

High investor interest in Fibank bonds

Friday 31 December, 2021

In one of the most challenging years for Bulgarian economy, Fibank successfully effected a private placement of the first tranche of its one-year program for the issuance of perpetual, non-cumulative, unsecured, deeply subordinated, freely transferable, non-convertible bonds that meet the requirements for additional tier one capital under Art. 52 of Regulation (EU) No 575/2013, the total amount of the program being up to EUR 100 million.

The global bonds have been accepted for clearance through Clearstream Banking S.A. The issue will be listed on the Luxembourg Stock Exchange (regulated market).

The tranche placed has a total nominal and issue value of EUR 17,133,000. The minimum subscription amount for the tranche to be considered successful – EUR 5,000,000 – was exceeded more than three times. The bonds have no final maturity date and have an annual fixed interest rate of 8%.

The high interest in the bond issue has been largely due to the good financial performance demonstrated by Fibank over the years. As of 30 September 2021, the Bank's 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%, while net profit amounted to BGN 51 million, an annual increase of 34.1%. The Bank's experienced management succeeded in coping with the negative effects of the pandemic on the financial sector and the country's economy as a whole. Transparent governance and meetings with minority shareholders also contributed to the investor confidence that Fibank is proud of.

The minimum nominal value per bond is EUR 100,000 (one hundred thousand), with an option for additional investment above that amount at an increment of EUR 1,000 (one thousand) or a multiple of EUR 1,000 (one thousand).

The issued bonds will allow the Bank to continue optimizing its costs. The funds raised will be used to implement the Bank's long-term strategy for lending to small and medium-sized businesses and individuals, as well as to replace the instruments specified in its one-year program where such an option is available. For the first three quarters of 2021, the Bank reported net loan growth of BGN 256 million, its total loan portfolio reaching BGN 6.8 billion.

In 2021 Fibank continued to offer innovative products in the Bulgarian market, launching the My Card virtual credit card and the Gold Account. Both products were completely new for Bulgarian consumers, yet again strengthening the image of Fibank as one of the most innovative institutions in the country.

For its outstanding contribution to the development of innovations in the banking sector, the quality of customer service and the provision of a secure and reliable digital banking environment, Fibank was awarded as Digital Bank of the Year - Bulgaria by the England-based international Global Brands Magazine.

Related Sectors:

Business & Finance ::

Related Keywords:

Fibank :: First Investment Bank ::

Scan Me:



Company Contact:

—

Fibank

E. pr@fibank.bg

W. <https://www.fibank.bg/en>

View Online

Newsroom: Visit our Newsroom for all the latest stories:

<https://www.fibank.pressat.co.uk>