

To: Bucharest Stock Exchange (BSE)
The Financial Supervisory Authority (FSA) – Financial Investments and Instruments Sector

Raiffeisen Bank announces a net profit of 198 million lei in the first quarter of 2021

- The total assets of the banks increased to 52.2 billion lei, by 9%, year on year;
- Customer deposits reached 43.7 billion lei in Q1 2021, an increase of 9% compared to Q1 2020;
- The banks' credit portfolio exceeded 30 billion lei, 4% larger than at the end of March 2020;

Bucharest, May 7th, 2021 - Raiffeisen Bank ended the first quarter of 2021 with a good financial performance with a net profit of 198 million lei, 41% higher than in Q1 2020 amid a considerably lower cost of risk. This positive evolution is due to the prudent risk policy, the good performance of the loan portfolio supported by the successful implementation of customer support measures (both bank's measures, such as the bank's option to defer payment for three installments, and governmental), as well as improving the macroeconomic perspective.

"We are pleased with our results in the first three months of 2021, at a time when we have continued to be concerned with the safety of customers, partners and employees, but we also focused our efforts on supporting the economy revival by providing financial solutions tailored for our customers' needs and the real economy. Due to the measures taken, the public and private moratoriums and their extension, we managed to maintain the risk profile at healthy levels and we were happy to see how our clients overcame this difficult period. The bank's loan portfolio grew by 4% compared to Q1 2020 with a 15% growth peak in the SME loan portfolio, largely due to our strong implications in the SME Invest program" said Steven van Groningen, President & CEO Raiffeisen Bank.

In Q1 2021, total assets reached 52.2 billion lei (an increase of 9% year on year), but bank revenues decreased by 4% compared to Q1 2020, despite the increase in net loans, affected primarily by the declining interest rates and commission income reduced by 8%, given that the local economy has not fully recovered after the pandemic period. The bank's revenues evolution was also influenced by the constant efforts to offer customers convenient transactional services in terms of price and quality, such as current account packages with numerous free transactions, but also from the migration of operations from agencies to multifunctional machines and electronic channels, with low cost for customers.

Operating expenses decreased slightly by 2% as compared to the previous year's Q1, especially against the background of significantly higher costs recorded in March 2020, in

the first stage of the pandemic, designed to cover the needs for sanitary materials and protective equipment to create a safe business environment for our employees and customers. The health crisis has brought a more prudent behavior, oriented towards the postponement of expenses and a tendency towards savings on the part of our clients, so that deposits registered an increase of 9% in March 2021 as compared to March 2020.

Financing and programs dedicated to large and medium-sized companies, but also to SMEs continue at a steady pace

In the first quarter of 2021, the total balance for large and medium-sized corporations approved loans exceeded the registered amount in the first quarter of last year (since the pandemic), the bank continuing its strategy to support customers' efforts to adapt to new economic realities. In addition, Raiffeisen Bank stands by its customers with state-guaranteed programs (e.g. the program to support large companies with collateral from EximBank), an important component in the lending activity being the financing of sustainable investments, with the component of CO2 footprint reduction.

At the end of the first quarter, the balance of SMEs net loans granted by Raiffeisen Bank increased by 15% compared to Q1 2020, while the number of customers with whom we have a credit relationship exceeded 14,000. In February 2021, the Bank launched the fourth edition of the Factory by Raiffeisen program (dedicated to Romanian startups), with a new educational component, Startup Studio. The entire learning path for entrepreneurs takes place under the guidance of valuable business consultants, who starting May 15 will share with the participants successful recipes for attracting customers and investors. Raiffeisen Bank continues the tradition of supporting farmers through the financing subsidies program from the Agency for Payments and Intervention in Agriculture (APIA), as part of the 2021 agricultural campaign.

The health crisis is accelerating innovation and digitalization

"For us, the customer feedback that we collect through a very high-performance platform - PULS, matters a lot. The data collected from customers show us that all the bank's efforts in the last year have been appreciated, Raiffeisen Bank continuing to be recommended by customers due to the products offered and the digitalization of its services. In the first quarter of this year the bank's overall recommendation score increased by 10% (as compared to Q1 2020), remaining at the maximum level reached in the last quarter of 2020", added Steven van Groningen.

At the end of March 2021, the number of active digital clients reached almost 900,000. Thus, 43% of the bank's individual customers were digitally active, compared to 34% in March 2020. Transactions made through mobile and internet banking apps increased by 63% in Q1 2021, compared to the same period last year.

In 2021, an monthly average of 75,000 customers began using the digital services offered by Raiffeisen Bank, as compared to 54,000 per month at the beginning of 2020. Smart Hour is one of the most used digital options. With Smart Hour, from Monday to Friday, between 10:00 and 11:00, Raiffeisen Bank customers can exchange EURO in lei and vice versa, at the NBR exchange rate, directly from the mobile banking app. The average monthly count of RON-EURO and EURO-RON currency exchanges made by clients in Smart Hour increased by 83% at the beginning of 2021, compared to the same period last year. Compared to the beginning of 2020, POS payments made by individuals with debit card increased by about 40%, both in value and volume. Debit card transactions used for e-commerce have increased by 50%, in terms of value and volume, as compared to Q1 2020. Raiffeisen Bank customers can pay by phone, by RaiPay on Android and Apple Pay on iOS. Garmin Pay is also available on Garmin watches. Payments by mobile phone, watch or bank cards increased by 90% in Q1 2021, compared to the first quarter of 2020.

Raiffeisen Bank continues to be the leader on the Romanian credit card market at the end of March 2021, with a portfolio of over 550,000 active cards. Payments with shopping cards in March 2021 increased by 26% as compared to March 2020, and overall, in Q1 2021 they were 12% higher than the similar period in 2020.

Together with the parent group RBI, Raiffeisen Bank takes on an essential role in the process of transition to a green economy. The bank aims to generate a positive impact, both through its operating approach and through the projects selected for financing. Raiffeisen Bank started the year 2021 setting out the key directions to be followed in its sustainability strategy, namely: responsible banker (aims to finance sustainable and healthy projects from the perspective of ecological and social impact), the fair partner for its employees and partners and corporate fellow involved in the community affairs.

Raiffeisen Bank Romania has over 20 years of business on the Romanian banking market and approximately 2.2 million customers, individuals and legal entities. The bank has over 4,800 employees, 329 agencies across the country, 722 ATMs, 393 multifunctional machines (MFMs) and a network of over 24,300 POS.

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Name of the issuer: Raiffeisen Bank S.A.

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The regulated market where the instruments are traded: Bucharest Stock Exchange