MOODY'S
RATINGS

Announcement of Periodic Review: Moody's Ratings announces completion of a periodic review of ratings of TBI Bank EAD

14 Oct 2024

Limassol, October 14, 2024 -- Moody's Ratings (Moody's) has completed a periodic review of the ratings of TBI Bank EAD (TBI Bank) and other ratings that are associated with this issuer.

The review was conducted through a rating committee held on 9 October 2024 in which we reassessed the appropriateness of the ratings in the context of the relevant principal methodology(ies), and recent developments.

This publication does not announce a credit rating action and is not an indication of whether or not a credit rating action is likely in the near future. Please see the Issuer page on https://ratings.moodys.com for the most updated credit rating action information and rating history.

Key Rating considerations and rationale are summarized below.

TBI Bank's ratings, including its Ba2 long-term deposit ratings and ba3 Baseline Credit Assessment (BCA), as well as all other ratings and assessments associated with this issuer remain unchanged. The rating outlooks for TBI Bank, where applicable, also remain unchanged at stable.

TBI Bank's Ba2 long-term deposit ratings reflect its ba3 BCA and one notch of uplift from the application of our Advanced Loss Given Failure (LGF) analysis that considers the severity of losses faced by different liability classes in the event of a resolution. Because of TBI Bank's small size within the Bulgarian banking sector, the ratings do not include any uplift from government support considerations.

TBI Bank's ba3 standalone BCA reflects its robust capital, high profitability and healthy liquidity. These strengths are balanced by the high asset risks embedded in its unsecured consumer lending operations, its limited business diversification and governance risks stemming from its parent group's relatively concentrated private ownership and complex organisational structure.

The stable outlook on TBI Bank's long-term deposit ratings reflects our expectation that the bank's performance, including its strong capital and healthy liquidity, and financial profile will remain broadly stable over the next 12 to 18 months.

This document summarizes our view as of the publication date and will not be updated until the next periodic review announcement, which will incorporate material changes in credit circumstances (if any) during the intervening period.

The principal methodology used for this review was Banks Methodology published in March 2024. Please see the Rating Methodologies page on https://ratings.moodys.com for a copy of this methodology.

This announcement applies only to EU rated, UK rated, EU endorsed and UK endorsed ratings. Non-EU rated, non-UK rated, non-EU endorsed and non-UK endorsed ratings may be referenced herein to the extent necessary, if they are part of the same organization list.

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