

To:  
Financial Supervision Commission  
Investment Activity Supervision Department  
16 Budapest Str.  
Sofia

Cc:  
Bulgarian Stock Exchange - Sofia AD  
6 Tri Ushi Str.  
Sofia

30 April 2024

Re: Individual (unaudited) financial statements of First Investment Bank AD as at 31 March 2024

Dear Sirs,

In compliance with the requirements of the Public Offering of Securities Act (POSA) and the regulations for its implementation, in our capacity as public company and issuer of bonds admitted for trading at a regulated market, we hereby submit the individual (unaudited) financial statements of First Investment Bank AD as at 31 March 2024, containing:

1. Financial statements as at 31.03.2024 as per Art. 100o, para. 4(1) of POSA;
2. Notes to the financial statements as at 31.03.2024;
3. Interim activity report under Art. 100o, para. 4(2) of POSA;
4. Declaration under Art. 100o, para. 4(3) of POSA.
5. Information pursuant to Ordinance No 2 of the Financial Supervision Commission on the prospectuses to be published when securities are offered to the public or admitted to trading on a regulated market and on disclosure of information.

Sincerely,

*(signed)*

Nikola Bakalov  
Chief Executive Officer  
Chair of the MB

*(signed)*

Svetozar Popov  
Executive Director  
Member of the MB

## FIRST INVESTMENT BANK AD

**Individual statement of cash flows for the three months ended 31 March 2024**

unaudited

in BGN '000

	three months ended on 31/03/2024	three months ended on 31/03/2023
<b>Net cash flow from operating activities</b>		
Net profit	18 726	32 090
<b>Adjustment for non-cash items</b>		
Allowance for impairment	37 158	30 685
Net interest income	(100 754)	(83 859)
Depreciation and amortization	3 725	3 715
Tax expense	2 397	3 699
Loss/(profit) from sale and write-off of tangible and intangible fixed assets, net	50	-
(Profit)/loss from sale and write-off of other assets, net	(3 546)	(110)
(Positive) revaluation of investment property	-	-
	<b>(42 244)</b>	<b>(13 780)</b>
<b>Change in operating assets</b>		
(Increase) in financial assets at fair value through profit or loss	28 693	(59)
(Increase)/decrease in financial assets at fair value in other comprehensive income	(593 405)	98 562
Decrease in loans and advances to banks and financial institutions	(16 389)	1 296
(Increase) in loans to customers	(268 071)	(192 607)
(Increase) in other assets	(10 424)	(17 622)
	<b>(859 596)</b>	<b>(110 430)</b>
<b>Change in operating liabilities</b>		
Increase/(decrease) in deposits from banks	(25 307)	(34 020)
Increase in amounts owed to other depositors	68 146	168 390
Net increase in other liabilities	14 251	23 193
	<b>57 090</b>	<b>157 563</b>
Interest received	157 567	141 434
Interest paid	(2 489)	(2 254)
Dividends received	88	-
Tax on profit, paid	-	-
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(689 584)</b>	<b>172 533</b>
<b>Cash flow from investing activities</b>		
(Purchase) of tangible and intangible fixed assets	(5 757)	(4 212)
Sale of tangible and intangible fixed assets	7	-
Sale of other assets	32 193	(1 304)
(Increase)/decrease of investments	290 735	(323 473)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>317 178</b>	<b>(328 989)</b>
<b>Financing activities</b>		
Increase/(decrease) in borrowings	69 774	15 818
Increase in subordinated liabilities	255	279
Capital increase through newly issued shares	-	-
Increase of share premium reserve of newly issued shares	-	-
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>70 029</b>	<b>16 097</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(302 377)</b>	<b>(140 359)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD</b>	<b>2 555 594</b>	<b>2 138 377</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	<b>2 253 217</b>	<b>1 998 018</b>

Nikola Bakalov  
Chief Executive Officer

Svetozar Popov  
Executive Director

Ianko Karakolev  
Chief Financial Officer

## FIRST INVESTMENT BANK AD

## Individual statement of the financial position as at 31 March 2024

unaudited

in BGN '000

	31.3.2024	31.12.2023
<b>ASSETS</b>		
Cash and balances with Central Banks	2 004 332	2 325 807
Investments in securities	2 856 534	2 583 949
Loans and advances to banks and other financial institutions	294 629	259 718
Loans and advances to customers	7 344 810	7 158 309
Property and equipment	101 957	99 517
Intangible assets	22 542	23 007
Derivatives held for risk management	2 128	1 765
Repossessed assets	378 353	403 523
Investment Property	756 204	756 767
Investments in subsidiaries	34 579	34 579
Rights of use assets	128 346	121 410
Other assets	123 300	120 177
<b>TOTAL ASSETS</b>	<b>14 047 714</b>	<b>13 888 528</b>
<b>LIABILITIES AND CAPITAL</b>		
Due to banks	29 016	54 326
Due to other customers	11 562 525	11 494 164
Liabilities evidenced by paper	514 796	439 634
Financial liabilities at fair value through profit or loss	1 602	3 165
Hybrid debt	264 077	257 871
Deferred tax liabilities	27 639	27 604
Current tax liabilities	4 559	2 028
Lease liabilities	128 439	121 503
Other liabilities	22 770	15 307
<b>TOTAL LIABILITIES</b>	<b>12 555 423</b>	<b>12 415 602</b>
Issued share capital	149 085	149 085
Share premium	250 017	250 017
Statutory reserve	39 861	39 861
Revaluation reserve of investments in securities	(5 000)	(5 639)
Revaluation reserve on property	4 500	4 500
Other reserves and retained earnings	1 053 828	1 035 102
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>1 492 291</b>	<b>1 472 926</b>
<b>TOTAL LIABILITIES AND GROUP EQUITY</b>	<b>14 047 714</b>	<b>13 888 528</b>

Nikola Bakalov  
Chief Executive Officer

Svetozar Popov  
Executive Director

Ianko Karakolev  
Chief Financial Officer

FIRST INVESTMENT BANK AD

Individual statement of profit or loss and of other comprehensive income for the three months ended 31 March 2024  
unaudited

in BGN '000

	three months ended on 31/03/2024	three months ended on 31/03/2023
Interest income	113 232	91 983
Interest expense	(12 478)	(8 124)
<b>Net interest income</b>	<b>100 754</b>	<b>83 859</b>
Fee and commission income	48 982	45 167
Fee and commission expense	(11 537)	(11 940)
<b>Net fee and commission income</b>	<b>37 445</b>	<b>33 227</b>
Net trading income	6 752	5 492
Other net operating income	(27 794)	2 863
<b>TOTAL INCOME FROM BANKING OPERATIONS</b>	<b>117 157</b>	<b>125 441</b>
Administrative expenses	(56 004)	(51 937)
Other expenses, net	(2 872)	(6 770)
<b>Profit before impairment</b>	<b>58 281</b>	<b>66 734</b>
Allowance for impairment	(37 158)	(30 945)
<b>PROFIT BEFORE TAX</b>	<b>21 123</b>	<b>35 789</b>
Income tax expense	(2 397)	(3 699)
<b>NET PROFIT</b>	<b>18 726</b>	<b>32 090</b>
<b>Other comprehensive income for the period</b>		
<b>Items which should or may be reclassified as profit or loss</b>		
Revaluation reserve of investments in securities	639	2 586
<b>Total other comprehensive income</b>	<b>639</b>	<b>2 586</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>19 365</b>	<b>34 676</b>

Nikola Bakalov  
Chief Executive Officer

Svetozar Popov  
Executive Director

Ianko Karakolev  
Chief Financial Officer

FIRST INVESTMENT BANK AD

Individual statement of shareholders' equity for the three months ended 31 March 2024

unaudited

in BGN '000

	Issued share capital	Share premium	Other reserves and retained earnings	Revaluation reserve of investments in securities	Revaluation reserve on property	Statutory reserve	Total
<b>Balance at 01 January 2023</b>	<b>149 085</b>	<b>250 017</b>	<b>900 061</b>	<b>(15 315)</b>	<b>4 500</b>	<b>39 861</b>	<b>1 328 209</b>
<b>Total comprehensive income for the period</b>							
Net profit for the year ended 31 December 2022	-		135 041	-	-	-	135 041
<b>Other comprehensive income for the period</b>							
Revaluation reserve of investments in securities	-	-	-	9 676	-	-	9 676
<b>Balance as at 31 December 2023</b>	<b>149 085</b>	<b>250 017</b>	<b>1 035 102</b>	<b>(5 639)</b>	<b>4 500</b>	<b>39 861</b>	<b>1 472 926</b>
<b>Total comprehensive income for the period</b>							
Net profit for the three months ended on 31/03/2024	-	-	18 726	-	-	-	18 726
<b>Other comprehensive income for the period</b>							
Revaluation reserve of investments in securities	-	-	-	639	-	-	639
<b>Balance as at 31 March 2024</b>	<b>149 085</b>	<b>250 017</b>	<b>1 053 828</b>	<b>(5 000)</b>	<b>4 500</b>	<b>39 861</b>	<b>1 492 291</b>

Nikola Bakalov  
Chief Executive Officer

Svetozar Popov  
Executive Director

Ianko Karakolev  
Chief Financial Officer

**ADDENDUM TO THE UNAUDITED INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF FIRST  
INVESTMENT BANK AD  
AS AT 31/03/2024**

**NOTES**

**1. Basis of preparation**

**(a) Statute**

First Investment Bank AD (the Bank) was incorporated in 1993 in the Republic of Bulgaria and has its registered office in Sofia, at 111P, Tsarigradsko Chaussee, Sofia.

The Bank has a general banking license issued by the Bulgarian National Bank (BNB) according to which it is allowed to conduct all banking transactions permitted by Bulgarian legislation.

The Bank has foreign operations in Cyprus.

Following the successful Initial Public Offering of new shares at the Bulgarian Stock Exchange – Sofia, on June 13th 2007 the Bank was registered as a public company in the Register of the Financial Supervision Commission pursuant to the provisions of the Law on the Public Offering of Securities.

**(b) Statement of compliance**

These condensed interim financial statements were drawn up in accordance with IAS 34: Interim Financial Reporting.

**(c) Presentation**

The financial statements are presented in Bulgarian Leva (BGN) rounded to the nearest thousand.

The financial statements are prepared in accordance with the fair value principle of derivative financial instruments, financial instruments recognised at fair value in profit or loss, as well as assets recognised at fair value in other comprehensive income. Other financial assets and liabilities and non-financial assets and liabilities are stated at amortised cost or historical cost convention.

The present financial statements of the Bank are not consolidated. These individual financial statements form an integral part of the consolidated financial statements. Information about the basic earnings per share is given in the consolidated financial statements.

**(d) New standards, amendments and interpretations effective as of 01 January 2024**

There are no new standards, nor amendments to existing standards issued by the International Accounting Standards Boards effective for the current period that could have any significant impacts on the Bank's accounting policies.

**2. Material information on the accounting policy**

The accounting policy applied by the Bank in the preparation of these interim condensed financial statements is the same as the one applied in the preparation of the last annual financial statements for the year ended on 31 December 2023 r.

**(a) Income recognition**

**(i) Interest income**

Interest income and expense is recognised in the profit or loss as it accrues, taking into account the effective yield of the asset (liability) or an applicable floating rate. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability to the carrying amount of the financial asset or liability. When calculating the effective interest rate, the Bank estimates future cash flows considering all contractual terms of the financial instrument but not future credit losses.

The calculation of the effective interest rate includes all fees paid or received as well as discount and premiums which are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or liability.

Interest income is calculated by applying the effective interest rate on the gross value of the financial asset, except for impaired assets for which the effective interest rate is applied to the amortised cost of the financial asset.

**(ii) Fees and Commissions**

Fee and commission income arises on financial services provided by the Bank and is recognised in profit or loss when the corresponding service is provided.

**(iii) Net trading income**

Net gains (losses) on financial assets and liabilities held for trading includes those gains and losses arising from disposals and changes in the fair value of financial assets and liabilities held for trading as well as trading income in dealing with foreign currencies and exchange differences from daily revaluation of the net open foreign currency position of the Bank.

**(iv) Dividend income**

Dividend income is recognised when the right to receive income is established. Usually this is the ex-dividend date for equity securities.

**(b) Basis of consolidation of subsidiaries**

Investments in subsidiaries are stated at cost, minus the accrued impairment.

**(c) Foreign currency transactions**

**(i) Functional and presentation currency**

The financial statements are presented in Bulgarian leva, which is the Bank's functional and presentation currency.

**(ii) Transactions and balances**

Transactions in foreign currencies are translated into the respective functional currencies of the operations at the spot exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the spot exchange rate at that date. Foreign currency differences arising on translation are difference between amortised cost in functional currency in the beginning of period, adjusted with effective interest and received payments during the period, and amortised cost in foreign currency at the spot exchange rate at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the spot exchange rate at the date that the fair value was determined.

**(iii) Foreign operations**

The functional currency of the foreign operations in Cyprus is determined by the management to be the Euro. In determining the functional currency of the foreign operations, the Bank takes into account the fact that they are carried out as an extension of the reporting entity.

**(d) Financial assets**

**(i) Recognition**

The Bank recognizes a financial asset when it becomes a party to the contractual provisions of the instrument. The Bank initially recognizes trade and other receivables on the date of transaction. Advances to customers are recognised when cash is advanced to the borrowers.

At initial recognition, the Bank measures all financial assets at fair value plus, in the case of financial asset not measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

The Bank classifies financial assets in the following categories: financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income, or financial assets measured at fair value through profit or loss. Management determines the classification of investments at initial recognition according to the business model for management of the specific class of financial assets and the contractual features of the cash flows associated with that financial asset.

**(ii) Financial assets at amortised cost**

Debt instruments held within the Bank's business model whose objective is to hold assets in order to collect contractual cash flows and where the contractual cash flows give rise only to principal and interest payments are recognised at amortised cost. After the initial recognition assets are booked at amortised cost.

Recognition at amortised cost requires application of the effective interest rate method. The amortised cost of a financial asset is the value at which the financial asset was initially recognised, minus the principal repayments plus or minus the amortisation accrued by using the effective interest rate method for each difference between the initial value and the value at the maturity date and minus impairment.

**(iii) Financial assets at fair value through other comprehensive income**

Debt instruments held within the Bank's business model whose objective is to hold assets in order to collect contractual cash flows or to sell the asset and where the contractual cash flows give rise only to principal and interest payments are recognised at fair value in other comprehensive income. After initial recognition, the asset is measured at fair value with changes in fair value in revaluation reserve of investments in securities (other comprehensive income). When the debt instrument is written off, the profit or loss accrued and recognised in other comprehensive income is transferred to profit or loss.

**(iv) Financial assets at fair value through profit or loss**

The position contains two categories: financial assets held for trading and financial assets not classified in the above two categories. A financial asset is classified in this category if it was acquired for the purpose of short-term sale or if its contractual characteristics do not meet the requirement for generating payments of only principal and interest. Derivatives are also categorised as held for trading unless they are designated as hedges.

The Bank does not designate any debt instrument as at fair value through profit or loss to remove or significantly reduce an accounting mismatch.

**(v) Capital instruments at fair value through other comprehensive income**

The Bank may make an irrevocable election to recognize changes in fair value of investments in equity instruments through other comprehensive income, not through profit or loss. A gain or loss from fair value changes will be shown in other comprehensive income and will not be reclassified subsequently to profit or loss. When the equity instrument is written off, the profit or loss accrued and recognised in other comprehensive income is directly transferred to other reserves and retained earnings.

**(vi) Reclassification**

If the Bank reclassifies a financial asset out of the fair value through profit or loss measurement category and into the fair value through other comprehensive income measurement category, the financial asset shall continue to be measured at fair value. The revaluation reserve for the instrument shall be formed from changes to fair value after the reclassification date.

If the Bank reclassifies a financial asset out of the amortized cost measurement category and into the fair value through profit or loss measurement category, its fair value shall be measured at the reclassification date. Any gain or loss arising from a difference between the previous amortized cost of the financial asset and fair value is recognized in profit or loss.

If the Bank reclassifies a financial asset out of the fair value through profit or loss measurement category and into the amortized cost measurement category, its fair value at the reclassification date shall become its new gross carrying amount.

If the Bank reclassifies a financial asset out of the amortized cost measurement category and into the fair value through other comprehensive income measurement category, its fair value shall be measured at the reclassification date. Any revaluation difference shall be recognized in other comprehensive income. The effective interest rate and the measurement of expected credit losses shall not be adjusted as a result of the reclassification.

If the Bank reclassifies a financial asset from the 'measured at fair value through other comprehensive income' category to the 'measured at amortized cost' category, the entire value of the accumulated revaluation reserve at the date of reclassification is offset against the fair value of the financial asset. Thus, in practice, it turns out that at the date of reclassification the financial asset is measured as if it had always been measured at amortized cost. The effective interest rate and the measurement of expected credit losses shall not be adjusted as a result of the reclassification.

Such reclassification is only possible after a change in the business model by which financial assets are managed.

In case of a change of the business model from "hold to collect and sell" to "hold to collect", the Bank reclassifies the financial assets concerned. To this end, it periodically reviews its business model historically and analyses the extent to which the purpose of holding financial assets meets the 'hold to collect' business model as opposed to the 'hold to collect and sell' business model. In this analysis, the following criteria may serve as indication for change in the business model: government securities with sufficiently long residual term that have not been traded since their acquisition; or privately placed securities without an active market where the Bank holds a significant part of the issue. In case of a significant predominance of the 'hold to collect' business model, the Bank needs to consider whether to reclassify the financial assets from the 'Measured at fair value through other comprehensive income' category to the 'Measured at amortized cost' category, continuing to manage financial assets in such a way as to generate cash flows only from collecting contractual payments.

If the Bank reclassifies a financial asset out of the fair value through other comprehensive income measurement category and into the fair value through profit or loss measurement category, the financial asset shall continue to be measured at fair value. The cumulative revaluation reserve at the reclassification date shall be reclassified to profit or loss.

The Bank shall not reclassify any financial liability.

**(vii) Fair value measurement principles**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Bank has access at that date. The fair value of a liability reflects its non-performance risk.

When applicable, the Bank measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

When there is no quoted price in an active market, the Bank uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction. The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Bank determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is supported wholly by observable market data or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and an ask price, the Bank measures assets and long positions at a bid price and liabilities and short positions at an ask price. The Bank which holds portfolios of financial assets and financial liabilities is exposed to market risk and credit risk. If the Bank manages these portfolios on the basis of its net exposure either to market risk or credit risk, the fair value is measured on the basis of a price that would be received to sell a net long position or paid to transfer a net short position for a particular risk exposure. Those portfolio-level adjustments are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

The Bank recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

**(viii) Derecognition**

The Bank derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when the Bank transfers these rights in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred to the buyer. Any interest in transferred financial assets that is created or retained by the Bank is recognised as a separate asset or liability.

The Bank derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Bank enters into transactions whereby it transfers financial assets recognised in its statement of financial position, but retains either all or substantially all risks and rewards of the transferred asset. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised in the statement of financial position (an example of such transactions are repo deals).

In transactions in which the Bank neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset, it derecognises the asset if it does not retain control over the asset. The rights and obligations retained in the transfer are recognised separately as assets and liabilities as appropriate. In transfers in which, control over the asset is retained, the Bank continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

**(e) Cash and cash equivalents**

Cash and cash equivalents comprise cash balances on hand, cash deposited with central banks and short-term highly liquid accounts and advances to banks with original maturity of up to three months.

**(f) Investments**

Investments in debt instruments held by the Bank as part of a business model for the purpose of collecting contractual cash flows are classified as financial assets at amortised cost. Investments in debt instruments held by the Bank as part of a business model for the purpose of collecting contractual cash flows and sale are classified as financial assets at fair value in

other comprehensive income. All other investments, including those whose contractual terms do not meet the requirement for generation of only principal and interest payments are classified as recognised at fair value in profit or loss.

**(g) Securities borrowing and lending business and repurchase transactions**

**(i) Securities borrowing and lending**

Investments lent under securities lending arrangements continue to be recognised in the statement of financial position and are measured in accordance with the accounting policy applicable for assets at fair value in profit or loss or at fair value in other comprehensive income. Cash collateral received in respect of securities lent is recognised as liabilities to either banks or customers. Investments borrowed under securities borrowing agreements are not recognised. Cash collateral placements in respect of securities borrowed are recognised under loans and advances to either banks or customers. Income and expenses arising from the securities borrowing and lending business are recognised on an accrual basis over the period of the transactions and are included in interest income or expense.

**(ii) Repurchase agreements**

The Bank enters into purchases (sales) of investments under agreements to resell (repurchase) substantially identical investments at a certain date in the future at a fixed price. Investments purchased subject to commitments to resell them at future dates are not recognised. The amounts paid are recognised in loans to either banks or customers. The receivables are shown as collateralised by the underlying security. Investments sold under repurchase agreements continue to be recognised in the statement of financial position and are measured in accordance with the accounting policy for either assets held for trading or available-for-sale as appropriate. The proceeds from the sale are reported as liabilities to either banks or other customers.

The difference between the purchase (sale) and resell (repurchase) considerations is recognised on an accrual basis over the period of the transaction and is included in interest income (expenses).

**(h) Borrowings**

Borrowings are recognised initially at 'cost', being their issue proceeds (fair value of consideration received) net of transaction costs incurred. Borrowings are subsequently stated at amortised cost and any difference between net proceeds and the redemption value is recognised in profit or loss over the period of the borrowings using the effective yield method. If the Bank purchases its own debt, it is removed from the statement of financial position and the difference between the carrying amount of a liability and the consideration paid is included in other operating income.

**(i) Offsetting**

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when the Bank has a legally enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis.

**(j) Impairment of financial assets**

The Bank recognizes 12-month expected credit loss as loss allowance when there is no significant increase in the credit risk since the initial recognition of the financial asset. When there is a significant increase in credit risk since initial recognition, expected credit losses for the whole life of the financial assets are recognized as loss allowance.

Whether credit risk is significantly increased or not is determined based on the following factors and events for the debtor or the exposure:

- Internal behavioural scoring of natural persons, companies and institutions whose exposures are above the threshold for significance;
- Decrease in credit rating (internal or external) by a given number of notches for companies and institutions whose exposures are above the threshold for significance.
- Delinquencies;

- Other factors.

**(k) Property and equipment**

Land and buildings are presented in the statement of financial position at their revalued amount which is the fair value of the asset as at the date of revaluation less any subsequent amortisation and depreciation and accumulated impairment losses. All others classes of items of property, plant and equipment are stated in the statement of financial position at their acquisition cost less accumulated depreciation and allowance for impairment.

Depreciation is calculated on a straight-line basis at prescribed rates designed to decrease the cost or valuation of fixed assets over their expected useful lives. The annual rates of amortisation are as follows:

<b>Assets</b>	<b>%</b>
• Buildings	3 - 10
• Equipment	10 - 50
• Fixtures and fittings	10 - 15
• Motor vehicles	20
• Leasehold Improvements	2 - 50

Assets are not depreciated until they are brought into use and transferred from assets in the course of construction into the relevant asset category.

**(l) Intangible assets**

Intangible assets acquired by the Bank are stated at cost, less accumulated amortisation and any impairment losses.

Amortisation is calculated on a straight-line basis over the expected useful life of the asset. The annual rates of amortisation are as follows:

<b>Assets</b>	<b>%</b>
• Licenses and trademarks	10 - 14
• Software and licences	10 - 50

**(m) Investment Property**

Investment property is property (land or a building or part of a building or both) held to earn rentals or for capital appreciation or both. The Bank has chosen for its accounting policy to account for investment property using the fair value model and applies this to all its investment property. Investment properties are initially measured at cost and are subsequently measured using the fair value model, and the revaluation income and expense is recognised in the profit for period in which they occurred. The reclassification of repossessed assets reported as inventories into investment properties is possible only where a contract to rent out the respective property has been signed. The reclassification of assets reported under IAS 16 Property and equipment into investment properties is carried out upon termination of the use of the relevant asset by the Bank. The fair value of assets constituting investment property was determined by independent property assessors holding recognised professional qualification and recent experience in assessing property with similar location and category, using reliable techniques for determining fair values.

**(n) Provisions**

A provision is recognised in the statement of financial position when the Bank has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable assessment of the amount due can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

**(o) Acceptances**

An acceptance is created when the Bank agrees to pay, at a stipulated future date, a draft drawn on it for a specified amount. The Bank's acceptances primarily arise from documentary credits stipulating payment to be made a certain number of days after receipt of required documents. The Bank negotiates most acceptances to be settled at a later date following the reimbursement from the customers. Acceptances are accounted for as liabilities evidenced by paper.

**(p) Off-balance sheet commitments**

In the ordinary course of its business, the Bank enters into off-statement of financial position commitments such as guarantees and letters of credit. The Bank recognizes provision for off-statement of financial position commitments when it has a present obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, and when a reliable estimate can be made of the obligation.

**(q) Taxation**

Tax on the profit for the year comprises current tax and the change in deferred tax. Current tax comprises tax payable calculated on the basis of the expected taxable income for the year, using the tax rates enacted by the statement of financial position date, and any adjustment of tax payable for previous years.

Deferred tax is provided using the balance sheet liability method on all temporary differences between the carrying amounts for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is calculated on the basis of the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. The effect on deferred tax of any changes in tax rates is charged to profit or loss, except to the extent that it relates to items previously recognised either in other comprehensive income or directly in equity.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**(r) Critical accounting estimates and judgements in applying accounting policies**

The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The actual results may differ from the Management's assumptions, estimates and judgements and in rare cases correspond fully to the preliminary result estimates.

In preparing the present individual financial statements the Management's estimates in applying the Bank's accounting policies and the main sources of uncertainty of the approximate accounting valuations do not differ from those disclosed in the individual financial statement for the previous year.

Information on the valuations and the valuation uncertainty, for which there is a significant risk of change as of 31 December 2023 are stated below and are related to the impairment of financial instruments, income tax and the following notes related to other elements of the financial statements:

- Note 4, 15 - determining of the fair value of the financial instruments, land and buildings through valuation techniques, in which the input data for the financial assets and liabilities are not based on the available market information. The Management uses valuation techniques for the fair value of financial instruments (when there is no quoted price in an active market) and non-financial assets. In applying the valuation techniques, the Management uses to a maximum degree market data and assumptions which market participants would take into account in pricing an instrument. When there is no available market data, the Management uses its best judgement of the assumptions that market participants would make. These judgements may differ from the actual prices that may be

determined in a fair market transaction between informed and willing parties at the end of the reporting period.

- Notes 10, 12, 14 – measuring the expected credit loss – credit losses constitute the difference between all contractual cash flows payable to the Bank and all cash flows which the Bank expects to receive. Expected credit loss is the probability-weighted estimate of credit losses which require the Bank's judgement. Expected credit loss is discounted with the initial effective interest rate (or with the loan-adjusted effective interest rate for purchased or initially created financial assets with credit impairment).
- Notes 12, 14 – debt instruments at amortised cost – the analysis and intentions of the Management are confirmed by the business model of holding debt instruments that meet the requirements for receiving only principal and interest payments and holding assets until collecting the contractual cash flows from the bonds which are classified as debt instruments at amortised cost.
- Note 20 – Lease contract term – in determining the lease contract term the Management takes into consideration all facts and circumstances that create economic incentives for exercising the option to extend the lease, or not to exercise the option to terminate the lease. Extension options (or the periods after termination options) are included in the lease contract term only if it is reasonably certain that the lease contract has been extended (or has not been terminated).
- Note 26 – in accordance with IAS 37 — Provisions, Contingent Liabilities and Contingent Assets and the internal rules for setting aside provisions for pending court cases the bank has recognised provisions for pending court cases. The Bank is a defendant in pending cases and the outcome of those cases may lead to liabilities in an amount different from the amount of provisions recognized in the financial statement.

**(s) Assessment of repossessed assets from collaterals**

Assets accepted as collateral are recognized at the lower of the cost of acquisition and the net realizable value. When evaluating the net realizable value of the assets the Bank prepares several models for appraisal (e.g. discounted cash flows) and makes comparison to available market data (e.g. similar market transactions, offers from potential buyers).

**(t) Income taxes**

The Bank is subject to income taxes in numerous jurisdictions. Significant estimates are required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Bank recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

**(u) Employee benefits**

*Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Government of Bulgaria is responsible for providing pensions in Bulgaria under a defined contribution pension plan. The Bank's contributions to the defined contribution pension plan are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

*Defined benefit plans*

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Bank's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The Bank has an obligation to pay certain amounts to each employee who retires with the Bank in accordance with Art. 222, § 3 of the Labour Code.

According to these regulations in the LC, when a labour contract of a bank's employee, who has acquired a pension right, is ended, the Bank is obliged to pay him compensations amounted to two gross monthly salaries. Where the employee has been with the same employer for the past 10 years, this employee is entitled to a compensation amounting to six gross monthly salaries. As at balance sheet date, the Management of the Bank estimates the approximate amount of the potential expenditures for every employee using the projected unit credit method.

For the last two years the Bank has prepared estimates for the due provisions for pensions and has not identified significant liabilities.

#### *Termination benefits*

Termination benefits are recognised as an expense when the Bank is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Bank has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting period, then they are discounted to their present value.

#### *Short-term employee benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Bank has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. The Bank recognises as a liability the undiscounted amount of the estimated costs related to annual leave expected to be paid in exchange for the employee's service for the period completed.

### **(v) Leases**

#### **(i) The Company as lessee**

For contracts concluded on or after 1 January 2019 the Bank assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an asset (the identified asset) for a period of time in exchange for consideration. In order to apply this definition, the Bank assesses three key elements:

- Whether the contract refers to an identified asset which is either explicitly specified in a contract, or implicitly specified at the time that the asset is made available for use;
- The Bank has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, within the scope of its right of use defined in the contract;
- The Bank has the right to direct the use of the identified asset throughout the period of use.

The Bank assesses whether it has the right to direct how and for what purpose the asset will be used throughout the period of use.

#### ***Assessment and recognition of leases by the Bank as lessee***

On the commencement date of the lease contract the Bank recognises the right-of-use asset and the lease liability in the statement of financial position. The right-of-use asset is assessed at cost which comprises the amount of the initial measurement of the lease liability, any initial direct costs incurred by the Bank, an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset at the end of the lease contract, and any lease payments made at or before the commencement date (less any lease incentives received).

The Bank depreciates the right-of-use asset using the linear method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Bank also reviews the right-of-use assets for impairment, where such indicators exist.

On the commencement date of the lease contract the Bank measures the lease liability at the present value of the remaining lease payments at that date, discounted using the borrowing rate stipulated in the lease contract, if that rate can be readily determined, or the company's incremental borrowing rate.

As of 01.01.2019 the Bank applies IFRS 16 Leases. To this end, an analysis was made of the requirements of this Standard, and the following key elements were identified:

IFRS 16 Leases introduces new rules for reporting lease agreements. First of all, the standard requires that an analysis be made of whether and which agreements with or without the legal form of lease constitute a lease or contain lease components in accordance with the definition of lease contained in IFRS 16, paragraph 9. According to Paragraph 9, a contract is, or contains, a lease if:

- there is an identified asset, and
- the contract conveys the right to control the use of the identified asset for a period of time in exchange for consideration.

In the general case, the lessee is required recognise a right-of-use asset and a lease liability at the commencement date.

Also, instead of applying the requirements for recognition of a right-of-use asset in return for consideration under a lease contract, the lessee may choose to report lease contracts as an expense under the linear method for the duration of the lease in the following types of contracts:

- ending within 12 months of the date of initial application of IFRS 16
- lease of low-value assets

In the process of assessing the effects of application of this Standard, the Bank did the following:

- o Full review of all agreements was made in order to establish whether it may be necessary to consider additional agreements as lease agreements according to the new IFRS 16 definition;
- o A decision was made for partial retrospective application (which means that the comparative information will not be changed). Under the modified approach it is possible not to assess whether existing agreements contain leases and other relief. Under the modified approach it is possible not to assess whether existing agreements contain leases and other relief.

The Management analysed the effect of application of the Standard for contracts expected to last up to five years because a big part of the rental agreements to which the Bank is a party as a tenant, the Bank can terminate after a three- or six-months' notice without owing an indemnity. Even in the other contracts this possibility is available in accordance with the law.

This reflects on the expected actual duration of the lease because the contract term depends on the probability that the Bank would exercise that option. With relation to this the Bank considers that a duration of five years is indicative of the maximum duration of the lease term, irrespective of whether contracts of longer duration exist or not.

In order to determine the incremental borrowing rate, the Bank uses an interest rate consisting of the risk-free interest rate and a surcharge reflecting the credit risk related to the Bank and additionally adjusted for the specific conditions of the lease contract, including term, country, currency, and collateral.

Lease payments included in measuring the lease liability comprise fixed payments (including in-substance fixed payments), variable lease payments that depend on an index or a rate, amounts expected to be payable by the lessee under residual value guarantees, and the exercise price of a purchase option if the Group is reasonably certain to exercise that option.

After the commencement date, the lease liability shall be decreased with the amount of payments made and shall be increased with the amount of the interest. The lease liability is

remeasured to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments.

When the lease liability is remeasured, the amount of the remeasurement is recognised in the right-of-use asset or in profit or loss, if the carrying amount of the right-of-use asset is already reduced to zero.

The Bank has chosen to report short-term leases and leases of low-value assets by using practical expedients envisaged in the standard. Instead of recognising right-of-use assets and lease liabilities, the Bank recognizes the payments related to them as an expense in profit or loss using the linear method during the lease term.

In the statement of financial position, right-of-use assets are presented on a separate row "Right-of-use assets", and the liabilities under lease contracts are also presented on a separate row - "Lease liabilities".

Extension options or termination options are included in a number of the Bank's property rentals. They are used to increase the operative flexibility in the management of assets used in its operations.

**(ii) The company as lessor**

The portion of IFRS 16 which concerns the Bank as lessor no significant changes were found in comparison to the previous IAS 17. The Bank classifies a lease contract as a finance lease if it has transferred substantially all risks and rewards related to ownership of the asset subject to the lease. All other lease contracts are classified as operating. In case of a finance lease, the Bank recognises as asset a receivable under the contract in an amount equal to the net investment in the lease. During the lease term the Bank recognizes interest income on the amount receivable at an interest rate reflecting the return rate of the net investment in the lease.

In case of operating lease, the Bank recognises lease payments as revenue on a linear basis.

As lessor, the Bank classifies each of its lease contracts as either an operating lease or a finance lease.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

**3. Segment Reporting**

Segment information is presented in respect of the Bank's geographical segments. The primary format, geographical segments, is based on the Bank's management and internal reporting structure.

Reporting and measurement of segment assets and liabilities and segment revenues and results is based on the accounting policies set out in the accounting policy notes.

Transactions between segments are conducted on an arm's length basis.

The Bank operates principally in Bulgaria, but also has operations in Cyprus.

In presenting information on the basis of geographical segments, revenue and operating income is allocated after interbranch eliminations based on the location of the Bank branch that generated the revenue. Segment assets and liabilities are allocated after interbranch eliminations based on their geographical location.

in BGN '000

	Bulgarian operations		Foreign operations		Total	
	three months ended on 31/03/2024	three months ended on 31/03/2023	three months ended on 31/03/2024	three months ended on 31/03/2023	three months ended on 31/03/2024	three months ended on 31/03/2023
Interest income	106,717	91,942	6,515	41	113,232	91,983
Interest expense	(12,478)	(8,124)	-	-	(12,478)	(8,124)
<b>Net interest income</b>	<b>94,239</b>	<b>83,818</b>	<b>6,515</b>	<b>41</b>	<b>100,754</b>	<b>83,859</b>
Fee and commission income	46,673	42,329	2,309	2,838	48,982	45,167
Fee and commission expense	(11,250)	(11,647)	(287)	(293)	(11,537)	(11,940)
<b>Net fee and commission income</b>	<b>35,423</b>	<b>30,682</b>	<b>2,022</b>	<b>2,545</b>	<b>37,445</b>	<b>33,227</b>
<b>Net trading income</b>	<b>6,271</b>	<b>4,928</b>	<b>481</b>	<b>564</b>	<b>6,752</b>	<b>5,492</b>
<b>Administrative expenses</b>	<b>(54,987)</b>	<b>(51,261)</b>	<b>(1,017)</b>	<b>(676)</b>	<b>(56,004)</b>	<b>(51,937)</b>
	<b>31.03.2024</b>	<b>31.12.2023</b>	<b>31.03.2024</b>	<b>31.12.2023</b>	<b>31.03.2024</b>	<b>31.12.2023</b>
<b>Assets</b>	<b>13,331,488</b>	<b>13,174,696</b>	<b>716,226</b>	<b>713,832</b>	<b>14,047,714</b>	<b>13,888,528</b>
<b>Liabilities</b>	<b>11,956,690</b>	<b>11,788,425</b>	<b>598,733</b>	<b>627,177</b>	<b>12,555,423</b>	<b>12,415,602</b>

The table below shows assets and liabilities and income and expense by business segments as at 31/03/2024.

	Assets	Liabilities	Net interest income	Net fee and commission income	Net trading income	Other net operating income
Large enterprises	2,507,814	1,903,581	22,068	11,444	-	-
Medium enterprises	1,038,458	537,265	12,409	2,084	-	-
Small business	1,028,616	990,063	13,619	7,339	-	-
Retail Banking	2,769,922	8,622,733	38,804	17,893	-	6
Treasury	5,157,623	29,016	20,349	(142)	6,752	(30,007)
Other	1,545,281	472,765	(6,495)	(1,173)	-	2,207
<b>Total</b>	<b>14,047,714</b>	<b>12,555,423</b>	<b>100,754</b>	<b>37,445</b>	<b>6,752</b>	<b>(27,794)</b>

#### 4. Financial assets and liabilities

##### Accounting classification and fair values

The Bank's accounting policy on fair value measurements is set out in Note 2(d)(vi).

The Bank measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: inputs are observable data for a given asset or liability. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Bank determines fair values using other valuation techniques.

Other valuation techniques include net present value and discounted cash flow models, comparison to similar instruments for which market observable prices exist, option pricing

models and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Bank uses widely recognised valuation models for determining the fair value of common and more simple financial instruments, like interest rate and currency swaps that use only observable market data and require little management judgement and estimation. Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange traded derivatives and simple over the counter derivatives like interest rate swaps. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determination of fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

However, where the Bank measures portfolios of financial assets and financial liabilities on the basis of net exposures, it applies judgement in determining appropriate portfolio level adjustments such as bid-ask spread.

Such adjustments are derived from observable bid-ask spreads for similar instruments and adjusted for factors specific to the portfolio.

For more complex instruments, the Bank uses proprietary valuation models, which usually are developed from recognised valuation models. Some or all of the significant inputs into these models may not be observable in the market, and are derived from market prices or rates or are estimated based on assumptions. Example of instruments involving significant unobservable inputs include certain over the counter derivatives, certain loans and securities for which there is no active market and retained interests in securitisations. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of probability of counterparty default and prepayments and selection of appropriate discount rates.

The Bank has an established control framework with respect to the measurement of fair values. This framework includes a Risk Management function, which is independent of Treasury division and reports to management, and which has overall responsibility for independently verifying the results of trading and investment operations and all significant fair value measurements. Specific controls include:

- verification of observable pricing;
- proposal of new models and changes to existing models is made by the Risk Analysis and Control Division and approved by the Management Board;
- calibration of models against observed market transactions;
- analysis and investigation of significant daily valuation movements;
- review of significant unobservable inputs, valuation adjustments and significant changes to the fair value measurement of Level 3 instruments compared to previous month, by Risk Analysis and Control division.

Where third-party information, such as broker quotes or pricing services, are used to measure fair value, Risk Management division assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS. This includes:

- verifying that the broker or pricing service is approved by the Bank for use in pricing the relevant type of financial instrument;
- understanding how the fair value has been arrived at and the extent to which it represents actual market transactions;

- when prices for similar instruments are used to measure fair value, how these prices have been adjusted to reflect the characteristics of the instrument subject to measurement;
- where a number of quotes for the same financial instrument have been obtained, how fair value has been determined using those quotes.

The tables below set out analysis of financial instruments measured at fair value at the end of the reporting period classified by fair value hierarchy level framework categorising fair value measurement. The amounts are based on the amounts in the statement of financial position.

*in thousands of BGN*

<b>31 March 2024</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at fair value through profit or loss	12,732	199,918	85	212,735
Financial assets at fair value through other comprehensive income	1,650,978	19,960	-	1,670,938
Derivatives held for risk management	1,293	835	-	2,128
<b>Total</b>	<b>1,665,003</b>	<b>220,713</b>	<b>85</b>	<b>1,885,801</b>
Financial liabilities at fair value through profit and loss	-	1,602	-	1,602

*in BGN '000*

<b>31 December 2023</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at fair value through profit or loss	11,958	231,548	85	243,591
Financial assets at fair value through other comprehensive income	1,057,508	19,571	-	1,077,079
Derivatives held for risk management	1,079	686	-	1,765
<b>Total</b>	<b>1,070,545</b>	<b>251,805</b>	<b>85</b>	<b>1,322,435</b>
Financial liabilities at fair value through profit and loss	-	3,165	-	3,165

The tables below set out analysis of the fair values of financial instruments not recognised at fair value, classified by fair value hierarchy level framework categorising fair value measurement

*in thousands of BGN*

<b>31 March 2024</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total fair values</b>	<b>Total balance sheet value</b>
<b>Assets</b>					
Cash and balances with Central Banks	-	2,004,332	-	2,004,332	2,004,332
Financial assets at amortised cost	891,861	-	-	891,861	972,861
Loans and advances to banks and other financial institutions	-	294,629	-	294,629	294,629
Loans and advances to customers	-	949,155	6,431,478	7,380,633	7,344,810
<b>Total</b>	<b>891,861</b>	<b>3,248,116</b>	<b>6,431,478</b>	<b>10,571,455</b>	<b>10,616,632</b>
<b>Liabilities</b>					
Due to banks	-	29,016	-	29,016	29,016
Due to other customers	-	7,812,368	3,734,615	11,546,983	11,562,525
Liabilities evidenced by paper	-	507,973	-	507,973	514,796
Hybrid debt	-	264,077	-	264,077	264,077
<b>Total</b>	<b>-</b>	<b>8,613,434</b>	<b>3,734,615</b>	<b>12,348,049</b>	<b>12,370,414</b>

*in BGN '000*

<b>31 December 2023</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total fair values</b>	<b>Total balance sheet value</b>
<b>Assets</b>					
Cash and balances with Central Banks	-	2,325,807	-	2,325,807	2,325,807
Financial assets at amortised cost	1,171,101	-	-	1,171,101	1,263,279
Loans and advances to banks and other financial institutions	-	259,718	-	259,718	259,718
Loans and advances to customers	-	677,899	6,485,961	7,163,860	7,158,309
<b>Total</b>	<b>1,171,101</b>	<b>3,263,424</b>	<b>6,485,961</b>	<b>10,920,486</b>	<b>11,007,113</b>
<b>Liabilities</b>					
Due to banks	-	54,326	-	54,326	54,326
Due to other customers	-	7,740,869	3,739,555	11,480,424	11,494,164
Liabilities evidenced by paper	-	435,606	-	435,606	439,634
Hybrid debt	-	257,871	-	257,871	257,871
<b>Total</b>	<b>-</b>	<b>8,488,672</b>	<b>3,739,555</b>	<b>12,228,227</b>	<b>12,245,995</b>

The investments in securities reported in portfolios of financial assets at fair value in profit or loss, financial assets at fair value in other comprehensive income and financial assets at amortised cost are mostly investments in government securities from first-class issuers which are highly liquid and with the most favourable capital treatment.

The bank manages its investments in debt securities in line with the current market expectations and dynamics. As at 31.12.2024 the modified portfolio duration is 1.8 years, while a year earlier it was 1.7 years.

## 5. Net interest income

<i>in thousands of BGN</i>	<b>three months ended on 31/03/2024</b>	<b>three months ended on 31/03/2023</b>
<b>Interest income</b>		
Accounts with and placements to banks and financial institutions	1,996	1,013
Revenue from interest on liabilities	-	-
Large enterprises	25,976	21,681
Medium enterprises	12,866	9,334
Small business	14,221	9,262
Microlending	2,587	2,059
Retail Banking	36,969	32,876
Debt instruments	18,617	15,758
	<b>113,232</b>	<b>91,983</b>
<b>Interest expense</b>		
Deposits from banks	(264)	(98)
Deposits from other customers	(297)	(211)
Liabilities evidenced by paper	(5,685)	(735)
Hybrid debt	(6,206)	(7,012)
Interest on assets cost	-	(18)
Interest expense on financial liabilities recognized in profit or loss	(8)	(36)
Lease agreements and other	(18)	(14)
	<b>(12,478)</b>	<b>(8,124)</b>
<b>Net interest income</b>	<b>100,754</b>	<b>83,859</b>

## 6. Net fee and commission income

<i>in thousands of BGN</i>	<b>three months ended on 31/03/2024</b>	<b>three months ended on 31/03/2023</b>
<b>Fee and commission income</b>		
Letters of credit and guarantees	1,224	835
Payment operations	7,859	7,216
Customer accounts	9,548	10,069
Card services	14,501	12,457
Other	15,851	14,590
	<b>48,983</b>	<b>45,167</b>
<b>Fee and commission expense</b>		
Letters of credit and guarantees	(287)	(132)
Payment systems	(1,230)	(1,051)
Card services	(7,644)	(5,991)
Other	(2,377)	(4,766)
	<b>(11,538)</b>	<b>(11,940)</b>
<b>Net fee and commission income</b>	<b>37,445</b>	<b>33,227</b>

## 7. Net trading income

<i>in thousands of BGN</i>	three months ended on 31/03/2024	three months ended on 31/03/2023
Net trading income arises from:		
- Debt instruments	1	18
- Equities	772	379
- Foreign exchange rate fluctuations	5,979	5,095
<b>Net trading income</b>	<b>6,752</b>	<b>5,492</b>

## 8. Other net operating income

<i>in BGN '000</i>	three months ended on 31/03/2024	three months ended on 31/03/2023
Other net operating income arising from:		
-net income from transactions and revaluation of gold and precious metals	270	300
Rental income	1,937	1,613
- Debt instruments	(30,007)	256
- income from management of assigned receivables	-	681
- Gain on administration of loans acquired through business combination	6	13
<b>Other net operating income</b>	<b>(27,794)</b>	<b>2,863</b>

## 9. Administrative expenses

<i>in thousands of BGN</i>	three months ended on 31/03/2024	three months ended on 31/03/2023
General and administrative expenses comprise:		
- Personnel cost	24,429	20,669
Amortization of equipment and tangible fixed assets	3,725	3,715
Rights of use assets	7,830	8,194
- Advertising	1,999	2,621
-Telecommunication, software and other computer maintenance	4,179	3,583
- Other expenses for external services	13,842	13,155
<b>Administrative expenses</b>	<b>56,004</b>	<b>51,937</b>

## 10. Allowance for impairment

<i>in thousands of BGN</i>	three months ended on 31/03/2024	three months ended on 31/03/2023
<b>Write-downs</b>		
Loans and advances to customers	(50,470)	(129,032)
Off balance sheet commitments	(384)	(535)
<b>Reversal of write-downs</b>		
Loans and advances to customers	13,560	98,217
Off balance sheet commitments	136	405
<b>Impairment cost, net</b>	<b>(37,158)</b>	<b>(30,945)</b>

## 10a. Other (expenses)/income, net

<i>in BGN '000</i>	three months ended on 31/03/2024	three months ended on 31/03/2023
Profit from the sale and write-off of assets acquired as collateral	2,388	341
(Loss)/profit from sale of investment property	1,190	(231)
Dividend income	88	-
Cost of guarantee schemes	(5,919)	(6,048)
(Expense)/income from provisions for pending court cases	-	-
Other income, net	(619)	(832)
<b>Total</b>	<b>(2,872)</b>	<b>(6,770)</b>

## 11. Cash and balances with Central Banks

<i>in thousands of BGN</i>	31.03.2024	31.12.2023
Cash on hand		
- in BGN	246,344	242,301
- in foreign currency	76,965	69,462
Balances with Central Banks	1,492,497	1,844,620
Current accounts and amounts with foreign banks	188,526	169,424
<b>Total</b>	<b>2,004,332</b>	<b>2,325,807</b>

## 12. Investments in securities

<i>in BGN '000</i>	31.03.2024	31.12.2023
Bonds and notes issued by:		
Bulgarian Government		
- denominated in BGN	431,507	428,625
- denominated in foreign currencies	113,482	113,709
Foreign governments	1,909,909	1,681,195
Corporates	249,118	280,619
Banks	110,613	39,114
Other issuers – equity instruments	41,905	40,687
<b>Total</b>	<b>2,856,534</b>	<b>2,583,949</b>
Of which:		
at fair value through other comprehensive income	1,670,938	1,077,079
at amortised cost	972,861	1,263,279
at fair value through profit and loss	212,735	243,591
<b>Total</b>	<b>2,856,534</b>	<b>2,583,949</b>

## 13. Loans and advances to banks and other financial institutions

### (a) Analysis by type

<i>in thousands of BGN</i>	31.03.2024	31.12.2023
Placements with banks	119,396	121,591
Receivables under resale agreements	0	0
Other	175,233	138,127
<b>Total</b>	<b>294,629</b>	<b>259,718</b>

### (b) Geographical analysis

<i>in thousands of BGN</i>	31.03.2024	31.12.2023
Domestic banks and financial institutions	165,655	117,483
Foreign banks and other financial institutions	128,974	142,235
<b>Total</b>	<b>294,629</b>	<b>259,718</b>

## 14. Loans and advances to customers

in thousands of BGN

			31/03/2024
	Gross value	Allowance for impairment	Amortised cost
Large enterprises	2,636,797	(128,983)	2,507,814
Medium enterprises	1,229,930	(191,472)	1,038,458
Small business	1,047,858	(19,241)	1,028,617
Microlending	215,639	(849)	214,790
Retail Banking			
- Consumer loans	1,177,371	(40,936)	1,136,435
- Mortgage loans	1,303,990	(7,000)	1,296,990
- Credit cards	134,546	(12,840)	121,706
- Other programmes and collateralised financing	-	-	-
<b>Total</b>	<b>7,746,131</b>	<b>(401,321)</b>	<b>7,344,810</b>

in BGN '000

			31/12/2023
	Gross value	Allowance for impairment	Amortised cost
Large enterprises	2,557,431	(105,111)	2,452,320
Medium enterprises	1,179,493	(191,186)	988,307
Small business	1,021,711	(8,565)	1,013,146
Microlending	216,593	(1,142)	215,451
Retail Banking			
- Consumer loans	1,139,711	(38,521)	1,101,190
- Mortgage loans	1,277,742	(7,587)	1,270,155
- Credit cards	130,515	(12,775)	117,740
- Other programmes and collateralised financing	-	-	-
<b>Total</b>	<b>7,523,196</b>	<b>(364,887)</b>	<b>7,158,309</b>

The distribution of the loan portfolio is reported according to the Bank's business segments

### (a) Movement in impairment allowances

in BGN '000

<b>Balance as at 01 January 2024</b>	<b>364,887</b>
Additional allowances	50,470
Amounts released	(13,560)
Write-offs	(614)
Recovered against impairment	0
Other	138
<b>Balance as at 31 March 2024</b>	<b>401,321</b>

Distribution of trade receivables and impairment as adjustment for financial assets (receivables from customers) according to the requirements of IFRS9:

	31/03/2024		31/12/2023	
	Gross amount of loans and advances to customers	Allowance for impairment	Gross amount of loans and advances to customers	Allowance for impairment
Exposures without increase of credit risk after the initial recognition (phase 1)	5,491,375	(10,053)	5,483,101	(3,866)
Exposures with significant increase of credit risk after the initial recognition (phase 2)	932,590	(18,258)	1,052,972	(51,797)
Non-performing (impaired) exposures (phase 3)	1,322,166	(373,010)	987,123	(309,224)
<b>Total</b>	<b>7,746,131</b>	<b>(401,321)</b>	<b>7,523,196</b>	<b>(364,887)</b>

#### 31/03/2024

Class of exposure	31/03/2024		<i>in thousands of BGN</i>	
	Gross amount of loans and advances to customers	Allowance for impairment	Carrying amount of loans and advances to customers	
Performing				
Collectively impaired	6,423,965	(28,311)		6,395,654
Nonperforming				
Collectively impaired	223,824	(65,070)		158,754
Individually impaired	1,098,342	(307,940)		790,402
<b>Total</b>	<b>7,746,131</b>	<b>(401,321)</b>		<b>7,344,810</b>

#### 31/12/2023

Class of exposure	31/12/2023		<i>in thousands of BGN</i>	
	Gross amount of loans and advances to customers	Allowance for impairment	Carrying amount of loans and advances to customers	
Performing				
Collectively impaired	6,536,073	(55,663)		6,480,410
Nonperforming				
Collectively impaired	218,657	(63,422)		155,235
Individually impaired	768,466	(245,802)		522,664
<b>Total</b>	<b>7,523,196</b>	<b>(364,887)</b>		<b>7,158,309</b>

As at 31 March 2024 the gross amount of overdue loans and advances to customers measured as exposures 90+ days overdue is BGN 685,045 thousand (31 December 2023: BGN 628,420 thousand).

For comparability with the official EBA definition of the ratio measuring NPLs and advances (NPL ratio), the Bank discloses the gross balance sheet value of the supervisory category Loans and advances as at 31 March 2024 in the amount of BGN 9,721,783 thousand (31 December 2023: BGN 9,796,957 thousand).

## 15. Property and equipment

<i>in BGN '000</i>	Land and Buildings	Fixtures and fittings	Motor vehicles	Assets		Total
				under Construction	Leasehold Improvements	
<b>As at 01 January 2024</b>	20,566	139,860	7,075	17,351	70,379	<b>255,231</b>
Additions	-	7	-	5,750	-	<b>5,757</b>
Disposals	-	(943)	-	-	-	<b>(943)</b>
Transfers	-	1,523	-	(2,094)	2	<b>(569)</b>
<b>As at 31 March 2024</b>	<b>20,566</b>	<b>140,447</b>	<b>7,075</b>	<b>21,007</b>	<b>70,381</b>	<b>259,476</b>
<b>Amortisation</b>						
<b>As at 01 January 2024</b>	7,669	108,761	6,149	-	33,135	<b>155,714</b>
Accrued during the year	187	1,945	52	-	507	<b>2,691</b>
On disposals	-	(886)	-	-	-	<b>(886)</b>
<b>As at 31 March 2024</b>	<b>7,856</b>	<b>109,820</b>	<b>6,201</b>	<b>-</b>	<b>33,642</b>	<b>157,519</b>
<b>Carrying amount</b>						
<b>As at 01 January 2024</b>	<b>12,897</b>	<b>31,099</b>	<b>926</b>	<b>17,351</b>	<b>37,244</b>	<b>99,517</b>
<b>As at 31 March 2024</b>	<b>12,710</b>	<b>30,627</b>	<b>874</b>	<b>21,007</b>	<b>36,739</b>	<b>101,957</b>

## 16. Intangible assets

*in thousands of BGN*

	Software and licences	Total
<b>As at 01 January 2024</b>	63,219	63,219
Additions	-	-
Disposals	-	-
Transfers	569	569
<b>As at 31 March 2024</b>	<b>63,788</b>	<b>63,788</b>
<b>Amortisation</b>		
<b>As at 01 January 2024</b>	40,212	40,212
Accrued during the year	1,034	1,034
On disposals	-	-
<b>As at 31 March 2024</b>	<b>41,246</b>	<b>41,246</b>
<b>Carrying amount</b>		
<b>As at 01 January 2024</b>	23,007	23,007
<b>As at 31 March 2024</b>	<b>22,542</b>	<b>22,542</b>

## 17. Repossessed assets

*in thousands of BGN*

	31.03.2024	31.12.2023
Land	215,036	241,213
Buildings	152,782	151,735
Machines, plant and vehicles	9,710	9,746
Fixtures and fittings	825	829
<b>Total</b>	<b>378,353</b>	<b>403,523</b>

Repossessed assets acquired as collateral are measured at the lower of cost and net realisable value. The net realizable value of the lands and buildings is approximately equal to their fair value.

## 18. Investment Property

in thousands of BGN

<b>Balance as at 01/01/2024</b>	<b>756,767</b>
Additions	2,396
Costs recognized in the value of assets	-
Transferred from repossessed assets	-
Transferred from property and equipment	-
Revaluation of investment property to fair value	-
Write-offs upon sale	(2,959)
<b>Balance as at 31/03/2024</b>	<b>756,204</b>

## 19. Investments in subsidiaries

Investments in subsidiaries are as follows:

in thousands of BGN

			31.03.2024
Entity	% held	Acquisition cost	Allowance for impairment Carrying amount
Diners Club Bulgaria AD	96.51%	5,743	5,743
First Investment Bank – Albania Sh.a.	100%	23,420	23,420
Debita OOD	70%	105	1
Fi Health Insurance AD	59.10%	3,315	3,315
Creative Investment EOOD	100%	-	-
Lega Solutions EOOD	100%	-	-
AMC Imoti EOOD	100%	-	-
MyFin EAD	100%	2,000	2,000
Incasso Garant EOOD	100%	100	100
<b>Total</b>		<b>34,683</b>	<b>(104)</b> <b>34,579</b>

in thousands of BGN

			31.12.2023
Entity	% held	Acquisition cost	Allowance for impairment Carrying amount
Diners Club Bulgaria AD	96.51%	5,743	5,743
First Investment Bank – Albania Sh.a.	100%	23,420	23,420
Debita OOD	70%	105	1
Fi Health Insurance AD	59.10%	3,315	3,315
Creative Investment EOOD	100%	-	-
Lega Solutions EOOD	100%	-	-
AMC Imoti EOOD	100%	-	-
MyFin EAD	100%	2,000	2,000
Incasso Garant EOOD	100%	100	100
<b>Total</b>		<b>34,683</b>	<b>(104)</b> <b>34,579</b>

First Investment Finance B.V., the Netherlands, has been deregistered from the Company Register as from 27.12.2023.

## 20. Rights of use assets

*in thousands of BGN*

<b>01 January 2024</b>	<b>121,410</b>
Amortisation	(7,830)
Effect of modification to lease terms and expectations on lease term	14,766
<b>As at 31 March 2024</b>	<b>128,346</b>

### Lease liabilities

<b>01 January 2024</b>	<b>121,503</b>
Lease payments	(7,830)
Effect of modification to lease terms and expectations on lease term	14,766
<b>As at 31 March 2024</b>	<b>128,439</b>

## 21. Other assets

*in thousands of BGN*

	<b>31.03.2024</b>	<b>31.12.2023</b>
Deferred expense	20,416	13,071
Gold	4,003	3,303
Other assets	98,881	103,803
<b>Total</b>	<b>123,300</b>	<b>120,177</b>

## 22. Due to banks

*in thousands of BGN*

	<b>31.03.2024</b>	<b>31.12.2023</b>
Term deposits	0	5,553
Payable on demand	29,016	48,773
<b>Total</b>	<b>29,016</b>	<b>54,326</b>

## 23. Due to other customers

*in thousands of BGN*

	<b>31.03.2024</b>	<b>31.12.2023</b>
Retail customers		
- current accounts	3,487,710	3,355,008
- term and savings deposits	4,404,204	4,417,226
Businesses and public institutions		
- current accounts	3,163,180	3,165,857
- term deposits	507,431	556,073
<b>Total</b>	<b>11,562,525</b>	<b>11,494,164</b>

## 24. Liabilities evidenced by paper

*in thousands of BGN*

	<b>31.03.2024</b>	<b>31.12.2023</b>
Debt related to agreements for full swap of profitability	-	-
Financing from financial institutions	25,282	34,574
Liabilities related to investment products	478	1,167
Obligations under loan agreements	489,036	403,893
<b>Total</b>	<b>514,796</b>	<b>439,634</b>

Financing from financial institutions through extension of loan facilities can be analysed as follows:

*in thousands of BGN*

<b>Lender</b>	<b>Amortised cost as at 31 March 2024</b>
European Investment Fund – JEREMIE 2	791
Bulgarian Bank for Development AD	14,333
Manager of financial instruments in Bulgaria fund	10,158
<b>Total</b>	<b>25,282</b>

*in BGN '000*

<b>Lender</b>	<b>Amortised cost as at 31 December 2023</b>
European Investment Fund – JEREMIE 2	877
Bulgarian Bank for Development AD	14,331
Manager of financial instruments in Bulgaria fund	19,366
<b>Total</b>	<b>34,574</b>

## 25. Hybrid debt

*in thousands of BGN*

	<b>Principal amount</b>	<b>Amortised cost as at 31 March 2024</b>
Hybrid debt with principal EUR 60 mio	117,350	127,049
Hybrid debt with principal EUR 30 mio	58,675	59,996
Hybrid debt with principal EUR 30 mio	58,675	57,040
Hybrid debt with principal EUR 10 mio	19,558	19,992
<b>Total</b>	<b>254,258</b>	<b>264,077</b>

*in BGN '000*

	<b>Principal amount</b>	<b>Amortised cost as at 31 December 2023</b>
Hybrid debt with principal EUR 60 mio	117,350	123,821
Hybrid debt with principal EUR 30 mio	58,675	58,829
Hybrid debt with principal EUR 30 mio	58,675	55,618
Hybrid debt with principal EUR 10 mio	19,558	19,603
<b>Total</b>	<b>254,258</b>	<b>257,871</b>

The bonds under the four instruments are registered, dematerialized, interest-bearing, perpetual, unsecured, freely transferable, non-convertible, deeply subordinated and without incentive to redeem.

## 26. Other liabilities

*in thousands of BGN*

	<b>31.03.2024</b>	<b>31.12.2023</b>
Liabilities to personnel	1,207	1,207
Provisions for pending court cases	1,034	1,034
Impairment on off balance sheet commitments	612	363
Other payables	19,917	12,703
<b>Total</b>	<b>22,770</b>	<b>15,307</b>

## 27. Shareholders

The subscription for the public offering of shares of First Investment Bank AD was completed successfully on 3 July 2020. Out of the 40 000 000 ordinary dematerialized shares with nominal value of BGN 1, and issue value of BGN 5.00 each, a total of 39 084 800 shares were subscribed and paid up.

On 31 July 2020 First Investment Bank's capital increase was registered in the Commercial Register and Register of Non-for-profit Legal Entities. This registration was carried out after the subscription for shares was successfully completed on 03 July 2020 based on the prospectus confirmed by the Financial Supervision Commission.

Thus, the Bank's capital was increased to BGN 149 084 800 by issue of 39 084 800 new ordinary, registered, dematerialized shares, each with one voting right in the general meeting, with nominal value of BGN 1 and issue value of BGN 5. The amount of the capital after the increase was reflected in the By-Laws of First Investment Bank AD after approval granted by the Bulgarian National Bank.

The table below shows those shareholders of the Bank holding shares as at 31/03/2024 together with the number and percentage of total issued shares.

	<b>Number of shares</b>	<b>% of issued share capital</b>
Mr. Ivailo Dimitrov Mutafchiev	46,750,000	31.36
Mr. Tzeko Todorov Minev	46,750,000	31.36
Bulgarian Bank for Development AD	27,350,000	18.35
Valea Foundation	11,734,800	7.87
Other shareholders (shareholders holding shares subject to free trade on the Bulgarian Stock Exchange – Sofia)	16,500,000	11.06
<b>Total</b>	<b>149,084,800</b>	<b>100.00</b>

In 2024, as in the previous year, the Bank did not distribute dividends.

## 28. Commitments and contingent liabilities

### Contingent liabilities

<i>in thousands of BGN</i>	<b>31.03.2024</b>	<b>31.12.2023</b>
Bank guarantees	148,463	160,443
Unused credit lines	875,172	992,286
Letters of credit	31,567	33,438
<b>Total</b>	<b>1,055,202</b>	<b>1,186,167</b>
Impairment on off balance sheet commitments	612	363

## 29. Related party transactions

<b>Type of related party</b>	<b>Parties that control or manage the Bank</b>		<b>Enterprises under common control</b>	
	<b>31.03.2024</b>	<b>31.12.2023</b>	<b>31.03.2024</b>	<b>31.12.2023</b>
<i>in BGN '000</i>				
Loans	1,942	1,553	67,717	73,359
Deposits and loans received:	19,797	16,144	59,645	80,751
Deposits placed	-	-	63,161	81,338
Other receivables	-	-	13,243	15,118
Other borrowings	-	-	150	6,334
Off-balance sheet commitments issued by the Bank	1,699	2,100	6,415	3,541
Calculation on leasing obligations	-	-	2,669	2,669

First Investment Bank announces that as at 31/03/2024:

1. There were no unusual (in terms of amount, nature or timing) assets, liabilities, equity, net income and cash flows.
2. There were no unusual changes in contingent assets and liabilities since the last annual financial statements.
3. There were not repaid or repurchased capital instruments Equity instruments have been issued as disclosed in Note 27.
4. No dividends were accrued or paid.

*(signed)*

Nikola Bakalov – Chief Executive Officer

*(signed)*

Svetozar Popov – Executive Director

*(signed)*

Ianko Karakolev - Chief Financial Officer

**INTERIM REPORT  
ON THE ACTIVITY OF FIRST INVESTMENT BANK AD  
as at 31 March 2024**

**(individual)**

**prepared under Art. 100o, para. 4(2) and with relation to Art. 100o<sup>1</sup>, para. 7 of the  
Public Offering of Securities Act (POSA)**

In the first quarter of 2024 First Investment Bank AD (First Investment Bank AD, the Bank) continued its successful development as an innovative, stable and reliable bank institution.

Highlights in the activity of First Investment Bank AD as at 31 March 2024:

1. Disclosure of Information by First Investment Bank AD pursuant to Regulation (EU) No. 575/2013 and Implementing Regulation (EU) 2021/637;
2. Notifications, submission of minutes of the extraordinary General Meeting of Shareholders of First Investment Bank AD held on 15 January 2024;
3. Individual (unaudited) financial statements of First Investment Bank AD as at 31 December 2023;
4. Information regarding agreement reached between Fibank and SG Group;
5. Consolidated (unaudited) financial statements of First Investment Bank AD as at 31 Dec 2023;
6. Annual individual (audited) financial statements of First Investment Bank AD as at 31 Dec 2023.

- *Balance sheet as at 31 March 2024*

The balance sheet assets of the Bank as at 31.03.2024 reached BGN 14,048 million, showing an increase by BGN 153 million against the end of 2023. In terms of assets First Investment Bank AD retains its place among the leading banks in the Bulgarian banking system. As at 31.03.2024 the deposits from other customers amounted to BGN 11,563 million, with net increase of BGN `68 million for the period; as regards this indicator the Bank also retains its position as one of the leading banks in Bulgaria. As at the end of March 2024 the accounting equity amounted to BGN 1,492 million net, which means an increase by BGN 19 million for the period. Receivables from clients at 31 March 2024 amounted to BGN 7,345 million book value, an increase against the end of 2023 by BGN 187 million.

- *Individual profit as at 31 March 2024*

The net profit of the Bank as at 31.03.2024 reached BGN 18,726 thousand. The profit before tax for the period is BGN 21,123 thousand, the profit before provisions and impairment amounts to BGN 58,281 thousand.

The total income from banking operations as at 31 March 2024 amounts to BGN 117,157 thousand (as at 31.03.2023: BGN 125,441 thousand). The net interest income for the period January-March 2024 amounted to BGN 100,754 thousand, marking an increase by BGN 16,895 thousand compared to the same period of 2023. In Q1 2024 the net fee and commission income amounted to BGN 37,445 thousand, BGN 4,218 thousand higher than at 31.03.2023.

- *Capital resources*

The capital adequacy ratio of First Investment Bank as at 31 March 2024 reached 20.35 %. The Tier 1 capital ratio was also 20.35 %, while the CET1 ratio was 17.01%. The regulatory own funds amounted to BGN 1,549 million. As at 31 March 2024 the Bank was in compliance with and above the regulatory capital requirements.

- *Liquidity*

The liquidity coverage ratio of First Investment Bank as at 31 March 2024 reached 247.02 % and the net stable funding ratio was 145.98%, showing a stable liquidity position.

- *A total of 118 branches and offices throughout the country*

As at 31 March 2024, First Investment Bank AD had a total of 118 branches and offices in Bulgaria – 37 of them in Sofia and 81 in towns throughout the country. The number of outlets reflects the adherence to a policy of synergy and maintaining optimum efficiency in the branch network of the Bank.

**INFORMATION AS AT 31 March 2024  
UNDER ART. 12, PARA. 1, P. 4  
OF ORDINANCE No 2**

*of the Financial Supervision on the initial and subsequent disclosure of information in the public offering of securities and the admission of securities for trading at a regulated market*

- a) information on changes in the accounting policy during the reporting period, the reasons for them, and the way in which they affect the financial results and equity of the issuer

*There are no new standards, nor amendments to existing standards issued by the International Accounting Standards Boards effective for the current period that could have any significant impacts on the Bank's accounting policies.*

*The accounting policy applied by the Bank in the preparation of these interim condensed financial statements is the same as the one applied in the preparation of the last annual financial statements for the year ended on 31 December 2023.*

- b) information on changes in the economic group of the issuer, if applicable:

*On 09.02.2024 the General Meeting of Shareholders of Diners Club Bulgaria AD decided to change the company's scope of activities and to amend its By-Laws in order to reflect this change. It was decided that Diners Club Bulgaria AD cease to provide payment services under Article 4 of the Law on Payment Services and Payment Systems, and thus terminate its activities for representation, agency and processing o Diners Club International. The GMS also made a resolution on changing the company's name to Finclub AD and the relevant changes to the By-Laws in order to reflect that change.*

*By BNB resolution, as of 15.04.2024, the company's license to operate as a payment institution has been withdrawn.*

- c) information on the outcome from organizational changes within the issuer, such as restructuring, sale of companies from the economic group, in-kind contributions by the company, renting of property, long-term investments, suspension of operations:

*See „b” above.*

- d) opinion of the Management body regarding the feasibility of the forecasts published for the current financial year, taking into account the results of the current quarter, as well as information about the factors and circumstances that will affect the achievement of the forecast results at least for the next quarter:

*The Bank has not published any forecasts for 2024.*

- e) information on the persons holding directly or indirectly at least 5 per cent of votes in the General Meeting at the end of the respective quarter, and changes in the votes held by such persons since the end of the previous quarter:

	<i>As at 31 March 2024</i>		<i>As at 31 December 2023</i>	
	<i>Number of shares</i>	<i>% of capital</i>	<i>Number of shares</i>	<i>% of capital</i>
Mr Tseko Minev	46 750 000	31,36%	No change	
Mr Ivaylo Mutafchiev	46 750 000	31,36%	No change	
Bulgarian Development Bank AD	27 350 000	18,35%	No change	
Valea Foundation	11 734 800	7,87%	No change	

- f) information about the shares held by the management and supervisory bodies of the issuer at the end of the respective quarter, as well as on the changes which have occurred since the end of the preceding quarter for each person:

<i>Members of the Management Board</i>	<i>As at 31 March 2024</i>		<i>As at 31 December 2023</i>	
	<i>Number of shares</i>	<i>% of capital</i>	<i>Number of shares</i>	<i>% of capital</i>
Nikola Bakalov	2516	0,00	374	0,00
Chavdar Zlatev	27 173	0,01	27 173	0,01
Ralitsa Bogoeva	0	0,00	No change	
Svetozar Popov	5856	0,00	No change	
Ianko Karakolev	12	0,00	No change	
Nadia Koshinska	234	0,00	No change	

<i>Members of the Supervisory Board</i>	<i>As at 31 March 2024</i>		<i>As at 31 December 2023</i>	
	<i>Number of shares</i>	<i>% of capital</i>	<i>Number of shares</i>	<i>% of capital</i>
Evgeni Lukanov	337 139	0,23	No change	
Maya Georgieva	11 388	0,01	No change	
Jordan Skortchev	19 125	0,01	No change	
Radka Mineva	-	0,00	No change	
Jyrki Koskelo	-	0,00	No change	

- g) Information about pending judicial, administrative or arbitration procedures concerning liabilities or receivables amounting to at least 10 per cent of the equity of the issuer; if the total amount of liabilities or receivables of the issuer in all initiated procedures exceeds 10 per cent of its equity, information shall be presented for each procedure separately:

*No events have occurred.*

- h) information about loans granted by the issuer or any of its subsidiaries, guarantees provided or liabilities assumed to a single entity or its subsidiary, including related parties, indicating the nature of relations between the issuer and the entity, outstanding principal amount, interest rate, maturity date, initial amount of the liability, term and conditions:

*First Investment Bank AD is a public company part of whose main activity is the public attraction of deposits or other repayable funds and granting of loans or other financing. In this sense, for the period until 31 March 2024 no events have occurred beyond the ordinary activity of the Bank.*

**INFORMATION AS AT 31 March 2024  
UNDER ART. 12, PARA. 3  
OF ORDINANCE No. 2**

*of the Financial Supervision on the initial and subsequent disclosure of information in the public offering of securities and the admission of securities for trading at a regulated market*

*1. Transactions between related parties concluded during the reporting period of the current financial year that had significant effect on the financial position or performance of the company in this period:*

First Investment Bank AD enters into transactions with related parties in the ordinary course of its banking business, on terms which would be customary in transactions with unrelated parties. The information on these transactions has been disclosed in Note 29 to the unaudited individual interim financial report.

*2. Changes in transactions concluded with related parties disclosed in the annual report that have significant impact on the financial position or performance of the company during the reporting period of the current financial year.*

The information on these transactions has been disclosed in Note 29 to the unaudited consolidated interim financial report.

(signed)  
Nikola Bakalov  
Chief Executive Officer  
Chairman of MB

(signed)  
Svetozar Popov  
Executive Director  
Member of MB

(signed)  
Ianko Karakolev  
Chief Financial Officer  
Member of MB

**DECLARATION**  
**under Art. 100o, para. 4(3) with relation to Art. 100o<sup>1</sup>, para. 7 of the Public Offering of Securities Act (POSA)**

The undersigned Nikola Bakalov, Chief Executive Officer and Chairman of the Management Board of First Investment Bank AD, Svetozar Popov, Executive Director and Member of the Management Board of First Investment Bank AD, and Ianko Karakolev, Chief Financial Officer and Member of the Management Board at First Investment Bank AD, hereby declare that to the best of our knowledge:

- the financial statements (individual) of First Investment Bank AD as at 31 March 2024, prepared in accordance with the applicable accounting standards, give a true and fair view of the assets and liabilities, financial position and profit of First Investment Bank AD;
- the interim report on the activities of First Investment Bank AD as at 31 March 2024 contains a fair review of the information under Art. 100o, para. 4(2) of the Public Offering of Securities Act.

(signed)  
Nikola Bakalov  
Chief Executive Officer  
Chairman of MB

(signed)  
Svetozar Popov  
Executive Director  
Member of MB

(signed)  
Ianko Karakolev  
Chief Financial Officer  
Member of MB

30 April 2024

**INFORMATION AS AT 31 March 2024**

**UNDER Appendix No. 4**

*to Ordinance No. 2 the Financial Supervision on the initial and subsequent disclosure of information in the public offering of securities and the admission of securities for trading at a regulated market*

1.1. Change in the persons exercising control over the Bank:

In the period between 1 January 2024 and 31 March 2024 there were no changes in the persons exercising control over the Bank.

1.2. Start of bankruptcy proceedings for the Bank or any of its subsidiaries, and significant stages related to the start of bankruptcy proceedings.

In the period between 1 January 2024 and 31 March 2024 there were no bankruptcy proceedings for the Bank or any of its subsidiaries, nor any significant stages related to the start of bankruptcy proceedings

1.3. Conclusion and execution of material transactions.

First Investment Bank AD is a public company part of whose main activity is the public attraction of deposits or other repayable funds and granting of loans or other financing. In this sense, for the period until 31 March 2024 no events have occurred beyond the ordinary activity of the Bank.

1.4. Decisions for conclusion, termination or cancellation of a joint venture agreement:

In the period between 1 January 2024 and 31 March 2024 no decisions have been made for conclusion, termination or cancellation of a joint venture agreement

1.5. Change in the company's auditors and reasons for the change.

The auditors of First Investment Bank have not been changed.

1.6. Initiation or termination of lawsuits or arbitration proceedings concerning liabilities or receivables of the Bank or any of its subsidiaries, with a claim price equal to or exceeding 10% of the Bank's equity.

In the period between 1 January 2024 and 31 March 2024 there were no lawsuits or arbitration proceedings initiated or terminated concerning liabilities or receivables of the Bank or any of its subsidiaries, with a claim price equal to or exceeding 10% of the Bank's equity

1.7. Purchase, sale of pledge of shares by the Bank or its subsidiaries:

None

1.8. Other circumstances which the company considers as having potential significant to investors when making a decision to acquire, sell or continue to hold publicly traded shares.

None.

(signed)  
Nikola Bakalov  
Chief Executive Officer  
Chairman of MB

(signed)  
Svetozar Popov  
Executive Director  
Member of MB

(signed)  
Ianko Karakolev  
Chief Financial Officer  
Member of MB

*This document was prepared in compliance with the requirements of Art. 100o, Para. 4(4) with relation to Article 100o<sup>1</sup>(7) of the Law on the Public Offering of Securities, in the format and with contents as per Art. 12, Para. 1, items (1) and (2) of Ordinance No. 2 of the Financial Supervision on the initial and subsequent disclosure of information in the public offering of securities and the admission of securities for trading at a regulated market*

**Information on circumstances which occurred by 31 March 2024  
and which may have an impact on the price of First Investment Bank shares**

1. Disclosure of Information by First Investment Bank AD pursuant to Regulation (EU) No. 575/2013 and Implementing Regulation (EU) 2021/637 – FSC incoming No. RG-05-1085-1 of 05.01.2024  
[https://www.fibank.bg/web/files/documents/630/files/Fibank\\_Pillar%203%20quarterly%20dis closure\\_30092023\\_EN.pdf](https://www.fibank.bg/web/files/documents/630/files/Fibank_Pillar%203%20quarterly%20dis closure_30092023_EN.pdf)
2. Notifications, submission of minutes of the extraordinary General Meeting of Shareholders of First Investment Bank AD held on 15 January 2024 – FSC incoming No. RG-05-1085-2/3 of 17.01.2024.  
[https://www.fibank.bg/web/files/documents/656/files/Fibank\\_2024.01.17%20GMS%20minutes\\_EN.pdf](https://www.fibank.bg/web/files/documents/656/files/Fibank_2024.01.17%20GMS%20minutes_EN.pdf)
3. Individual (unaudited) financial statements of First Investment Bank AD as at 31 December 2023 – FSC incoming No. RG-05-1085-4 of 30.01.2024  
[https://www.fibank.bg/web/files/documents/636/files/FIBank\\_q4\\_2023\\_EN.pdf](https://www.fibank.bg/web/files/documents/636/files/FIBank_q4_2023_EN.pdf)
4. Information regarding agreement reached between Fibank and SG Group – FSC incoming No. RG-05-1085-5 of 07.02.2024  
[https://www.fibank.bg/web/files/documents/640/files/20240207\\_Fibank\\_en.pdf](https://www.fibank.bg/web/files/documents/640/files/20240207_Fibank_en.pdf)
5. Consolidated (unaudited) financial statements of First Investment Bank AD as at 31 Dec 2023 – FSC incoming No. RG-05-1085-6 of 29.02.2024  
[https://www.fibank.bg/web/files/documents/644/files/Fibank\\_2023\\_Q4\\_cons\\_EN.pdf](https://www.fibank.bg/web/files/documents/644/files/Fibank_2023_Q4_cons_EN.pdf)
6. Annual individual (audited) financial statements of First Investment Bank AD as at 31 Dec 2023 – FSC incoming No. RG-05-1085-7 of 29.02.2024 of 13.03.2024  
<https://www.fibank.bg/web/files/documents/648/files/549300UY81ESCZJ0GR95-20231231-EN-SEP.xhtml>

FIRST INVESTMENT BANK AD

Bank *FINV9150*

First Investment Bank AD

Reporting date *31.3.2024*

Basis for application *individual*

Accounting standard IFRS

Reporting currency in BGN '000

**1.1. Balance sheet [statement of financial position]**

**1.1 Assets**

		References	Breakdown in table	Carrying amount
				part 1, paragraph 27 of Appendix V
				0010
0010	<b>Cash and cash balances with central banks and other deposits payable on demand</b>	<i>Para. 54 (i) of IAS 1</i>		<b>2 080 621</b>
0020	Cash	<i>part 2, paragraph 1 of Appendix V</i>		323 310
0030	Cash balances with central banks	<i>part 2, paragraph 1 of Appendix V</i>		1 492 497
0040	Other deposits payable on demand	<i>part 2, paragraph 1 of Appendix V</i>	5	264 814
0050	<b>Financial assets held for trading</b>	<i>Supplement A to IFRS 9</i>		<b>12 736</b>
0060	Derivatives	<i>Supplement A to IFRS 9</i>	10	0
0070	Equity	<i>Para. 11 of IAS 32</i>	4	12 630
0080	Debt securities	<i>part 1, paragraph 31 of Appendix V</i>	4	106
0090	Loans and advances	<i>part 1, paragraph 32 of Appendix V</i>	4	0
0096	<b>Non-tradable financial assets mandatorily reported at fair value through profit or loss</b>	<i>Para. 8 (a)(ii) of IFRS 7; IFRS 9.4.1.4</i>	4	<b>199 999</b>
0097	Equity	<i>Para. 11 of IAS 32</i>	4	29 275
0098	Debt securities	<i>part 1, paragraph 31 of Appendix V</i>	4	170 724
0099	Loans and advances	<i>part 1, paragraph 32 of Appendix V</i>	4	0
0100	<b>Financial assets at fair value through profit or loss</b>	<i>Para. 8 (a)(i) of IFRS 7; IFRS 9.4.1.5</i>	4	<b>0</b>
0120	Debt securities	<i>part 1, paragraph 31 of Appendix V</i>	4	0
0130	Loans and advances	<i>part 1, paragraph 32 of Appendix V</i>	4	0
0141	<b>Financial assets at fair value through other comprehensive income</b>	<i>Para. 8 (h) of IFRS 7; IFRS 9.4.1.2A</i>	4	<b>1 670 939</b>
0142	Equity	<i>Para. 11 of IAS 32</i>	4	0
0143	Debt securities	<i>part 1, paragraph 31 of Appendix V</i>	4	1 670 939
0144	Loans and advances	<i>part 1, paragraph 32 of Appendix V</i>	4	0
0181	<b>Financial assets at amortised cost</b>	<i>Para. 8 (f) of IFRS 7; IFRS 9.4.1.2</i>	4	<b>8 536 012</b>
0182	Debt securities	<i>part 1, paragraph 31 of Appendix V</i>	4	972 861
0183	Loans and advances	<i>part 1, paragraph 32 of Appendix V</i>	4	7 563 151
0240	<b>Derivatives - hedge accounting</b>	<i>IFRS 9.6.2.1, part 1, paragraph 22 of Appendix V</i>	11	<b>0</b>
0250	<b>Changes in the fair value of hedged positions when hedging a portfolio for interest rate risk</b>	<i>Para. 89A (a) of IAS 39, IFRS 9.6.5.8</i>		<b>0</b>
0260	<b>Investments in a subsidiary, jointly-controlled entity or associate</b>	<i>Para. 54 (e) of IAS 1; part 1, paragraph 21 and part 2, paragraph 4 of Appendix V</i>	40	<b>34 579</b>
0270	<b>Tangible assets</b>			<b>858 161</b>
0280	Property, Plant and Equipment	<i>Para. 6 of IAS 16; Para. 54 (a) of IAS 1; Para 47 (a) of IFRS 16</i>	21, 42	101 957
0290	Investment Property	<i>Para. 5 of IAS 40; Para. 54 (b) of IAS 1; Para. 48 of IFRS 16</i>	21, 42	756 204
0300	<b>Intangible assets</b>	<i>Para. 54(c) of IAS 1; Art. 4, Para. 1, item 115 of Reg 575</i>		<b>22 542</b>
0310	Goodwill	<i>Para. B67, (d) of IFRS 3; Art. 4, Para. 1, item 113 of Reg 575</i>		0
0320	Other intangible assets	<i>Para. 8 and Para. 118 of IAS 38; Para. 47 (a) of IFRS 16</i>	21, 42	22 542
0330	<b>Tax assets</b>	<i>Para. 54 (n)-(o) of IAS 1</i>		<b>0</b>
0340	Current tax assets	<i>Para. 54(n) of IAS 1; Para. 5 of IAS 12</i>		0
0350	Deferred tax assets	<i>Para. 54, (o) of IAS 1; Para. 5 of IAS 12; Art. 4, Para. 1, item 106 of Reg 575</i>		0
0360	<b>Other assets</b>	<i>part 2, paragraph 5 of Appendix V</i>		<b>632 125</b>
0370	<b>Non-current assets and disposal groups classified as held for sale</b>	<i>Para. 54, (j) of IAS 1; Para. 38 of IFRS 5; part 2, item 7 of Appendix V</i>		<b>0</b>
0380	<b>TOTAL ASSETS</b>	<i>Para. 9, (a), IN 6 of IAS 1</i>		<b>14 047 714</b>

FIRST INVESTMENT BANK AD

Bank *FINV9150*

First Investment Bank AD

Reporting date *31.3.2024*

Basis for application *Individual*

Accounting standard IFRS

Reporting currency '000

BGN

**1. Balance sheet [statement of financial position]**

**1.2 Liabilities**

		References	Breakdown in table	Carrying amount
				part 1, paragraph 27 of Appendix V 0010
0010	<b>Financial liabilities held for trading</b>	<i>Para. 8, (e)(ii) of IFRS 7; BA Para. 6 of IFRS 9</i>	8	0
0020	Derivatives	<i>supplement A to IFRS 9, IFRS 9.4.2.1(a), BA, paragraph 7(a) of IFRS 9</i>	10	0
0030	Short positions	<i>BA, Paragraph 7(b) of IFRS 9</i>	8	0
0040	Deposits	<i>Part 2, item 9 of Appendix 2 to ECB/2013/33; Part 1, item 36 of Appendix V</i>	8	0
0050	Issued debt securities	<i>part 1, paragraph 37 of Appendix V</i>	8	0
0060	Other financial liabilities	<i>part 1, paragraph 38-41 of Appendix V</i>	8	0
0070	<b>Financial liabilities at fair value through profit or loss</b>	<i>Para. 8 (e)(i) of IFRS 7; IFRS 9.4.2.2</i>	8	1 602
0080	Deposits	<i>Part 2, item 9 of Appendix 2 to ECB/2013/33; Part 1, item 36 of Appendix V</i>	8	0
0090	Issued debt securities	<i>part 1, paragraph 37 of Appendix V</i>	8	0
0100	Other financial liabilities	<i>part 1, paragraph 38-41 of Appendix V</i>	8	1 602
0110	<b>Financial liabilities at amortised cost</b>	<i>Para. 8 (g) of IFRS 7; IFRS 9.4.2.1</i>	8	12 370 413
0120	Deposits	<i>Part 2, item 9 of Appendix 2 to ECB/2013/33; Part 1, item 36 of Appendix V</i>	8	11 591 540
0130	Issued debt securities	<i>part 1, paragraph 37 of Appendix V</i>	8	264 077
0140	Other financial liabilities	<i>part 1, paragraph 38-41 of Appendix V</i>	8	514 796
0150	<b>Derivatives - hedge accounting</b>	<i>IFRS 9.6.2.1, part 1, paragraph 26 of Appendix V</i>	11	0
0160	<b>Changes in the fair value of hedged positions when hedging a portfolio for interest rate risk</b>	<i>Para. 89A (b) of IAS 39, IFRS 9.6.5.8</i>		0
0170	<b>Provisions</b>	<i>Para. 10 of IAS 37; Para. 54 (f) of IAS 1</i>	43	1 646
0180	Pensions and other obligations to pay defined post-employment benefits	<i>Para. 63 of IFRS 19; Para. 78(d) of IAS 1; part 2, item 9 of Appendix V</i>	43	0
0190	Other long-term employee benefits	<i>Para. 153 of IFRS 19; Para. 78(d) of IAS 1; part 2, item 10 of Appendix V</i>	43	0
0200	Restructuring	<i>Para. 71 of IAS 37</i>	43	0
0210	Pending legal matters and tax-related court cases	<i>IAS 37, addendum B, examples 6 and 10</i>	43	1 034
0220	Commitments and guarantees	<i>IFRS 9.4.2.1(c), (d); 9.5.5; 9.C2.5; IAS 37; IFRS 4; part 2, para. 11 of Appendix V</i>	9 12 43	612
0230	Other provisions	<i>Para. 14 of IAS 37</i>	43	0
0240	<b>Tax liabilities</b>	<i>Para. 54 (n)-(o) of IAS 1</i>		32 198
0250	Current tax liabilities	<i>Para. 54(n) of IAS 1; Para. 5 of IAS 12</i>		4 559
0260	Deferred tax liabilities	<i>Para. 54, (o) of IAS 1; Para. 5 of IAS 12; Art. 4, Para. 1, item 108 of Reg 575</i>		27 639
0270	<b>Share capital payable upon request</b>	<i>IAS 32, Illustrative example 33; IFRIC 2; part 2, paragraph 12 of Appendix V</i>		0
0280	<b>Other liabilities</b>	<i>part 2, paragraph 13 of Appendix V</i>		149 564
0290	<b>Liabilities in disposal groups classified as held for sale</b>	<i>Para. 54, (p) of IAS 1; Para. 38 of IFRS 5; part 2, paragraph 14 of Appendix V</i>		0
0300	<b>TOTAL LIABILITIES</b>	<i>Para. 9, (b), IN 6 of IAS 1</i>		12 555 423



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ANNEX III

FIRST INVESTMENT BANK AD

Bank **FINV9150**

First Investment Bank AD

Reporting date **31.3.2024**

Basis for

application **Individual**

Accounting IFRS

standard

Reporting currency '000

BGN

**2. Profit and Loss Account**

	References	Breakdown in table	Current period	
			0010	
0010	<b>Interest income</b>	Para. 97 of IAS 1; part 2, paragraph 31 of Appendix V	16	<b>113 232</b>
0020	Financial assets held for trading	Para. 20, (a)(i), Para. B5, (e) of IFRS 7; part 2, paragraphs 33, 34 of Appendix V		1
0025	Non-tradable financial assets mandatorily reported at fair value through profit or loss	Para. 20, (a)(i), Para. B5, (e) of IFRS 7, IFRS 9.5.7.1		0
0030	Financial assets at fair value through profit or loss	Para. 20, (a)(i), Para. B5, (e) of IFRS 7		0
0041	Financial assets at fair value through other comprehensive income	Para. 20(b) of IFRS 7; IFRS 9.5.7.10-11, IFRS 9.4.1.2A		11 813
0051	Financial assets at amortised cost	Para. 20(b) of IFRS 7; IFRS 9.4.1.2, IFRS 9.5.7.2		101 418
0070	Derivatives — hedge accounting, interest rate risk	supplement A to IFRS 9, C.6.6.16, part 2, paragraph 35 of Appendix V		0
0080	Other assets	part 2, paragraph 36 of Appendix V		0
0085	Revenue from interest on liabilities	IFRS 9.5.7.1, part 2, paragraph 37 of Appendix V		0
0090	<b>(Interest expense)</b>	Para. 97 of IAS 1; part 2, paragraph 31 of Appendix V	16	<b>12 478</b>
0100	(Financial liabilities held for trading)	Para. 20, (a)(i), Para. B5, (e) of IFRS 7; part 2, paragraphs 33, 34 of Appendix V		0
0110	(Financial liabilities at fair value through profit or loss)	Para. 20, (a)(i), Para. B5, (e) of IFRS 7		8
0120	(Financial liabilities at amortised cost)	Para. 20(b) of IFRS 7; IFRS 9.5.7.2		12 453
0130	(Derivatives — hedge accounting, interest rate risk)	Para. 9 of IAS 39; part 2, paragraph 35 of Appendix V		0
0140	(Other liabilities)	part 2, paragraph 38 of Appendix V		17
0145	(Interest expense on assets)	IFRS 9.5.7.1, part 2, paragraph 39 of Appendix V		0
0150	<b>(Expense for share capital payable upon request)</b>	IFRIC 2, item 11		<b>0</b>
0160	<b>Dividend income</b>	part 2, paragraph 40 of Appendix V	31	<b>88</b>
0170	Financial assets held for trading	Para. 20, (a)(i), Para. B5, (e) of IFRS 7; part 2, paragraphs 40 of Appendix V		11
0175	Non-tradable financial assets mandatorily reported at fair value through profit or loss	Para. 20, (a)(i), Para. B5, (e) of IFRS 7; IFRS 9.5.7.1A, part 2, paragraphs 40 of Appendix V		77
0191	Financial assets at fair value through other comprehensive income	Para. 20, (a)(ii) of IFRS 7; IFRS 9.4.1.2A, IFRS 9.5.7.1A, part 2, paragraph 41 of Appendix V		0
0192	Investments in a subsidiary, jointly-controlled entity or associate reported via the equity method	part 2, paragraph 42 of Appendix V		0
0200	<b>Fee and commission income</b>	Para. 20 (c) of IFRS 7	22	<b>48 982</b>
0210	<b>(Fee and commission expense)</b>	Para. 20 (c) of IFRS 7	22	<b>11 537</b>
0220	<b>Net profits or (-) losses from write-off of financial assets and liabilities which are not accounted at fair value through profit or loss</b>	part 2, paragraph 45 of Appendix V	16	<b>-1</b>
0231	Financial assets at fair value through other comprehensive income	IFRS 9.4.12A; IFRS 9.5.7.10-11		-5
0241	Financial assets at amortised cost	Para. 20(B)(v) of IFRS 7; IFRS 9.4.1.2, IFRS 9.5.7.2		4
0260	Financial liabilities at amortised cost	Para. 8 (a)(v) of IFRS 7; IFRS 9.5.7.2		0
0270	Other			0
0280	<b>Net profits or (-) losses from financial assets and liabilities held for trading</b>	Para. 20, (a)(i) of IFRS 7; IFRS 9.5.7.1, part 2, items 43, 46 of Appendix V	16	<b>774</b>
0287	<b>Net profits or (-) losses from non-tradable financial assets and liabilities mandatorily reported at fair value through profit or loss</b>	Para. 20, (a)(i) of IFRS 7; IFRS 9.5.7.1, part 2, items 46 of Appendix V		<b>-30 000</b>
0290	<b>Net profits or (-) losses from financial assets and liabilities at fair value through profit or loss</b>	Para. 20, (a)(i) of IFRS 7; IFRS 9.5.7.1, part 2, items 44 of Appendix V	16, 45	<b>0</b>
0300	<b>Net profits or (-) losses from hedge accounting</b>	part 2, paragraph 47 of Appendix V	16	<b>0</b>
0310	<b>Net profits or (-) losses from exchange rate differences</b>	Para. 28 and Para 52 (a) of IAS 21		<b>5 979</b>
0320	<b>Net profits or (-) losses from derecognition of investments in subsidiaries joint ventures and associates</b>	Application V, part 2.56		<b>0</b>
0330	<b>Net profits or (-) losses from derecognition of non-financial assets</b>	Para. 34 of IAS 1; part 2, paragraph 48 of Appendix V	45	<b>3 578</b>
0340	<b>Other operating income</b>	part 2, paragraphs 314-316 of Appendix V	45	<b>2 857</b>
0350	<b>(Other operating expense)</b>	part 2, paragraphs 314-316 of Appendix V	45	<b>1 270</b>
0355	<b>TOTAL NET OPERATING INCOME</b>			<b>120 204</b>
0360	<b>(Administrative expenses)</b>			<b>52 279</b>
0370	(Personnel costs)	Para. 7 of IAS 19; Para. 102, IN 6 of IAS 1	44	27 844
0380	(Other administrative expenses)		16	24 435
0385	(Cash instalments for restructuring funds and deposit guarantee schemes)	part 2, paragraph 48 of Appendix V		5 919
0390	<b>(Amortisation)</b>	Paras. 102, 104 of IAS 1		<b>3 725</b>
0400	(Property, Plant and Equipment)	Para. 104 of IAS 1; Para. 73, (e), (vii) of IAS 16		2 691
0410	(Investment Property)	Para. 104 of IAS 1; Para. 79, (d), (iv) of IAS 40		0
0420	(Other intangible assets)	Para. 104 of IAS 1; Para. 118, (e), (vi) of IAS 38		1 034
0425	<b>Net profits or (-) losses from modification</b>	IFRS 9.5.4.3, supplement A to IFRS 9, part 2, paragraph 49 of Appendix V		<b>0</b>
0426	Financial assets at fair value through other comprehensive income	Paragraph 35J of IFRS 7		0
0427	Financial assets at amortised cost	Paragraph 35J of IFRS 7		0
0430	<b>(Provisions or (-) reversed provisions)</b>	Para. 59, 84 of IAS 37; Para. 98, (b), (f), (g) of IAS 1	9 12 43	<b>249</b>
0435	(Undertaken obligations to make payments for restructuring funds and deposit guarantee schemes)	part 2, paragraph 48 (i) of Appendix V		<b>0</b>
0440	(Commitments and guarantees)	IFRS 9.4.2.1(c), (d); IFRS 9.B2.5; IAS 37; IFRS 4; part 2, para. 50 of Appendix V		249
0450	(Other provisions)			0

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ANNEX III

		References	Breakdown in table	Current period
				0010
0460	<b>(Impairment or (-) impairment adjustment of financial assets which are not accounted at fair value through profit or loss)</b>	<i>Para. 20, (a)(viii) of IFRC 7; IFRS 9.5.4.4, part 2, items 51, 53 of Appendix V</i>	12	<b>36 909</b>
0481	(Financial assets at fair value through other comprehensive income)	<i>IFRS 9.5.4.4; IFRS 9.5.5.1; IFRS 9.5.5.2; IFRS 9.5.5.8</i>	12	0
0491	(Financial assets at amortised cost)	<i>IFRS 9.5.4.4; IFRS 9.5.5.1; IFRS 9.5.5.2; IFRS 9.5.5.8</i>	12	36 909
0510	<b>(Impairment or (-) reversed impairment of investments in a subsidiary, jointly-controlled entity or associate)</b>	<i>Paras. 40-43 of IAS 28</i>	16	<b>0</b>
0520	<b>(Impairment or (-) reversed impairment of non-financial assets)</b>	<i>Para. 126(a)-(b) of IAS 36</i>	16	<b>0</b>
0530	(Property, Plant and Equipment)	<i>Para. 73, (e), (v)-(vi) of IAS 16</i>		0
0540	(Investment Property)	<i>Para. 79, (d), (v) of IAS 40</i>		0
0550	(Goodwill)	<i>B67, (d), (v) of IFRC 3; Para. 124 of IAS 36</i>		0
0560	(Other intangible assets)	<i>Para. 118, (e), (iv)-(v) of IAS 38</i>		0
0570	(Other)	<i>Para. 126(a)-(b) of IAS 36</i>		0
0580	<b>Negative goodwill in profit or loss</b>	<i>B64, (n)(i) to IFRC 3</i>		<b>0</b>
0590	<b>Share of profit or (-) loss from investments in a subsidiary, jointly-controlled entity or associate reported via the equity method</b>	<i>part 2, paragraph 54 of Appendix V</i>		<b>0</b>
0600	<b>Profit or (-) loss from non-current assets and disposal groups classified as held for sale, which do not meet the requirements for discontinued operations</b>	<i>Para. 37 of IFRS 5, part 2, paragraph 55 of Appendix V</i>		<b>0</b>
0610	<b>PROFIT OR (-) LOSS BEFORE TAX FROM CURRENT OPERATIONS</b>	<i>Para. 102, IN 6 of IAS 1; Para. 33 A of IFRC 5</i>		<b>21 123</b>
0620	(Tax expense or (-) income relating to the profit or loss from current operations)	<i>Para. 8, (d) of IAS 1; Para. 77 of IAS 12</i>		<b>2 397</b>
0630	<b>PROFIT OR (-) LOSS AFTER TAX FROM CURRENT OPERATIONS</b>	<i>IN 6 of IAS 1</i>		<b>18 726</b>
0640	<b>Profit or (-) loss after tax from discontinued operations</b>	<i>Para. 82, (e) of IAS 1; Para. 33(a) and paragraph 33A of IFRC 5; part 2, paragraph 56 of Appendix V</i>		<b>0</b>
0650	Profit or (-) loss before tax from discontinued operations	<i>Para. 33, (b)(i) of IFRC 5</i>		0
0660	(Tax expense or (-) income related to discontinued operations)	<i>Para. 33, (b)(i) and (iv) of IFRC 5</i>		0
0670	<b>PROFIT OR (-) LOSS FOR THE YEAR</b>	<i>Para. 81A (a) of IAS 1</i>		<b>18 726</b>
0680	Relating to minority interests [non-controlling interests]	<i>Para. 81B (b)(i) of IAS 1</i>		0
0690	Attributable to the owners of the parent company	<i>Para. 81B (b)(ii) of IAS 1</i>		18 726

Nikola Bakalov  
Chief Executive Officer

Svetozar Popov  
Executive Director

Ianko Karakolev  
Chief Financial Officer