub-consolidated basis at the level of 29.95% in terms of TREA and 17.81% in terms of total liabilities and own funds ("TLOF"), which shall be reached by 31 December 2023, calculated based on financial and supervisory information as of 31 December 2017, will be implemented in accordance with the applicable national law transposing BRRD."

- II. On 30 September 2021, the Issuer published its Unaudited Interim Condensed Consolidated and Separate Financial Statements Prepared in Accordance with International Financial Reporting Standards as endorsed by the European Union for the six months period ended 30 June 2021.

Consequently, the following changes to the Prospectus shall be made:

1. On page 51 of the Prospectus, in the subchapter "**2.9 Capital Requirements**" of Chapter "**2. BUSINESS OVERVIEW**", the existing table shall be replaced in its entirety to read as follows:

Capital structure (% RWA*)	Regulatory requirements 2019	Actual 2019	Regulatory requirements 2020	Actual 2020	Regulatory requirements 2021	Actual June 2021
<b>Supervisory Review and Evaluation (SREP) (Pillar 1 + Pillar 2 capital):</b>						
CET 1	6.30%		6.26%		6.50%	
Tier 1	8.40%		8.36%		8.68%	
CAR, out of which:	11.20%		11.15%		11.57%	
SREP	3.20%		3.15%		3.57%	
<b>Capital buffers</b>						

Capital structure (% RWA*)	Regulatory requirements 2019	Actual 2019	Regulatory requirements 2020	Actual 2020	Regulatory requirements 2021	Actual June 2021
Total capital buffers**, out of which:	4.50%		4.50%		4.5%	
Conservation	2.50%		2.50%		2.50%	
Countercyclical	0.00%		0.00%		0.00%	
O-SII	2.00%		2.00%		2.00%	
Systemic Risk	1.00%		1.00%		0.00%	
<b>Total capital (SREP + Capital buffers):</b>						
CET 1	10.80%	14.69%	10.76%	18.16%	11.00%	19.14%
Tier 1	12.90%	15.66%	12.86%	19.09%	13.18%	20.02%
Total CAR***	15.70%	19.41%	15.65%	22.62%	16.07%	23.32%

**Note:** Own funds elements from the table above (Pillar 1, Pillar 2, CET1, T1 and capital buffers) are defined in Regulation EU No. 575/2013 on prudential requirements for credit institutions and investment firms (“CRR”) and NBR regulation no 5/2013 regarding the prudential requirements for credit institutions, as amended from time to time.

\*RWA – Risk weighted assets; \*\*Maximum between O-SII and Systemic risk buffer applies; \*\*\*CAR – Capital adequacy ratio.

Source: The Issuer, dated 30 September 2021

2. On page 54 of the Prospectus, section **"4.2. Significant change in the financial performance of the Issuer since the end of the last financial period for which financial information has been published"** of subchapter **"4. TREND INFORMATION"** in the chapter **"DESCRIPTION OF THE ISSUER"** shall be replaced in its entirety to read as follows:

**"4.2. Significant change in the financial performance of the Group since the end of the last financial period for which financial information has been published"**

Since 30 June 2021 there have been no significant changes in the financial performance of the Group."
3. On page 63 of the Prospectus, the subchapter **"8. SIGNIFICANT CHANGE IN THE FINANCIAL POSITION OF THE GROUP"** in the chapter **"DESCRIPTION OF THE ISSUER"** shall be replaced in its entirety to read as follows:

"Save as disclosed in section **"4.3 Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer’s prospects for at least the current financial year"**, first bullet point (“Outbreak of the corona virus disease (“COVID-19”) above, there has been no significant change in the financial position of the Group since 30 June 2021."
4. On page 64 of the Prospectus, in the chapter **"FINANCIAL INFORMATION AND DOCUMENTS INCORPORATED BY REFERENCE"**, the existing table shall be replaced in its entirety to read as follows:

Document/Heading	Page reference in the relevant document
<p>English language translation of the Raiffeisen Bank S.A.'s Consolidated and Separate Financial Statements Prepared in Accordance with International Financial Reporting Standards as endorsed by the European Union (the "<b>Audited IFRS-EU Financial Statements 2019</b>") and the audit report for the Financial Statements 2019</p> <p><b>Source:</b> the English language translation of the Annual Report 2019, as made available on the Issuer's Website.</p>	
<p>Independent Auditor's Report</p> <p>Consolidated and Separate Statement of Comprehensive Income - only information related to the column entitled "Group"</p> <p>Consolidated and Separate Statement of Financial Position - only information related to the column entitled "Group"</p>	<p>70-74</p> <p>75</p> <p>76</p>
<p>Consolidated and Separate Statement of Changes in Equity - only information related to the table entitled "Group"</p> <p>Consolidated and Separate Statement of Cash Flows - only information related to the column entitled "Group"</p> <p>Notes to the Financial Consolidated and Separate Statements for fiscal year ended at 31 December 2019 - only information related to the Group and to the columns "Group"</p>	<p>77</p> <p>78-79</p> <p>80-255</p>
<p>English language translation of the Raiffeisen Bank S.A.'s Consolidated and Separate Financial Statements Prepared in Accordance with International Financial Reporting Standards as endorsed by the European Union (the "<b>Audited IFRS-EU Financial Statements 2020</b>") and the audit report for the Financial Statements 2020</p> <p><b>Source:</b> the Consolidated and Separate Financial Statements Prepared in Accordance with International Financial Reporting Standards as endorsed by the European Union 2020 of the Issuer, as made available on the Issuer's Website.</p>	
<p>Independent Auditor's Report</p> <p>Consolidated and Separate Statement of Comprehensive Income - only information related to the column entitled "Group"</p> <p>Consolidated and Separate Statement of Financial Position - only information related to the column entitled "Group"</p> <p>Consolidated and Separate Statement of Changes in Equity - only information related to the table entitled "Group"</p> <p>Consolidated and Separate Statement of Cash Flows - only information related to the column entitled "Group"</p> <p>Notes to the Financial Consolidated and Separate Statements for fiscal year ended at 31 December 2020 - only information related to the Group and to the columns "Group"</p>	<p>1-9</p> <p>1</p> <p>2</p> <p>3</p> <p>4-5</p> <p>6-170</p>
<p>Raiffeisen Bank S.A.'s Unaudited Interim Condensed Consolidated and Separate Financial Statements Prepared in Accordance with International Financial Reporting Standards as endorsed by the European Union for the six</p>	

Document/Heading	Page reference in the relevant document
<p>months period ended 30 June 2021 (the “<b>Unaudited Interim Condensed IFRS-EU Financial Statements 30 June 2021</b>”)</p> <p><b>Source:</b> the Unaudited Interim Condensed Consolidated and Separate Financial Statements Prepared in Accordance with International Financial Reporting Standards as endorsed by the European Union for the six months period ended 30 June 2021 of the Issuer, as made available on the Issuer’s Website.</p>	
Interim Condensed Consolidated and Separate Statement of Comprehensive Income - only information related to the column entitled “Group”	1
Interim Condensed Consolidated and Separate Statement of Financial Position - only information related to the column entitled “Group”	2
Interim Condensed Consolidated and Separate Statement of Changes in Equity - only information related to the table entitled “Group”	3
Interim Condensed Consolidated and Separate Statement of Cash Flows - only information related to the column entitled “Group”	4-5
Notes to the Interim Condensed Consolidated and Separate Financial Statements for the six months period ended 30 June 2021 - only information related to the Group and to the columns “Group”	6-84

5. On page 65 of the Prospectus, the second paragraph after the table in the chapter "**FINANCIAL INFORMATION AND DOCUMENTS INCORPORATED BY REFERENCE**" shall be replaced in its entirety to read as follows:

"For the avoidance of doubt, such parts of the Audited IFRS-EU Financial Statements 2019, the Audited IFRS-EU Financial Statements 2020 and the Unaudited Interim Condensed IFRS-EU Financial Statements 30 June 2021 (as defined above) respectively, which are not explicitly listed in the tables above, are not incorporated by reference into this Prospectus as these parts are either not relevant for the investor or covered elsewhere in this Prospectus."

6. On page 65 of the Prospectus, the fifth paragraph after the table in the chapter "**FINANCIAL INFORMATION AND DOCUMENTS INCORPORATED BY REFERENCE**" shall be replaced in its entirety to read as follows:

"The indicated page references in the tables above regarding the Audited IFRS-EU Financial Statements 2019, the Audited IFRS-EU Financial Statements 2020 and the Unaudited Interim Condensed IFRS-EU Financial Statements 30 June 2021 (as defined above) were extracted from the page numbers indicated in the header/footer of the relevant document. It is noted that the page references indicated in the relevant table of contents do not always correspond to the page number indicated in the header/footer of the relevant document. The page references for the relevant Independent Auditor’s Report for 31 December 2019 and 31 December 2020 correspond to the page numbers indicated in the header/footer of the relevant document (if any)."

7. On page 66 of the Prospectus, the third paragraph of the subchapter "*Availability of documents incorporated by reference*" shall be replaced in its entirety to read as follows:

" Electronic versions of the documents incorporated by reference are also available on the website of the Issuer and can be accessed by using the following hyperlinks:

1. The Annual Report 2019 containing the “**Audited IFRS-EU Financial Statements 2019**” and the audit report for the Financial Statements 2019  
  
URL: <https://www.raiffeisen.ro/doc/Annual-Report-Raiffeisen-Bank-2019.pdf>
2. The “**Audited IFRS-EU Financial Statements 2020**” and the audit report for the Financial Statements 2020

URL: <https://www.raiffeisen.ro/doc/Raiffeisen-Bank-Financial-Statements-2020.pdf>

3. The “**Unaudited Interim Condensed IFRS-EU Financial Statements 30 June 2021**”

URL: <https://www.raiffeisen.ro/doc/20210930-Half-Year-Financial-Statements-as-of-June-30th.pdf>”

8. On page 66 of the Prospectus, the subchapter "**Selected financial information**", shall be replaced in its entirety to read as follows:

"The selected financial information is extracted from the consolidated financial statements as of 31 December 2020 and the interim condensed consolidated financial statements as of 30 June 2021 and of 30 June 2020 and is to be read in conjunction with these financial statements. The Annual Consolidated Financial Statements have been prepared in accordance with Order no. 27/2010 of the NBR and subsequent amendments, which require that these consolidated financial statements are prepared in accordance with International Financial Reporting Standards as endorsed by the European Union (“**IFRS**”). The Interim Condensed Consolidated Financial Statements have been prepared in accordance with IAS 34. The Annual Consolidated Financial Statements have been audited by the independent Auditor.

The Group’s accounting policies applied in preparing the Annual Consolidated Financial Statements and the Interim Condensed Consolidated Financial Statements are described in Note 3 to the Annual Consolidated Financial Statements and the Interim Condensed Consolidated Financial Statement respectively.

Selected historical key financial information as at and for the six months period ended 30 June 2021 and 30 June 2020 and the year ended 31 December 2020:

	The Group		The Issuer	
in RON thousands	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Total liabilities and equity	55,194,280	52,053,205	54,513,952	51,282,912
Total equity	5,826,239	5,503,544	5,692,332	5,376,751

	The Group		The Issuer	
in RON thousands	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Net interest income	872,310	871,946	852,722	850,398
Net result for the period	404,462	255,038	397,159	280,284
Net result attributable to non-controlling interests	303	191	298	210
Net result attributable to owners of the parent	404,159	254,847	396,861	280,074

Source: Annual Consolidated Financial Statements and Interim Condensed Consolidated Financial Statements."

9. On page 193 of the Prospectus, in the chapter "**DEFINITIONS AND LIST OF ABBREVIATIONS**", the following definition shall be inserted immediately after the definition of "**Group**":

“**IAS**” International Accounting Standards."

10. On page 193 of the Prospectus, in the chapter "**DEFINITIONS AND LIST OF ABBREVIATIONS**", the following definition shall be inserted immediately after the definition of "**IAS**":



**"IAS 34"** International Accounting Standards IAS 34 "Interim Financial Reporting".

11. On page 193 of the Prospectus, in the chapter **"DEFINITIONS AND LIST OF ABBREVIATIONS"**, the following definition shall be inserted immediately after the definition of **"Interest"**:

**"Interim Condensed Consolidated Financial Statements"** means the Issuer and its consolidated subsidiaries unaudited interim condensed consolidated financial statements for the six months period ended 30 June 2021 prepared in accordance with IFRS."

- III. Furthermore, there have recently been certain developments relating to legal, governmental or arbitration proceedings before various courts and governmental agencies.

Consequently, the following changes to the Prospectus shall be made:

1. On page 14 of the Prospectus, the first paragraph of the Risk Factor *"The Issuer may be subject to onerous tax liabilities."* shall be replaced in its entirety to read as follows:

"In its business activities, the Issuer is required to pay various taxes and contributions, such as profit tax, value added tax, various social contributions and others. While the Issuer believes it has paid its taxes when due, interpretation of applicable rules by tax authorities may differ. In practice, tax inspections typically result in tax authorities requiring payment of additional amounts as well as interest and/or penalties. Recently, both, the Romanian Government and EU institutions, have applied significant pressure in relation to taxes paid or payable by banks. Whether as a result of such pressure from the fiscal authorities or in the ordinary course of business, it is likely that the Issuer will be subject to one or more tax inspections from time to time. In the period December 2017 – May 2019, the Issuer had been subject to a fiscal audit from the Romanian Tax Authority ("ANAF"). The object of the audit was income tax (period 2011-2016) and withholding tax (period 2013-2016). The fiscal audit report indicated total additional charges of RON 262.4 million which includes income tax, withholding tax and related penalties. The Issuer has paid all the charges resulting from the fiscal inspection. In response, the Issuer submitted an administrative appeal against the inspection report, requesting its cancellation. During 2020, the Issuer received the answer to the appeal according to which the Issuer is entitled to receive back 10% of the principal charges included in the tax report. The Issuer continued legal procedures for the recovery of the remaining amounts and initiated a litigation in this respect. Based on the facts and documents presented to the tax authority concerning certain operations that were the object of the control performed by the tax authority, considering the reclassification/qualifications made by the tax authority, and considering the opinions issued by the tax advisers and by the law firm that represents the Issuer in the litigation against the tax authority, the Issuer increased the provision for the tax audit as of June 2021. The Issuer recognised as of June 2021 as expense an amount of RON 35.3 million, in addition to the amount of RON 35.3 million reflected in 2020 and RON 21.5 million reflected in 2019. The amounts receivable from the tax audit, are booked under two balance sheets positions: "Other assets" (the part representing withholding taxes and related penalties) and "Income tax receivable" (the part representing income tax and related penalties). As of 30 June 2021, the amounts reflected under "Other assets" is RON 53.4 million (31 December 2020: 79.5 million), while the amount reflected under income "Income tax receivable" is RON 95.6 million (31 December 2020: 126.3 million).

2. On page 62 of the Prospectus, paragraphs (b) and (c) in subchapter **"7. LEGAL AND ARBITRATION PROCEEDINGS"** in the chapter **"DESCRIPTION OF THE ISSUER"** shall be replaced in their entirety to read as follows and the following paragraph (d) shall be inserted immediately after paragraph (c):

"(b) In October 2017, the Romanian consumer protection authority ("ANPC") has issued an order for the Issuer to stop its alleged practice of "not informing its customers about future changes in the interest rate charged to the customers". The order does not imply any monetary restitution or payment from the Issuer. However, the possibility of any monetary restitution claims instigated by customers cannot be excluded. The Issuer has disputed this order, having also obtained a final stay of its enforcement pending a final solution. These proceedings are currently in the appeal phase, the first ruling on merits having been in favour of ANPC. Given current uncertainties, an exact quantification of the negative financial impact is not possible, however, estimation of the Issuer, based on the current known elements is that such impact may be in the worst-case scenario RON 275.5 million. For this legal dispute, the Issuer calculated a provision based on all possible scenarios, which are weighed with probabilities in order to obtain the best estimated expected loss. The value of this provision, as of 30 June 2021 is RON 69.2 million (31 December 2020: RON 69 million) and has been made as a result of losing the litigation in the first instance.



- (c) In the period December 2017 – May 2019, the Issuer had been subject to a fiscal audit from the Romanian Tax Authority (“ANAF”). The object of the audit was income tax (period 2011-2016) and withholding tax (period 2013-2016). The fiscal audit report indicated total additional charges of RON 262.4 million which includes income tax, withholding tax and related penalties. The Issuer has paid all the charges resulting from the fiscal inspection. In response, the Issuer submitted an administrative appeal against the inspection report, requesting its cancellation. During 2020, the Issuer received the answer to the appeal according to which the Issuer is entitled to receive back 10% of the principal charges included in the tax report. The Issuer continued legal procedures for the recovery of the remaining amounts and initiated a litigation in this respect. Based on the facts and documents presented to the tax authority concerning certain operations that were the object of the control performed by the tax authority, considering the reclassification/qualifications made by the tax authority, and considering the opinions issued by the tax advisers and by the law firm that represents the Issuer in the litigation against the tax authority, the Issuer increased the provision for the tax audit as of June 2021. The Issuer recognised as of June 2021 as expense an amount of RON 35.3 million, in addition to the amount of RON 35.3 million reflected in 2020 and 21.5 million reflected in 2019. The amounts receivable from the tax audit are booked under two balance sheet positions: “Other assets” (the part representing withholding taxes and related penalties) and to “Income tax receivable” (the part representing income tax and related penalties). As of 30 June 2021, the amount reflected under “Other assets” is RON 53.4 million (31 December 2020: 79.5 million), while the amount reflected under “Income tax receivable” is RON 95.6 million (31 December 2020: RON 126.3 million).
- (d) In July 2014, ANPC issued a decision applicable to the Issuer, asking the bank to stop the practice of including the credit management commission in the interest margin when restructuring consumer loans. Although, provisions describing that method were included in the respective agreements, ANPC was of the opinion that those provisions were not clear enough. Initially, it was not clear how the ANPC decision should be implemented; however, after seeking external advice and after a dispute in court that was lost by the Issuer in June 2020, the Issuer started the implementation by returning a portion of the interest rate to all consumers to whom such practice had been applied, at least for the period starting from July 2014 until either the point of time such borrowers entered into a new agreement on the interest rate or the point of time the Issuer actually implements the court decision. This also applies to originally affected loans that have been repaid in the meantime. In October 2020, ANPC asked the Issuer to confirm how the court’s decision was being implemented and an answer was provided by the Issuer on the basis of the external opinion obtained. In September 2021, ANPC issued a new order which, among others, indicated that commissions should also be reimbursed. The Issuer has disputed the order of ANPC in court. Given current uncertainties, at this stage, an exact quantification of the negative financial impact is not possible but in a worst-case scenario may be estimated at around RON 84 million. The provision booked in this respect, as of 30 June 2021, is in amount of RON 16.7 million (31 December 2020: RON 16.7 million) but following the new order the provision was further increased by RON 30 million up to RON 46.7 million."

IV. Moreover, on 20 October 2021, Moody’s has published an upgraded outlook for the Issuer’s credit rating.

Consequently, the following change to the Prospectus shall be made:

1. On page 43 of the Prospectus, the section under the sub-heading “**1.5. Credit ratings – Deposit Rating**” of subchapter “**1. INFORMATION ABOUT THE ISSUER**” in the chapter “**DESCRIPTION OF THE ISSUER**” shall be replaced in its entirety to read as follows:

The Issuer has obtained deposit ratings from Moody’s Deutschland GmbH (“Moody’s”)\*. As of the date of this Prospectus such ratings are as follows:

Type	Rating	Outlook
Long Term Counterparty Risk Foreign Currency Rating	Baa1	-
Long Term Foreign Currency Bank Deposit Rating	Baa1	Stable
Long Term Domestic Currency Bank Deposit Rating	Baa1	Stable

(\*) Moody's Deutschland GmbH, An der Welle 5, 2nd Floor, 60322 Frankfurt, Germany is established in the European Union, is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (the "**CRA Regulation**") and is included in the list of credit rating agencies registered in accordance with the CRA Regulation published by the European Securities and Markets Authority ("ESMA") on its website.

As of 20 October 2021, Moody's has upgraded the Issuer's Long Term Foreign Currency Deposit rating and Long Term Domestic Currency Deposit Rating outlooks from negative to stable, in line with the change in the outlook assigned on Romania's sovereign rating.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.