

To: Bucharest Stock Exchange (BSE)

The Financial Supervisory Authority (FSA) – Financial Investments and Instruments Sector

Raiffeisen Bank posted strong Q1 results in line with increased customer satisfaction

- **The Bank reports a net profit of RON 218 million for the first quarter of 2022, in line with increased customer satisfaction;**
- **Total assets reached RON 59.6 billion as of March 31st 2022, a 14 per cent increase year on year;**
- **The Bank's net value loan portfolio exceeded RON 34.3 billion, up 19 per cent compared to Q1 2021;**
- **Customer deposits reached RON 49.4 billion in Q1 2022, a 13 per cent increase compared to the same period last year;**
- **In the first three months of this year, the Bank helped more than 15,000 customers renovate and equip their homes and 5,000 to get a car;**

Bucharest, May 4th 2022 - Raiffeisen Bank achieved a very good financial performance in the first quarter of 2022, reporting a net profit of RON 218 million, up 10 per cent compared to the first quarter of the previous year. The increase in profit resulted from increased customers' transactional activity both individuals and companies, along with maintaining the Bank's risk profile at a very good level.

"Our good results in the first three months of 2022 reflect the economic recovery process, taking place immediately right after the most critical pandemic period. Thus, the Bank's net loan balance increased by 19 per cent compared to Q1 2021, with good results for all business segments. Corporate loans registered an excellent evolution, with an increase of 30 per cent, we succeeded in advancing by almost 10 per cent for SME lending and recorded a similar increase for loans to individuals, of 11 per cent year on year. Deposits attracted by the Bank increased by 13 per cent in the first quarter of 2022, compared to the same period in 2021 and came mainly from the Large Corporate and Mid-Market sectors. However, since February 24th 2022, we have been facing an extremely unpredictable and difficult situation, the war in Ukraine, which determines a different customer behavior. Especially in times like these we do our best to provide the customers with the best financial advice and strive to improve in making them an easy day with our daily digital banking.", said Zdenek Romanek, President & CEO of Raiffeisen Bank.

As of March 31, 2022, the Bank's **gross income** was RON 692 million, 12 per cent higher compared to the first quarter of last year. At the same time, **interest income** increased by 16

per cent, supported by higher new loan volumes, but also by an upward trend in market interest rates. **Net commission income** also increased by 12 per cent in Q1 2022 compared to the first quarter of the previous year, largely from an intensified customers' transactional activity, especially in terms of foreign exchange and loan insurance commissions.

Operating expenses in Q1 2022 are up 8 per cent compared to Q1 2021, stemming mainly from salary costs, IT expenses and, to a lesser extent, from utilities and logistics. Inflationary pressures affecting the whole economy also influence the Bank's operating costs.

"Despite all these pressures on costs, our priorities remain to be a good team, satisfied with the work environment, and to continue investing in the digitalization of the Bank's services. Therefore, in our strategy, we consider optimizing non-essential expenses, such as those for cash operations or rent expenses. The provisions cost remains low, due to the good payment behavior of our customers, who managed to overcome the challenges of the pandemic period better than we would have expected", added Zdenek Romanek.

Nevertheless, 2022 brought unusual geopolitical and economic challenges, and the Bank's prudent approach to credit risk has led to an increase in the cost of provisions from RON 8 million in Q1 2021 to RON 20 million in Q1 2022.

Customer experience increased driven by fully digital onboarding and lending flows

In the first quarter of 2022, Pulse, the customer feedback platform, recorded the **best satisfaction score to date related to the digital enrollment flow**. Any Romanian who wants to become a Raiffeisen Bank customer can do it easily, directly from the Smart Mobile banking application, without the need for a visit to the branch.

The portfolio of **digital active customers** continued to grow at Raiffeisen Bank with over 50,000 active users in the first three months of this year, exceeding 1.1 million digital active customers as of March 31, 2022.

In March, following the evolution of market rates and the context brought by the Ukraine war, the Bank increased the interest rates on **savings products in RON**, by up to 2.5 percentage points. Savings products for individuals at Raiffeisen Bank are available exclusively in the digital applications, Raiffeisen Smart Mobile and Raiffeisen Online.

Raiffeisen Bank continues to be one of the leaders on the Romanian **credit card** market, with a portfolio of over 550,000 active cards. The number of **e-commerce transactions** carried out by individuals through Raiffeisen Bank debit cards increased by 34 per cent, compared to the first 3 months of last year. Raiffeisen Bank customers can make **payments**

by phone with RaiPay on Android, by downloading the application from the Google Play Store or Huawei AppGallery, with Apple Pay on iOS and with Garmin Pay, on Garmin watches. In the first quarter of 2022, the number of card payments made by Raiffeisen Bank customers by phone or watch increased by 83 per cent.

In the first quarter of 2022, customers returned to pre-pandemic behavior and Raiffeisen debit card payments for online airline tickets doubled from the first quarter of 2021, as did holiday purchases. Card payments at hotels, restaurants, and bars have increased by 70 per cent compared to the first quarter of 2021.

Meanwhile, more than 15,000 customers took out a personal loan (Flexicredit) from Raiffeisen Bank for home improvements purposes, and another 5,000 bought a car in the first three months of this year. Covering medical expenses or financing special events are other important destinations for which Raiffeisen Bank customers have applied for a personal loan.

Online payments security is also a permanent concern of the Bank and its customers. RaiPay users can activate a disposable card attached to their shopping card, which they can use for new or less visited websites. Up to 10 unique cards can be generated per day, valid for 30 minutes.

Sustainable finance progresses on all customer segments

Together with the parent group RBI, Raiffeisen Bank undertakes an essential role in the transition to a green economy. The Bank aims to create a positive impact, both through its operations and the projects it chooses to finance.

The EUR 325 million financing agreement signed by Raiffeisen Bank with ROMGAZ, the largest natural gas producer in Romania, is an eloquent example for the Bank's commitment in supporting the transition process towards **greener energy**.

In the first quarter of 2022, Raiffeisen Bank also granted the first green loans generated through the **sustainable financing platform dedicated to SMEs**. The loans were granted for the purchase of **photovoltaic panels** with the aim of sustainable business transformation, but also to reduce electricity costs.

<https://bank.raiffeisen.ro/ro/sustenabilitate/home.html>

Sales of housing loans from the Bank's standard offered to individuals increased by 40 per cent in Q1 2022 compared to Q1 2021. In the first three months of this year, **green mortgage loans** reached a share of over 41 per cent of the volume of new mortgage-backed loans

granted by the Bank, and 85% of customers chose to buy an apartment, and 15% of them opted for a house.

Support for Ukrainian refugees

Raiffeisen Bank came to the aid of Ukrainian refugees in Romania by providing free access to essential banking services. For Ukraine-issued cards, payments at the Bank's POSs and cash withdrawals from the bank's ATMs/MFMs have zero costs. Also, Ukrainian citizens can open a current account with an attached debit card, in RON, issued on the spot, in any of the Bank's agencies, with a valid passport or Ukrainian identity card. In addition, those who provide proof of an employment contract registered in Romania can benefit from all the Bank's products and services.

Raiffeisen Bank has also made available to its customers the option of donation in the Smart Mobile application for the Emergency Fund launched by United Way, which directly supports families taking refuge in Romania because of the war in Ukraine.

Raiffeisen Group has a 25-year presence on the Romanian banking market and serves over 2.28 million customers, individuals and companies. The Bank has more than 4,700 employees, 300 agencies across the country, 1130 ATMs, of which 474 are multifunctional machines (MFMs) and a network of over 26,400 POS.

For additional information: comunicare.externa@raiffeisen.ro

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Name of the issuer: Raiffeisen Bank S.A.

Headquarters: Sky Tower Building, Calea Floreasca, No. 246 C, Bucharest

Phone / Fax No: +40 21 306 1000 / +40 21 230 0700

Unique Registration Code with the Trade Register: 361820

Order number in the Trade Register: J40/44/1991

Subscribed and paid-in share capital: RON 1 200 million

The regulated market where the instruments are traded: Bucharest Stock Exchange (RBRO26, RBRO28 and RBRO29) and Luxemburg Stock Exchange (RBRO26 and RBRO28)