

## **IBEC announced financial results of 2021**

International Bank for Economic Co-operation has published its financial results for the year 2021 in accordance with the International Financial Reporting Standards and Ernst & Young auditor's report.

As of the end of 2021, IBEC assets totaled EUR 776 million, compared with EUR 815 million by the end of the year 2020. The decrease in assets was driven by a planned reduction in the treasury portfolio from EUR 388 million at the end of 2020 to EUR 306 million as of December 31, 2021. Thus, all key financial indicators are in line with the new IBEC Strategy for 2021-2025.

According to the results of 2021, the loan and documentary portfolio reached EUR 523 million, an increase of 25% compared to the previous year. In particular, loans to banks increased by 21% from EUR 114 million to EUR 138 million, loans to corporate customers increased by 4% to EUR 209 million. ending in the form of securities purchase (credit investment portfolio of securities) also showed an increase of 50% to EUR 48 million, compared to EUR 32 million at the end of 2020. Therefore, the share of funds provided to the Bank's clients as part of the main lending activities in the Bank's assets amounted to more than 50%.

The volume of off-balance sheet operations showed a greater growth and increased by 83% in 2021, from EUR 70 million to EUR 128 million.

Against the background of the systematic growth of the loan and documentary portfolio, the Bank maintains a high capital adequacy. At the end of 2021, the capital adequacy ratio remains superb at 41%, which is well above the threshold set by the IBEC Council – at least 25%.

The Bank continues to work on the quality and diversification of the treasury portfolio assets. The credit rating of the treasury portfolio averages 'BBB', while the share of treasury assets rated 'AAA'/'AA' increased to 11.3% from 10.5% in 2020.

The Bank actively develops its credit history, in order to ensure adequate liquidity. In 2021, the Bank successfully placed the debut BGN-denominated issue on the Bulgarian capital market. as a result IBEC raised EUR 35 million in equivalent for 3 years. Thus, the volume of debt securities issued at the end of 2021 reached EUR 179 million, an increase of 34% compared to the previous year. The Bank also attracted a bilateral loan from UniCredit Bank in the amount of USD 11 million. The total amount of long-term deals comprised EUR 228 million.

At the end of 2021 IBEC made a profit of EUR 3.7 million. The Bank's interest income increased from EUR 18 million in 2020 to EUR 21 million in 2021.

Credit ratings of the Bank have improved over the past year, despite the ongoing turbulence in the global economy caused by the COVID-19 pandemic. In March Fitch upgraded IBEC rating to 'BBB', with Stable outlook and in September Moody's changed the outlook on the IBEC's rating ('Baa3') from Stable to Positive.



*IBEC has the following credit ratings:*

- 'BBB' from Fitch with a stable outlook (09/03/2021)
- 'Baa3' from Moody's with a positive outlook (03/09/2021)
- 'A-' / 'AAA(RU)' from ACRA with a stable outlook (15/10/2021)