

To:

Financial Supervision Commission

Supervision of Investment Activities Division
Sofia, 16 Budapest Str.

Bulgarian Stock Exchange

Sofia, 6, Tri Ushi Str.

The Public via x3news

06 December 2021, Sofia

Re: *Programme for the issue of perpetual, non-cumulative, uncollateralized, deeply subordinated, non-convertible bonds which meet the requirements for additional Tier 1 capital within the meaning of Art. 52 of Regulation (EU) No. 575/2013, with a total amount of up to EUR 100 million.*

Dear Sirs,

First Investment Bank established a Programme for the issue of perpetual, non-cumulative, uncollateralized, deeply subordinated, non-convertible bonds which meet the requirements for additional Tier 1 capital within the meaning of Art. 52 of Regulation (EU) No. 575/2013, with a total amount of up to EUR 100 million („the Programme“); the funds collected through this Programme are to be recognized as additional Tier 1 capital pursuant to Art. 33d of Ordinance No. 2 of BNB on the licenses, approvals and permits issued by the BNB, and included in the Bank’s additional Tier 1 capital, and which, after approval by the BNB, and in compliance with all other applicable requirements of Articles 77 and 78 of Regulation (EU) No. 575/2013, provided that sufficient amounts are accumulated, will be used to replace one or both of the following existing instruments from the Bank’s additional Tier 1 capital:

- Issue in the total amount of EUR 40 million:
 - Tranche 1 (EUR 20 million) - 17 March 2011.
 - Tranche 2 (EUR 20 million) - 4 June 2012
- Issue in the total amount of EUR 60 million:
 - Tranche 1 (EUR 20 million) - 16 November 2012.
 - Tranche 2 (EUR 20 million) - 18 November 2013.
 - Tranche 3 (EUR 20 million) - 18 November 2013.

Under the Programme, individual issues will be issued and the coupon for each one will be determined on a case-by-case basis in accordance with the market conditions. The minimum nominal value of one bond from the issues will be EUR 100 000 (one hundred thousand) with an option for an additional investment with a step of EUR 1000 (one thousand) or multiple of ERU 1000 (one thousand).

The issues will be offered privately or publicly, as per decision of the Bank’s competent bodies.

The applicable law for the Programme will be the law of England and Wales, with the exception of certain conditions related to the regulatory nature of bonds, such as additional tier 1 capital within the

meaning of Art. 52 of Regulation (EU) No. 575/2013, for which the law of the Republic of Bulgaria will be applicable.

The notes will be issued in global form and cleared through Clearstream Banking S.A. The issues will be submitted for listing on the Luxembourg Stock Exchange (regulated market).

Regards,

(signed)

Nikola Bakalov
Chief Executive Officer

(signed)

Svetozar Popov
Executive Director