

**KBC GROUP NV BASE PROSPECTUS SUPPLEMENT (N°1)**

**dated 16 August 2022**



**KBC Group NV**

*(incorporated with limited liability in Belgium)*

**EUR 15,000,000,000**

**Euro Medium Term Note Programme**

This supplement dated 16 August 2022 (the “**Supplement N°1**”) constitutes a supplement for the purposes of Article 23 of Regulation (EU) 2017/1129, as amended from time to time (the “**Prospectus Regulation**”). The Supplement N°1 is supplemental to, forms part of, and must be read in conjunction with the base prospectus dated 24 May 2022 (the “**Base Prospectus**”), prepared in connection with the EUR 15,000,000,000 Euro Medium Term Note Programme (the “**Programme**”) established by KBC Group NV, incorporated as a limited liability company under the laws of Belgium, with registered office at Havenlaan 2, 1080 Brussels and registered with the Crossroads Bank of Enterprises VAT BE0403.227.515 (Brussels) (the “**Issuer**”). Terms defined in the Base Prospectus or in any document incorporated by reference in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement N°1.

This Supplement N°1 has been approved by the FSMA, as competent authority under the Prospectus Regulation. This approval does not imply any appraisal of the appropriateness or the merits of any issue under the Programme, nor of the situation of the Issuer.

The Issuer accepts responsibility for the information contained in this Supplement N°1. The Issuer confirms that, to the best of its knowledge (having taken all reasonable care to ensure that such is the case) the information contained in this Supplement N°1 is in accordance with the facts and does not omit anything likely to affect the import of such information.

**I. New information**

**a) Introduction**

*KBC Group Quarterly Report 2Q2022*

On 11 August 2022, the Issuer published its extended quarterly report for the second quarter 2022 in the document “*KBC Group Quarterly Report 2Q2022*” accompanied by a press release entitled “*KBC Group: Second-quarter result of 811 million euros*”.

In order to ensure that the information contained in the Base Prospectus is up-to-date as required by the Prospectus Regulation, the aforementioned documents will be incorporated by reference in the Base Prospectus. A copy of these documents, incorporated by reference in the Base Prospectus, can be obtained from the registered office of the Issuer, the website of the Issuer ([www.kbc.com/investors](http://www.kbc.com/investors)) and from the website of Euronext Brussels ([www.euronext.com](http://www.euronext.com)).

If documents which are incorporated by reference themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement N°1 for the purposes of the Prospectus Regulation, except where such information or other documents are specifically incorporated by reference or attached to this Supplement N°1.

Due to this new information the Base Prospectus is amended as described below.

*Bulgarian operations of Raiffeisen Bank International:*

On 15 November 2021, KBC Bank and Austria-based Raiffeisen Bank International ('RBI') reached an agreement for KBC Bank to acquire 100% of the shares of Raiffeisenbank (Bulgaria) EAD (RBI's Bulgarian banking operations). The transaction was completed on 7 July 2022 and the name of Raiffeisenbank (Bulgaria) EAD was changed into KBC Bank Bulgaria EAD. KBC Bank Bulgaria EAD will be consolidated as of 3Q 2022.

Raiffeisenbank Bulgaria and the existing Bulgarian subsidiary UBB will merge their operations, allowing KBC to significantly expand the share of our Bulgarian core market to an estimated 19% in terms of assets.

*Divestiture of KBC Bank Ireland's portfolio of non-performing mortgage loans*

On 7 February 2022, the Issuer published a press release announcing that it and KBC Bank Ireland finalised the deal announced on 30 August 2021 concerning the sale of a non-performing mortgage loan portfolio of roughly 1.1 billion euros (mainly Private Dwelling House (PDH) and Buy to let (BTL)) in a transaction financed by funds managed by CarVal Investors. The transaction remains subject to ministerial approval. On 23 May 2022 the transaction already received approval from the Irish Competition and Consumer Protection Commission (CCPC).

**b) Recent events**

In the section "*Recent events*" on page 115 *et seq.* of the Base Prospectus, the following paragraph shall be added:

*"On 15 November 2021, KBC Bank and Austria-based Raiffeisen Bank International ('RBI') reached an agreement for KBC Bank to acquire 100% of the shares of Raiffeisenbank (Bulgaria) EAD (RBI's Bulgarian banking operations).*

*The transaction also includes Raiffeisenbank Bulgaria's fully-owned subsidiaries Raiffeisen Leasing Bulgaria, Raiffeisen Asset Management (Bulgaria), Raiffeisen Insurance Broker (serving Raiffeisenbank Bulgaria's leasing and corporate clients) and Raiffeisen Service.*

*The deal, involving a total consideration of 1 009 million euros paid in cash, reflects the quality of the Bulgarian operations of Raiffeisen Bank International and the synergies potential.*

*The transaction was completed on 7 July 2022 and the name of Raiffeisenbank (Bulgaria) EAD was changed into KBC Bank Bulgaria EAD. KBC Bank Bulgaria EAD will be consolidated as of 3Q 2022. The transaction will have a capital impact of around -1pp on KBC Group's CET1 in 3Q 2022."*

**c) Documents incorporated by reference**

The section "*Documents incorporated by reference*" on page 37 of the Base Prospectus will be supplemented by adding the following points to the list of documents which are incorporated and form part of the Base Prospectus:

“(k) the extended quarterly report for the second quarter of 2022 of the Issuer (available on <https://www.kbc.com/content/dam/kbccom/doc/investor-relations/Results/2q2022/2q2022-quarterly-report-en.pdf?zone=>);

(l) the press release dated 11 August 2022 entitled “KBC Group: Second-quarter result of 811 million euros” (available on <https://www.kbc.com/content/dam/kbccom/doc/investor-relations/Results/2q2022/2q2022-pb-en.pdf?zone=>)”

The section “*Documents incorporated by reference*” on page 37 *et seq.* of the Base Prospectus will be supplemented by adding the following sub-section “*Issuer’s extended quarterly report for the second quarter of 2022*” below the sub-section “Unaudited condensed consolidated financial statements of the Issuer for the first quarter of 2021 and for the first quarter of 2022”:

“The table below sets out the relevant page references for the unaudited consolidated financial statements according to IFRS of the Issuer for the first half year of 2022.

**Issuer’s extended quarterly report for the second quarter of 2022 \***

*Unaudited condensed consolidated financial statements of the Issuer for the second quarter of the financial year*

income statement	page 13
statement of comprehensive income	page 15
balance sheet	page 16
statement of changes in equity	page 17 – 18
cash flow statement	page 19
notes to the financial statements	page 20 – 37
Additional information	page 40 – 58
ratios used	page 59 – 64

\* Page references are to the English language PDF version of the relevant incorporated documents.”

**d) General Information**

Paragraph (3) on page 120 of the Base Prospectus shall be deleted and replaced by the following paragraph:

*“(3) Other than as disclosed in this Base Prospectus, there has been no significant change in the financial or trading position of the Issuer since 30 June 2022 and no material adverse change in the prospects of the Issuer since 31 December 2021.”*

**II. General**

Save as disclosed in this Supplement N°1, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since 24 May 2022, the date of publication of the Base Prospectus.

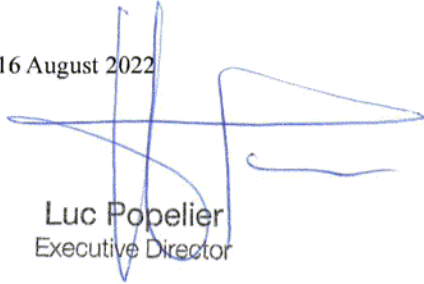
To the extent that there is an inconsistency between (a) any statement in this Supplement N°1 and (b) any statement in, or incorporated by reference into, the Base Prospectus, the statements in (a) above will prevail.

Copies of this Supplement N°1 will be available without charge at the specified office of the Issuer and the Agent, on the website of Euronext Brussels ([www.euronext.com](http://www.euronext.com)) and the website of the Issuer ([www.kbc.com](http://www.kbc.com)<sup>1</sup>).

---

<sup>1</sup> <https://www.kbc.com/en/investor-relations.html?zone=topnav>

16 August 2022



Luc Popelier  
Executive Director

---

Authorized signatory  
on behalf of KBC Group NV



Johan Thijs

Executive Director  
Authorized signatory  
on behalf of KBC Group NV