

**IBEC**INTERNATIONAL BANK  
FOR ECONOMIC CO-OPERATION

August 18, 2023

Ref. № 1127/25

To the Bondholders of:

ISIN: BG2100005219 – International Bank for Economic Co-operation,  
BGN 68,000,000 senior unsecured fixed rate bonds**COVENANT FULFILMENT NOTICE**

**This Covenant Fulfilment Notice (the “Notice”) has been sent on 18 August 2023 to Bondholders directly registered as of 18 August 2023 in the Bondholder’s book kept by the Central Depository AD. If you are managing a securities account of a Global Custodian or if you otherwise are holding Bonds on behalf of someone else on a securities account, please forward this Notice to the Bondholder you represent as soon as possible.**

Reference is made to the Offering Circular dated 13 May 2021 (the “**Offering Circular**”) of the abovementioned bond issue (with aggregate nominal amount outstanding of BGN 68,000,000) (the “**Bonds**”), issued by the International Bank for Economic Co-operation (the “**Issuer**”) on 01 June 2021 in accordance with the terms and conditions for the Bonds, article 18 of the Offering Circular (the “**Terms and Conditions**”).

All capitalised terms used herein and not otherwise defined in this notice shall have the meaning assigned to them in the Terms and Conditions.

On 17 August 2023 the Republic of Bulgaria ceased to be a Member Country of the Issuer, thus a Covenant Triggering Event pursuant to Article 18.12.2.1.(a) of the Offering Circular occurred on this date.

For the avoidance of doubt, the Covenant Triggering Event above occurred only in relation to this particular series of Bonds with ISIN: BG2100005219 and it does not trigger cross-obligations of the Issuer in relation to the other series of Bonds, to which it does not relate.

On 16 February 2023 the Republic of Bulgaria sent to the Council of the Issuer an official notification about the withdrawal of the Republic of Bulgaria from the Agreement on the Organization and Activities of the International Bank for Economic Co-operation and from its membership in the International Bank for Economic Co-operation. The Republic of Bulgaria's withdrawal date is 17 August 2023, which is six months from the date of the receipt of the notification (17 February 2023) by the Council of the International Bank for Economic Co-operation.

The Issuer hereby gives a **Covenant Fulfilment Notice** to all Bondholders of the Bonds with ISIN: BG2100005219 for Early Redemption of the Bonds in accordance with Article 18.12.2. of the Offering Circular.

As a result of the occurrence of the above Covenant Triggering Event, the Issuer will undertake (the "**Covenant**" or the "**Early Redemption Covenant**"), upon written request by any Bondholder registered as such in the Relevant Account at the end of business hours on the date of publication of the Covenant Fulfilment Notice (18 August 2023), to repurchase each Bond (but not some only) held by that Bondholder at the Nominal Value (i.e., BGN 10,000 per Bond) together with an amount equal to accrued interest (if any) up to but excluding the Early Redemption Date (the sum of such amounts being the "**Early Redemption Amount**") in accordance with the procedure set out below.

The duly signed request(s) that the Issuer fulfil the Covenant must be delivered to the Issuer no later than **18 September 2023** (the lapse of the 20 Business Days after the publication of this Notice) either via by post to the business address of the Issuer (11 Masha Poryvaeva str., Moscow 107996, Russian Federation), or by email to [IR@ibec.int](mailto:IR@ibec.int) signed with Qualified Electronic Signature(s).

The request must specify the number of Bonds to be redeemed by the Issuer (i.e., the total number of Bonds held by that respective Bondholder).

The written request shall be accompanied by evidence that the signatories of the request have the right to represent the Bondholder on this matter.

The date for Early Redemption will be on **28 September 2023** (the “**Early Redemption Date**”).

The Early Redemption Amount will be paid to each Bondholder who is registered as owner of Bonds in the debt register maintained by the Central Depository AD at end of business hours on the date of publication of the Covenant Fulfilment Notice, 18 August 2023 (the “**Record Date for Early Redemption**”).

Article 18.10. of the Offering Circular shall apply to making payments on the Early Redemption Date accordingly.

Article 18.9.3. of the Offering Circular shall apply accordingly.

In case that all Bonds are submitted for Early Redemption, the Bonds will be delisted from the Bulgarian Stock Exchange AD after 28 September 2023.

This Covenant Fulfilment Notice is irrevocable and is governed by Bulgarian law. This Notice is for information purposes only and is not to be construed as an offer to purchase or sell or a solicitation of an offer to purchase or sell with respect to any securities of the Issuer.

This notice was posted on IBEC website and on X3News website on 18 August 2023.

Yours sincerely,



A handwritten signature in blue ink, appearing to read "D. Ivanov", written over a horizontal dotted line.

Denis Ivanov

Acting Chairman of the Board