

SUPPLEMENT No. 2 DATED 13 October 2020
TO THE BASE PROSPECTUS DATED 20 December 2019

BROKERCREDITSERVICE STRUCTURED PRODUCTS PLC
(incorporated in Cyprus)
(as Issuer)

EUR 20,000,000,000 EURO MEDIUM TERM NOTE PROGRAMME

Arranger for the Programme
BCS Prime Brokerage Limited
Sole Dealer
BrokerCreditService (Cyprus) Limited

Supplement to the Base Prospectus

This supplement (the "**Supplement**") constitutes a supplement to the base prospectus dated 20 December 2019 as supplemented by Supplement No. 1 dated 10 June 2020 (the "**Base Prospectus**"), which constitutes a base prospectus for the purposes of Regulation (EU) 2017/1129 of the European Union and of the Council of 14 June 2017 as amended from time to time ("the **Prospectus Regulation**"), prepared in connection with the EUR 20,000,000,000 euro medium term note programme (the "**Programme**") of BrokerCreditService Structured Products plc (the "**Issuer**").

This Supplement comprises a supplement in accordance with Article 23 of the Prospectus Regulation. This Supplement has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under the Prospectus Regulation. The Central Bank 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 or the quality of the Securities.

Status of Supplement

The Supplement is supplemental to, and shall be read in conjunction with, the Base Prospectus. Unless otherwise defined in this Supplement, terms defined in the Base Prospectus have the same meaning when used in this Supplement.

Responsibility

The Issuer accepts responsibility for the information contained in this Supplement and, to the best of its knowledge and belief, the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

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 into, the Base Prospectus, the statements in (a) above will prevail.

The Base Prospectus is available on the website of the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") at https://www.ise.ie/debt_documents/Base%20Prospectus_3e9d68f9-6a3f-4ce5-b6d7-023db3501b94.pdf.

This Supplement is available for viewing, and copies may be obtained from, the offices of the Fiscal Agent. This Supplement is also available on the website of Euronext Dublin at: <http://www.ise.ie>.

Information being supplemented

1. Amendments to the Base Prospectus

With effect from the date of this Supplement, the information appearing in the Base Prospectus shall be amended in the manner described below:

- (a) The second paragraph of the "Presentation of Financial Information" Section on page vii of the Base Prospectus shall be amended by the addition of the following new line item (vi) after line item (v) therein:

"(vi) unaudited consolidated interim financial statements for the period ended 30 June 2020,"

- (b) The risk factor entitled "*Market Risk*" in the Section entitled "*Risk factors relating to the industry of the Issuer*" on pages 21-22 of the Base Prospectus shall be hereby deleted in its entirety and the following substituted therefor:

Market Risk

The Issuer faces market risks as an inherent part of its business. The Issuer's market risk relates to the risk of loss that the Issuer may incur because of adverse developments in market values resulting from fluctuations in interest rates, credit spreads, foreign currency exchange rates and equity and commodity

prices. The performance of financial markets may cause changes in the value of the Issuer's investment and trading books which may adversely affect the Issuer's financial position, including reducing its revenue which, in turn, could prevent the Issuer from fulfilling its payment obligations under the Notes.

A significant part of the Issuer's market risk derives from changes in interest rates and foreign exchange rates. The Issuer's interest rate risk is (i) the risk of losses due to an adverse change in interest rates relating to financial instruments in the Group's treasury book and (ii) fluctuating market interest rates adversely affecting the value of the Issuer's book financial instruments. As at the date of the Issuer's most recent unaudited and consolidated interim financial statements (being 30 June 2020), the Issuer's interest rate risk exposure is an amount equal to RUB 3,756,017,757.

The Issuer's foreign exchange rate risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Issuer's measurement currency (being Russian Roubles) and the Issuer has to make relevant conversions into Russian Roubles accordingly. In such circumstances, unfavourable exchange rates relating to Russian Roubles could lead to the Issuer suffering losses. As at the date of the Issuer's most recent unaudited and consolidated interim financial statements (being 30 June 2020), the Issuer's foreign exchange rate exposure in respect of its assets is an amount equal to RUB 205,397,595,863 and, in respect of its liabilities, an amount equal to RUB 195,175,207,968.

- (c) The "Selected Financial Information relating to BrokerCreditService Structured Products plc" sub-section of the "Description of the Issuer" section on pages 528 to 531 of the Base Prospectus shall be deleted in its entirety and the following substituted therefor:

"Selected Financial Information relating to BrokerCreditService Structured Products plc

The following table sets out in summary form balance sheet and income statement information relating to the Issuer. Such information is derived from the audited and consolidated financial statements of the Issuer as at and for the years ended 31 December 2018 and 31 December 2019 and the unaudited and consolidated interim financial statements of the Issuer for the period ended 30 June 2019 and 30 June 2020.

The financial statements of the Issuer are prepared in accordance with International Financial Reporting Standards and the requirements of the Cyprus Companies Law, Cap. 113. Such financial statements, together with the reports of Yiallourides & Partners Ltd and the accompanying notes, appear elsewhere in this Base Prospectus. The financial information presented below should be read in conjunction with such financial statements, reports and the notes thereto.

Comparative Annual Financial Data (2019 and 2018) – In RUB		
	For the year ended 31/12/2019 (audited)	For the year ended 31/12/2018 (audited)
Revenue	2,457,598	8,470,091
Dividend income (gross)	1,703,717,308	521,193,580
Interest income	72,880,805	33,502,023
Loan interest income	1,285,044,334	2,086,165,860
Net gain/(loss) on trading in financial instruments	(682,576,907)	(3,573,794,902)
Net gain realised on trading in foreign currencies	3,868,688,321	568,076,026
Net fair value gains on financial assets at fair value through profit or loss	6,581,556,918	4,581,474,921

Interest income from bonds	4,551,509,884	4,629,019,001
Interest income on reverse repurchase agreements	5,191,575,877	5,043,003,178
Interest expense on bonds	(6,041,180,829)	(5,272,082,029)
Interest expense on REPO loans	(7,330,209,687)	(6,728,065,013)
Net fair value loss on trading on foreign currencies	(46,578,000)	(556,598,800)
Financial result of SWAP operations (OTC)	1,091,740,883	(115,620,955)
Loss from sale of investments in subsidiaries	(7,338,545)	-
Staff costs	(20,263,027)	(11,522,414)
Depreciation and amortisation expense	(1,861,328)	(54,244)
Other operating income	325,312,619	43,800,082
Change in fair value of derivative financial instruments	(3,405,275,347)	6,823,526,277
Net impairment profit/(loss) on financial and contract assets	(391,918,055)	96,509,396
Administration and other expenses	(1,835,088,261)	(2,436,833,247)
Operating profit	4,912,194,561	5,740,168,831
Finance income	-	1,881,338,264
Finance cost	(1,752,818,704)	(2,450,885,539)
Share of results of associates	33,409,728	137,683,175
Profit before tax	3,192,785,585	5,308,304,731
Tax	(140,769,473)	(230,823,978)
Net profit for the year	3,052,016,112	5,077,480,753
Other comprehensive income for the year	-	-
TOTAL comprehensive income for the year	3,052,016,112	5,077,480,753
	31/12/2019	31/12/2018
Non-current assets	9,138,254,544	25,360,597,804
Current assets	176,272,965,917	219,718,723,689
TOTAL assets	185,411,220,461	245,079,321,493
TOTAL equity	6,004,855,212	3,067,839,100

Current liabilities	115,673,956,003	191,764,285,878
TOTAL liabilities	179,406,365,249	242,011,482,393
TOTAL equity and liabilities	185,411,220,461	245,079,321,493

Comparative Interim Financial Data (2020 and 2019) – In RUB		
	For the 6 months ended 30/06/2020 (unaudited)	For the 6 months ended 30/06/2019 (unaudited)
Revenue	994,042	1,400,503
Dividend income (gross)	601,869,736	182,931,966
Interest income	1,436,089	23,367,905
Loan interest income	336,103,457	674,595,419
Net gain/(loss) on trading in financial instruments	1,845,427,146	(1,192,421,541)
Net gain realised on trading in foreign currencies	(350,299,241)	5,651,282,306
Net fair value gains on financial assets at fair value through profit or loss	8,275,966,998	7,015,033,816
Interest income from bonds	2,040,671,626	1,954,604,871
Interest income on reverse repurchase agreements	1,458,502,296	1,867,644,459
Interest expense on bonds	(4,100,816,132)	(2,482,460,962)
Interest income from bonds at amortised cost	782,895	-
Interest expense on REPO loans	(1,975,369,861)	(3,724,835,801)
Net fair value loss on trading on foreign currencies	-	(165,413,000)
Financial result of SWAP operations (OTC)	328,842,213	1,164,613,315
Interest income on OTC SWAP	392,824,794	-
Loss from sale of investments in subsidiaries	-	(7,338,545)
Staff costs	(10,426,687)	(9,653,465)
Depreciation and amortisation expense	(798,282)	(915,208)
Other operating income	22,854,636	25,635,733
Change in fair value of derivative financial instruments	(3,900,010,838)	(3,991,860,802)
Net impairment profit/(loss) on financial and	(860,021,728)	(18,083,574)

contract assets		
Administration and other expenses	(537,788,970)	(795,504,561)
Operating profit	3,570,744,189	6,172,622,834
Finance income	779,967,739	9,705,979
Finance cost	(2,485,922)	(3,251,194,267)
Share of results of associates	(40,452,718)	(40,932,125)
Profit before tax	4,307,773,288	2,890,202,421
Tax	(90,240,605)	(43,497,750)
Net profit for the year	4,217,532,683	2,846,704,671
Other comprehensive income for the year	-	-
TOTAL comprehensive income for the year	4,217,532,683	2,846,704,671
Non-current assets	25,687,374,419	9,138,254,544
Current assets	179,710,221,444	176,272,965,917
TOTAL assets	205,397,595,863	185,411,220,461
TOTAL equity	10,222,387,895	6,004,855,212
Current liabilities	125,314,291,961	115,673,956,003
TOTAL liabilities	195,175,207,968	179,406,365,249
TOTAL equity and liabilities	205,397,595,863	185,411,220,461

- (d) Paragraph 3 (*Significant/Material Change*) of the “General Information” section on page 554 of the Base Prospectus) shall be deleted in its entirety and the following substituted therefor:

"There has been no significant change in the financial or trading position of the Issuer since 30 June 2020, the date of the latest published interim (unaudited) financial statements of the Issuer. There has been no material adverse change in the prospects of the Issuer since 31 December 2019, the date of the latest published audited financial statements of the Issuer."

- (e) Paragraph 5 (*Documents on Display*) of the “General Information” section on page 554 of the Base Prospectus shall be amended by the addition of the following new line item (i) after line item (h) therein (and the reference to “(h)” in the last sub-paragraph therein shall be updated to “(i)” accordingly):

“(i) the unaudited and consolidated financial statements of the Issuer for the period ending 30 June 2020;”

- (f) The “*Financial Statements and Auditors Reports*” section on page 556 of the Base Prospectus shall be amended by the addition of the following words at the end of the second paragraph therein:

“and the unaudited and consolidated interim financial statements of the Issuer for the period ending 30 June 2020.”

- (g) A copy of the interim unaudited consolidated financial statements of the Issuer in respect of the half year period ended 30 June 2020 (the “**2020 Interim Statements**”) has been filed with the Central Bank of Ireland and pages 10 to 91 of the 2020 Interim Statements shall be deemed to be incorporated by reference in, and form part of, this Supplement. Any information contained in the 2020 Interim Statements which is not incorporated by reference in this Supplement is either not relevant to investors or is covered elsewhere in the Base Prospectus as amended by this Supplement.

The 2020 Interim Statements have been published on Euronext Dublin’s website and can be accessed from the website of the Issuer at:

<https://bcs-sp.com/upload/iblock/823/Interim-consolidated-FS-of-BCS-SP-PLC-Signed.pdf>