

To:
Financial Supervision Commission
Supervision of Investment Activities Division
Sofia, 16 Budapest Str.

CC:
Bulgarian Stock Exchange
Sofia, 6, Tri Ushi Str.

25 November 2021, Sofia

Re: Meeting with minority shareholders of First Investment Bank

Dear Sirs,

On 25 November 2021, a meeting was held of the Managing Board of First Investment Bank with minority shareholders. The management of Fibank presented the financial results of the Bank and its activities by the end of the third quarter:

First Investment Bank generated a sound level of income and good return on assets. As of 30 September 2021, its profit before taxes and impairment increased by 47.3% YoY to BGN 142 million, compared to an average growth for the banking system in the country of 18.4%. The Bank's net profit amounted to BGN 51 million, an annual increase of 34.1%.

For the last quarter, Fibank's assets increased by BGN 342 million (3.2%) and since the beginning of the year the increase was BGN 693 million (6.6%). The institution retained its leading position as the largest Bulgarian-owned bank and fifth in size among its peers in the country.

Fibank continued to be among the preferred banks for household savings in the country. Deposits from other customers at the end of September amounted to BGN 9.5 billion.

Significant growth was also reported in retail and business lending. For the third quarter, the consumer and mortgage portfolios of the Bank grew by BGN 35.5 million and BGN 33.2 million respectively. There was also a marked increase in businesses lending, by BGN 45.5 million for the third quarter.

All regulatory ratios were significantly higher than the required minimums, with the capital adequacy ratio of Fibank as of 30 September 2021 reaching 21.46%, the Tier 1 capital ratio also 21.46% and the CET1 ratio 17.91%.

The Bank's liquidity coverage ratio as of 30 September 2021 was 223.13% and the net stable funding ratio 137.8%, indicating a sound liquidity position.

Two of the new products recently launched by the Bank were presented at the meeting: the My Card virtual credit card and the Gold Account. Both products are new for the Bulgarian consumer market and help Fibank consolidate its image as one of the most innovative institutions in the country. The virtual credit card is aimed at customers with pre-approved credit limits. Issuance only takes a few minutes and is done entirely online, through the My Fibank mobile app. It can be used with My Fibank, Google Pay, Apple Pay, Garmin and Fitbit digital payment services, at contactless POS and ATMs, as well as for online payments. The Gold Account provides an easy and affordable way to buy and sell gold. It is suitable for both individuals and businesses, allowing fast, easy and convenient transactions. Through this innovative service, Fibank customers are free to plan the quantities of gold they want to buy or sell, as well as their preferred timing depending on the current market price dynamics in BGN, EUR or USD.

After presenting the official financial data, the Management of the Bank held a discussion with minority shareholders. The Bank's strategy for development of digital banking was discussed, as well as the

servicing of small and medium-sized enterprises and the opportunities and regulatory requirements for future dividend distribution.

Regular meetings with minority shareholders have been held since 1 February 2016. They are part of Fibank's policy of strict implementation of international good corporate governance standards approved by the International Finance Corporation (IFC), a partner of the Bank since 2010.

Regards,

(signed)

Nikola Bakalov
Chief Executive Officer

(signed)

Svetozar Popov
Executive Director