

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

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

Re: Individual (unaudited) financial statements of First Investment Bank AD as at 30 June 2021 z.

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 30 June 2021, containing:

1. Financial statements as at 30.06.2021 as per Art. 100o, para. 4(1) of POSA;
2. Notes to the financial statements as at 30.06.2021;
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)

Chavdar Zlatev
Executive Director
Member of the MB

Stand-alone statement of the financial position as at 30 June 2021

unaudited

in BGN '000

	30.6.2021	31.12.2020
ASSETS		
Cash and balances with Central Banks	1 669 066	2 060 496
Investments in securities	1 410 720	1 132 106
Loans and advances to banks and other financial institutions	74 056	106 085
Loans and advances to customers	6 148 854	6 038 889
Property and equipment	71 424	72 972
Intangible assets	14 071	14 678
Derivatives held for risk management	3 877	5 110
Current tax assets	890	-
Repossessed assets	708 412	706 042
Investment Property	413 828	414 021
Investments in subsidiaries	44 873	44 872
Rights of use assets	142 630	139 837
Other assets	125 021	97 721
TOTAL ASSETS	10 827 722	10 832 829
LIABILITIES AND CAPITAL		
Due to banks	14 047	14 340
Due to other customers	9 059 962	9 100 155
Liabilities evidenced by paper	103 677	104 151
Hybrid debt	271 279	267 579
Derivatives held for risk management	-	410
Deferred tax liability	23 430	21 286
Current tax liabilities	297	12
Lease liabilities	142 661	139 868
Other liabilities	11 142	7 279
TOTAL LIABILITIES	9 626 495	9 655 080
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	11 395	15 513
Revaluation reserve on property	4 500	4 500
Other reserves and retained earnings	746 369	718 773
TOTAL SHAREHOLDERS' EQUITY	1 201 227	1 177 749
TOTAL LIABILITIES AND GROUP EQUITY	10 827 722	10 832 829

(signed)
Nikola Bakalov
Chief Executive Officer

(signed)
Yanko Karakolev
Chief Financial Officer

(signed)
CHAVDAR ZLATEV
Executive Director

Individual statement of profit or loss and of other comprehensive income for the six months ended 30 June 2021
unaudited

in BGN '000

	Six months ended 30/06/2021	Six months ended 30/06/2020
Interest income	144 770	144 332
Interest expense	(24 773)	(30 226)
Net interest income	119 997	114 106
Fee and commission income	63 902	54 666
Fee and commission expense	(11 359)	(9 875)
Net fee and commission income	52 543	44 791
Net trading income	7 137	5 719
Other net operating income	5 072	3 507
TOTAL INCOME FROM BANKING OPERATIONS	184 749	168 123
Administrative expenses	(88 631)	(95 163)
Allowance for impairment	(53 280)	(35 311)
Other (expenses)/income, net	(12 045)	(13 219)
PROFIT BEFORE TAX	30 793	24 430
Income tax expense	(3 197)	(2 772)
NET PROFIT	27 596	21 658
Other comprehensive income for the period		
Items which should or may be reclassified as profit or loss		
Revaluation reserve of investments in securities	(4 118)	(583)
Total other comprehensive income	(4 118)	(583)
TOTAL COMPREHENSIVE INCOME	23 478	21 075

(signed)
Nikola Bakalov
Chief Executive Officer

(signed)
Chief Financial Officer

(signed)
CHAVDAR ZLATEV
Executive Director

FIRST INVESTMENT BANK AD

Stand-alone statement of cash flows for the three months ended 30 June 2021

unaudited

in BGN '000

	Six months ended 30/06/2021	Six months ended 30/06/2020
Net cash flow from operating activities		
Net profit	27 596	21 658
Adjustment for non-cash items		
Allowance for impairment	53 280	35 311
Net interest income	(119 997)	(114 106)
Depreciation and amortization	5 703	6 399
Tax expense	3 197	2 772
(Profit)/loss from sale and write-off of tangible and intangible fixed assets, net	(9)	37
(Profit)/loss from sale and write-off of other assets, net	116	(1 009)
(Positive) revaluation of investment property	-	(2 312)
	(30 114)	(51 250)
Change in operating assets		
(Increase)/Decrease in financial assets at fair value through profit or loss	(1 002)	51
(Increase) in financial assets at fair value in other comprehensive income	(165 504)	(47 176)
Decrease/(Increase) in loans and advances to banks and financial institutions	1 644	(1 418)
(Increase) in loans to customers	(209 332)	(179 861)
(Increase) in other assets	(29 750)	(6 320)
	(403 944)	(234 724)
Change in operating liabilities		
(Decrease) in deposits from banks	(293)	(21 910)
(Decrease) in amounts owed to other depositors	(29 051)	(189 518)
Net increase/(decrease) in other liabilities	6 928	(10 110)
	(22 416)	(221 538)
Interest received	179 039	123 981
Interest paid	(32 252)	(30 429)
Dividends received	296	44
Tax on profit, paid	(1 200)	(31)
NET CASH FLOW FROM OPERATING ACTIVITIES	(310 591)	(413 947)
Cash flow from investing activities		
(Purchase) of tangible and intangible fixed assets	(3 553)	(6 278)
Sale of tangible and intangible fixed assets	14	-
Sale of other assets	4 458	4 021
(Increase) of investments	(111 769)	(144 499)
NET CASH FLOW FROM INVESTING ACTIVITIES	(110 850)	(146 756)
Financing activities		
(Decrease) in borrowings	(375)	(3 792)
(Decrease) in subordinated liabilities	(1)	-
Capital increase through newly issued shares	-	-
Increase of share premium reserve of newly issued shares	-	-
NET CASH FLOW FROM FINANCING ACTIVITIES	(376)	(3 792)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(421 817)	(564 495)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	2 130 044	2 040 468
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	1 708 227	1 475 973

(signed)
Nikola Bakalov
Chief Executive Officer

(signed)
Yanko Karakolev
Chief Financial Officer

(signed)
CHAVDAR ZLATEV
Executive Director

FIRST INVESTMENT BANK AD

Individual statement of shareholders' equity for the six months ended 30 June 2021

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
Balance at 01 January 2020	110 000	97 000	679 892	11 812	4 500	39 861	943 065
Total comprehensive income for the period							
Net profit for the year ended 31 December 2020	-	-	38 881	-	-	-	38 881
Other comprehensive income for the period							
Revaluation reserve of investments in securities	-	-	-	3 701	-	-	3 701
Share capital increase							
Capital increase through newly issued shares	39 085	-	-	-	-	-	39 085
Share premium reserve of newly issued shares	-	156 339	-	-	-	-	156 339
Decrease of premium reserve related to capital issue expenses	-	(3 322)	-	-	-	-	(3 322)
Balance as at 31 December 2020	149 085	250 017	718 773	15 513	4 500	39 861	1 177 749
Total comprehensive income for the period							
Net profit for the six months ended on 30/06/2021	-	-	27 596	-	-	-	27 596
Other comprehensive income for the period							
Revaluation reserve of investments in securities	-	-	-	(4 118)	-	-	(4 118)
Balance as at 30 June 2021	149 085	250 017	746 369	11 395	4 500	39 861	1 201 227

(signed)

Nikola Bakalov
Chief Executive Officer

(signed)

Yanko Karakolev
Chief Financial Officer

(signed)

CHAVDAR ZLATEV
Executive Director

**ADDENDUM TO THE UNAUDITED INDIVIDUAL INTERIM FINANCIAL STATEMENTS OF FIRST
INVESTMENT BANK AD
AS AT 30/06/2021**

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 37 Dragan Tzankov Blvd.

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 2021

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. Significant 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 2020 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.

2. Significant accounting policies, continued

(a) Income recognition, continued

(i) Interest income, continued

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.

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.

2. Significant accounting policies, continued

(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.

2. Significant accounting policies, continued

(d) Financial assets, continued

(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) *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.

2. Significant accounting policies, continued

(d) Financial assets, continued

(vi) Fair value measurement principles, continued

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.

(vii) 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:

Assets	%
• Buildings	3 - 4
• 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:

Assets	%
• Licenses and trademarks	14
• Software and licences	8 - 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 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 30 June 2021 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.

Leases

(i) The Company as lessee

For new 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.

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 Bank 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.

The company as lessor

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.

<i>in BGN '000</i>	Bulgarian operations		Foreign operations		Total	
	Six months ended 30.06.2021	Six months ended 30.06.2020	Six months ended 30.06.2021	Six months ended 30.06.2020	Six months ended 30.06.2021	Six months ended 30.06.2020
Interest income	144,752	144,287	18	45	144,770	144,332
Interest expense	(24,771)	(30,221)	(2)	(5)	(24,773)	(30,226)
Net interest income	119,981	114,066	16	40	119,997	114,106
Fee and commission income	60,907	52,623	2,995	2,043	63,902	54,666
Fee and commission expense	(11,340)	(9,862)	(19)	(13)	(11,359)	(9,875)
Net fee and commission income	49,567	42,761	2,976	2,030	52,543	44,791
Net trading income	6,369	4,984	768	735	7,137	5,719
Administrative expenses	(87,457)	(93,832)	(1,174)	(1,331)	(88,631)	(95,163)
	30.06.2021	31.12.2020	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Assets	10,797,451	10,805,491	30,271	27,338	10,827,722	10,832,829
Liabilities	9,193,639	9,288,211	432,856	366,869	9,626,495	9,655,080

The table below shows assets and liabilities and income and expense by business segments as at 30/06/2021:

	Assets	Liabilities	Net interest income	Net fee and commission income	Net trading income	Other net operating income
Corporate customers	3,169,377	994,105	41,790	13,674	-	58
Small and medium enterprises	831,574	547,927	15,068	8,976	-	-
Retail Banking	2,147,903	7,517,930	71,935	29,826	-	1,427
Treasury	3,157,719	87,923	(3,503)	342	7,137	354
Other	1,521,149	478,610	(5,293)	(275)	-	3,233
Total	10,827,722	9,626,495	119,997	52,543	7,137	5,072

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

30 June 2021	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	4,520	265,915	14	270,449
Financial assets at fair value through other comprehensive income	805,126	24,793	-	829,919
Derivatives held for risk management	776	3,101	-	3,877
Total	810,422	293,809	14	1,104,245

In BGN '000

31.12.2020 r.	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	4,320	259,557	14	263,891
Financial assets at fair value through other comprehensive income	644,374	24,011	-	668,385
Derivatives held for risk management	724	3,976	-	4,700
Total	649,418	287,544	14	936,976

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

30 June 2021	Level 1	Level 2	Level 3	Total fair values	Total balance sheet value
Assets					
Cash and balances with Central Banks	-	1,669,066	-	1,669,066	1,669,066
Financial assets at amortised cost	313,686	-	-	313,686	310,352
Loans and advances to banks and other financial institutions	-	74,056	-	74,056	74,056
Loans and advances to customers	-	999,631	5,265,657	6,265,288	6,148,854
Total	313,686	2,742,753	5,265,657	8,322,096	8,202,328
Liabilities					
Due to banks	-	14,047	-	14,047	14,047
Due to other customers	-	4,935,329	4,127,430	9,062,759	9,059,962
Liabilities evidenced by paper	-	103,662	-	103,662	103,677
Hybrid debt	-	271,279	-	271,279	271,279
Total	-	5,324,317	4,127,430	9,451,747	9,448,965

In BGN '000

31.12.2020 r.	Level 1	Level 2	Level 3	Total fair values	Total balance sheet value
Assets					
Cash and balances with Central Banks	-	2,060,496	-	2,060,496	2,060,496
Financial assets at amortised cost	207,740	-	-	207,740	199,830
Loans and advances to banks and other financial institutions	-	106,085	-	106,085	106,085
Loans and advances to customers	-	1,055,845	5,105,857	6,161,702	6,038,889
Total	207,740	3,222,426	5,105,857	8,536,023	8,405,300
Liabilities					
Due to banks	-	14,340	-	14,340	14,340
Due to other customers	-	4,914,768	4,191,036	9,105,804	9,100,155
Liabilities evidenced by paper	-	104,165	-	104,165	104,151
Hybrid debt	-	267,579	-	267,579	267,579
Total	-	5,300,852	4,191,036	9,491,888	9,486,225

5. Net interest income

in thousands of BGN

	Six months ended 30.06.2021	Six months ended 30.06.2020
Interest income		
Accounts with and placements to banks and financial institutions	130	351
Revenue from interest on liabilities	15	-
Large enterprise	44,534	42,614
Medium enterprise	13,676	15,582
Small business	8,919	8,687
Micro enterprise	7,462	7,679
Households	62,162	60,644
Debt instruments	7,872	8,775
	144,770	144,332
Interest expense		
Deposits from banks	(2)	(9)
Deposits from other customers	(6,555)	(13,760)
Liabilities evidenced by paper	(366)	(396)
Hybrid debt	(13,675)	(13,695)
Interest on assets cost	(4,174)	(2,344)
Lease agreements and other	(1)	(22)
	(24,773)	(30,226)
Net interest income	119,997	144,106

6. Net fee and commission income

in thousands of BGN

Fee and commission income

Letters of credit and guarantees
Payment operations
Customer accounts
Card services
Other

Six months ended 30.06.2021	Six months ended 30.06.2020
2,112	1,234
10,653	8,754
16,101	15,952
17,220	14,739
17,816	13,987
63,902	54,666

Fee and commission expense

Letters of credit and guarantees
Payment systems
Card services
Other

(353)	(326)
(1,261)	(980)
(7,558)	(6,991)
(2,187)	(1,578)
(11,359)	(9,875)

Net fee and commission income

52,543 **44,791**

7. Net trading income

in thousands of BGN

Net trading income arises from:

- Debt instruments
- Equities
- Foreign exchange rate fluctuations

Net trading income

Six months
ended
30.06.2021

Six months
ended
30.06.2020

23	(47)
212	(77)
6,902	5,843
7,137	5,719

8. Other net operating income

In BGN '000

Other net operating income arising from:

- net income/(expense) from transactions and revaluation of gold and precious metals
Rental income
- Debt instruments
- Equities
- income from management of assigned receivables
- Gain on administration of loans acquired through business combination

Other net operating income

Six months
ended 30.06.2021

Six months ended
30.06.2020

473	223
2,760	2,759
354	487
-	-
1,439	-
46	38
5,072	3,507

9. Administrative expenses

in thousands of BGN

General and administrative expenses comprise:

- Personnel cost
Amortization of equipment and tangible fixed assets
Rights of use assets
- Advertising
- Telecommunication, software and other computer maintenance
- Other expenses for external services

Administrative expenses

Six months
ended 30.06.2021

Six months
ended 30.06.2020

32,626	32,687
5,703	6,399
16,987	16,645
3,864	4,991
5,972	5,964
23,479	28,477
88,631	95,163

10. Allowance for impairment

<i>in thousands of BGN</i>	Six months ended 30.06.2021	Six months ended 30.06.2020
Write-downs		
Loans and advances to customers	(90,897)	(57,578)
Investments in subsidiaries	-	-
Off balance sheet commitments	(321)	(333)
Securities	-	-
Reversal of write-downs		
Loans and advances to customers	37,764	22,370
Off balance sheet commitments	174	230
Impairment cost, net	(53,280)	(35,311)

10a. Other (expenses)/income, net

<i>In BGN '000</i>	Six months ended 30.06.2021	Six months ended 30.06.2020
Proceeds/loss from the sale and write-off of assets acquired as collateral	(239)	1,392
Revaluation of investment property	-	2,312
Profit/(loss) from sale of investment property	123	(381)
Dividend income	296	44
Cost of guarantee schemes	(11,730)	(16,606)
(Expense)/reversal of expense for provisions for pending court cases	-	-
Other (expenses)/income, net	(495)	20
Total	(12,045)	(13,219)

11. Cash and balances with Central Banks

<i>in thousands of BGN</i>	30.06.2021	31.12.2020
Cash on hand		
- in BGN	153,148	135,249
- in foreign currency	41,253	40,692
Balances with Central Banks	1,199,743	1,620,906
Current accounts and amounts with foreign banks	274,922	263,649
Total	1,669,066	2,060,496

12. Investments in securities

<i>In BGN '000</i>	30.06.2021	31.12.2020
Bonds and notes issued by:		
Bulgarian Government		
- denominated in BGN	317,336	258,766
- denominated in foreign currencies	188,414	180,725
Foreign governments	503,117	404,728
Corporates	251,231	236,484
Foreign banks	122,523	24,011
Other issuers – equity instruments	28,099	27,392
Total	1,410,720	1,132,106
Of which:		
at fair value through other comprehensive income	829,919	668,385
at amortised cost	310,352	199,830
at fair value through profit and loss	270,449	263,891
Total	1,410,720	1,132,106

13. Loans and advances to banks and other financial institutions

(a) Analysis by type

<i>in thousands of BGN</i>	30.06.2021	31.12.2020
Placements with banks	36,525	34,094
Other	37,531	71,991
Total	74,056	106,085

(b) Geographical analysis

<i>in thousands of BGN</i>	30.06.2021	31.12.2020
Domestic banks and financial institutions	18,793	39,570
Foreign banks and other financial institutions	55,263	66,515
Total	74,056	106,085

14. Loans and advances to customers

in thousands of BGN

			30/06/2021
	Gross value	Allowance for impairment	Amortised cost
Large enterprise	2,616,702	(229,076)	2,387,626
Medium enterprise	944,253	(94,118)	850,135
Small business	507,670	(42,397)	465,273
Micro enterprise	378,550	(8,273)	370,277
Households	-	-	-
- Consumer loans	1,034,314	(52,830)	981,484
- Mortgage loans	967,769	(15,540)	952,229
- Credit cards	153,570	(15,820)	137,750
- Other programmes and collateralised financing	4,080	-	4,080
Total	6,606,908	(458,054)	6,148,854

In BGN '000

			31.12.2020 r.
	Gross value	Allowance for impairment	Amortised cost
Large enterprise	2,618,826	(214,852)	2,403,974
Medium enterprise	1,039,260	(138,471)	900,789
Small business	505,348	(42,115)	463,233
Micro enterprise	349,338	(11,170)	338,168
Households	-	-	-
- Consumer loans	951,254	(65,547)	885,707
- Mortgage loans	918,117	(15,681)	902,436
- Credit cards	162,527	(23,043)	139,484
- Other programmes and collateralised financing	5,098	-	5,098
Total	6,549,768	(510,879)	6,038,889

(a) Movement in impairment allowances

in BGN '000

Balance as at 01 January 2021	510,879
Additional allowances	90,897
Amounts released	(37,764)
Write-offs	(106,591)
Other	633
Balance as at 30 June 2021	458,054

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

	30/06/2021		31/12/2020	
	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)	4,331,293	15,355	4,053,162	12,184
Exposures with significant increase of credit risk after the initial recognition (phase 2)	899,441	66,156	1,001,689	59,623
Non-performing (impaired) exposures (phase 3)	1,376,174	376,543	1,494,917	439,072
Total	6,606,908	458,054	6,549,768	510,879

30 June 2021

Class of exposure	<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	5,230,734	(81,511)	5,149,223
Nonperforming			
Collectively impaired	234,983	(84,659)	150,324
Individually impaired	1,141,191	(291,884)	849,307
Total	6,606,908	(458,054)	6,148,854

31 December 2020

Class of exposure	<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	5,054,851	(71,807)	4,983,044
Nonperforming			
Collectively impaired	251,862	(108,117)	143,745
Individually impaired	1,243,055	(330,955)	912,100
Total	6,549,768	(510,879)	6,038,889

As at 30 June 2021 the gross amount of overdue loans and advances to customers measured as exposures 90+ days overdue is BGN 770,940 thousand (BGN 777,984 thousand as at 31 December 2020).

15. Property and equipment

<i>in BGN '000</i>	Land and Buildings	Fixtures and fittings	Motor vehicles	Assets		Total
				under Construction	Leasehold Improvements	
At 01 January 2021	22,208	138,906	6,632	16,314	64,197	248,257
Additions	-	20	-	3,531	-	3,551
Disposals	-	(6,984)	-	-	(3,513)	(10,497)
Transfers	-	3,007	-	(3,682)	73	(602)
At 30 June 2021	22,208	134,949	6,632	16,163	60,757	240,709
Amortisation						
At 01 January 2021	6,085	121,094	6,434	-	41,672	175,285
Accrued during the year	404	2,840	63	-	1,185	4,492
On disposals	-	(6,983)	-	-	(3,509)	(10,492)
At 30 June 2021	6,489	116,951	6,497	-	39,348	169,285
Carrying amount						
At 01 January 2021	16,123	17,812	198	16,314	22,525	72,972
At 30 June 2021	15,719	17,998	135	16,163	21,409	71,424

16. Intangible assets

<i>in thousands of BGN</i>	Software and licences	Total
At 01 January 2021	45,587	45,587
Additions	2	2
Disposals	-	-
Transfers	602	602
At 30 June 2021	46,191	46,191
Amortisation		
At 01 January 2021	30,909	30,909
Accrued during the year	1,211	1,211
On disposals	-	-
At 30 June 2021	32,120	32,120
Carrying amount		
At 01 January 2021	14,678	14,678
At 30 June 2021	14,071	14,071

17. Repossessed assets

<i>in thousands of BGN</i>	30.06.2021	31.12.2020
Land	470,209	467,564
Buildings	203,622	204,079
Machines, plant and vehicles	33,782	33,594
Fixtures and fittings	799	805
Total	708,412	706,042

Reposessed 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

Balance as at 01 January 2021	414,021
Incomings for the period	12
Transferred from reposessed assets	-
Revaluation of investment property to the fair value recognised at transfer	-
Write-offs upon sale	(205)
Balance as at 30 June 2021	413,828

19. Investments in subsidiaries

Investments in subsidiaries are as follows:

in thousands of BGN

30/06/2021

Entity	% held	Acquisition cost	Allowance for impairment	Carrying amount
First Investment Finance B.V., Netherlands	100%	3,947	-	3,947
Diners Club Bulgaria AD	94.79%	5,443	-	5,443
First Investment Bank – Albania Sh.a.	100%	23,420	-	23,420
Debita OOD	70%	105	(104)	1
Realtor OOD	51%	78	(74)	4
Fi Health Insurance AD	59.10%	3,315	-	3,315
Balkan Financial Services EAD	100%	7,743	-	7,743
Turnaround Management EOOD	100%	-	-	-
Creative Investment EOOD	100%	-	-	-
Lega Solutions EOOD	100%	-	-	-
AMC Imoti EOOD	100%	-	-	-
MyFin EAD	100%	1,000	-	1,000
Total		45,051	(178)	44,873

In BGN '000

31/12/2020

Entity	% held	Acquisition cost	Allowance for impairment	Carrying amount
First Investment Finance B.V., Netherlands	100%	3,947	-	3,947
Diners Club Bulgaria AD	94.79%	5,443	-	5,443
First Investment Bank – Albania Sh.a.	100%	23,420	-	23,420
Debita OOD	70%	105	(104)	1
Realtor OOD	51%	77	(74)	3

31/12/2020

Entity	% held	Acquisition cost	Allowance for impairment	Carrying amount
Fi Health Insurance AD	59.10%	3,315	-	3,315
Balkan Financial Services EAD	100%	7,743	-	7,743
Turnaround Management EOOD	100%	-	-	-
Creative Investment EOOD	100%	-	-	-
Lega Solutions EOOD	100%	-	-	-
AMC Imoti EOOD	100%	-	-	-
MyFin EAD	100%	1,000	-	1,000
Total		45,050	(178)	44,872

20. Rights of use assets

In BGN '000

01 January 2021	139,837
Amortisation	(16,987)
Effect of modification to lease terms and expectations on lease term	19,780
At 30 June 2021	142,630

Lease liabilities

01 January 2021	139,868
Lease payments	(16,987)
Effect of modification to lease terms and expectations on lease term	19,780
At 30 June 2021	142,661

21. Other assets

in thousands of BGN

	30.06.2021	31.12.2020
Deferred expense	23,619	10,596
Gold	2,615	2,598
Other assets	98,787	84,527
Total	125,021	97,721

22. Due to banks

in thousands of BGN

	30.06.2021	31.12.2020
Term deposits	-	-
Payable on demand	14,047	14,340
Total	14,047	14,340

23. Due to other customers

in thousands of BGN

	30.06.2021	31.12.2020
Retail customers		
- current accounts	2,052,033	1,819,473
- term and savings deposits	4,903,399	5,055,784
Businesses and public institutions		
- current accounts	1,604,172	1,709,538
- term deposits	500,358	515,360
Total	9,059,962	9,100,155

24. Liabilities evidenced by paper

in thousands of BGN

	30.06.2021	31.12.2020
Acceptances under letters of credit	5,082	6,776
Debt related to agreements for full swap of profitability	73,876	73,742
Financing from financial institutions	24,719	23,633
Total	103,677	104,151

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

in thousands of BGN

Lender	Interest rate	Maturity	Amortised cost as at 30 June 2021
European Investment Fund – JEREMIE 2	0 % - 1.09%	30/09/2025	3,546
Bulgarian Bank for Development AD	1% - 1.583%	15.03.2027 - 30.11.2028	15,831
Manager of financial instruments in Bulgaria fund	0%	31/12/2033	5,342
Total			24,719

In BGN '000

Lender	Interest rate	Maturity	Amortised cost as at 31 December 2020
European Investment Fund – JEREMIE 2	0 % - 1.136%	30/09/2025	4,244
Bulgarian Bank for Development AD	1% - 1.583%	15.03.2027 - 30.11.2028	16,137
Manager of financial instruments in Bulgaria fund	0%	31/12/2033	3,252
Total			23,633

25. Hybrid debt

in thousands of BGN

	Principal amount	Amortised cost as at 30 June 2021
Hybrid debt with principal EUR 40 mio	78,233	79,882
Hybrid debt with principal EUR 60 mio	117,350	130,240
Hybrid debt with principal EUR 30 mio	58,675	61,157
Total	254,258	271,279

In BGN '000

	Principal amount	Amortised cost as at 31 December 2020
Hybrid debt with principal EUR 40 mio	78,233	84,910
Hybrid debt with principal EUR 60 mio	117,350	123,840
Hybrid debt with principal EUR 30 mio	58,675	58,829
Total	254,258	267,579

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

The third hybrid instruments fully comply with the requirements of Regulation 575/2013 and are included in the additional tier 1 capital.

26. Other liabilities

<i>in thousands of BGN</i>	30.06.2021	31.12.2020
Liabilities to personnel	1,328	1,328
Provisions for pending court cases	1,031	1,031
Impairment on off balance sheet commitments	985	838
Other payables	7,798	4,082
Total	11,142	7,279

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 30/06/2021 together with the number and percentage of total issued shares.

	Number of shares	% of issued share capital
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
Total	149,084,800	100.00

In 2021, as in the previous year, the Bank did not distribute dividends.

28. Commitments and contingent liabilities

Contingent liabilities

in thousands of BGN

	30.06.2021	31.12.2020
Bank guarantees	176,656	179,964
Unused credit lines	585,592	556,694
Letters of credit	19,584	26,227
Total	781,832	762,885
Impairment on off balance sheet commitments	985	838

29. Related party transactions

Type of related party <i>in BGN '000</i>	Parties that control or manage the Bank		Enterprises under common control	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Loans	1,509	1,769	84,508	84,580
Deposits and loans received:	17,910	13,275	105,127	113,352
Deposits placed	-	-	13,715	2,955
Other receivables	-	-	16,134	17,565
Other borrowings	-	-	100	100
Off-balance sheet commitments issued by the Bank	1,009	1,031	3,350	3,412

First Investment Bank announces that as at 30/06/2021:

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)

Chavdar Zlatev

Executive Director:

(signed)

Ianko Karakolev

Chief Financial Officer

**INTERIM REPORT
ON THE ACTIVITY OF FIRST INVESTMENT BANK AD
as at 30 June 2021**

(individual)

prepared under Art. 100o, para. 4(2) of the Public Offering of Securities Act (POSA) and Art. 33, para. 1(2) and (7) and para. 3 of Ordinance No 2 of the Financial Supervision Commission (FSC) 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

In the second quarter of 2021 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 30 June 2021:

1. Individual (unaudited) financial statements of First Investment Bank AD as at 31 December 2021 were published on 01 February 2021;
2. Consolidated (unaudited) financial statements of First Investment Bank AD as at 31 Dec 2021 were published on 01 March 2021;
3. Annual individual (audited) financial statements of First Investment Bank AD as at 31 December 2020 were published on 06 April 2021;
4. Annual consolidated (audited) financial statements of First Investment Bank AD as at 31 December 2020 were published on 27 April 2020;
5. First Investment Bank's Priorities for Development for the 2021-2023 were published on 28 April 2021;
6. Unconsolidated (unaudited) financial statements of First Investment Bank AD as at 31 March 2021 were published on 29 April 2021;
7. Notice and materials for the General Meeting of Shareholders of First Investment Bank AD were published on 20 May 2021;
8. First Investment Bank's Ratings from Fitch Ratings were published on 26 May 2021;
9. Consolidated (unaudited) financial statements of First Investment Bank AD as at 31 March 2021 were published on 28 May 2021;

10. Information on the results from the regular Annual General Meeting of Shareholders of First Investment Bank held on 23 June 2021 was published on that same day;
11. The minutes of the regular annual General Meeting of Shareholders of First Investment Bank AD held on 23 June 2021 were published on 25 June 2021;
12. On 30 June 2021 First Investment Bank AD disclosed information pursuant to Regulation (EU) No. 575/2013.

Review of the activities of First Investment Bank AD as at 30 June 2021 on individual (unaudited) basis

- *Balance sheet as at 30 June 2021.*

The balance sheet assets of the Bank as at 30.06.2021 reached BGN 10,828 million, showing a decrease by BGN 5 million against the end of 2020. In terms of assets First Investment Bank AD retains its place among the leading banks in the Bulgarian banking system. As at 30.06.2021 the deposits from other customers amounted to BGN 9,060 million, with net decrease of BGN 40 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 June 2021 the accounting equity amounted to BGN 1,201 million net, which means growth by BGN 23 million for the period, mostly due to the profit generated. Receivables from clients at 30 June 2021 amounted to BGN 6,149 million book value, an increase against 2020 by BGN 110 million.

- *Stand-alone profit as at 30 June 2021*

Despite the Covid-19 pandemic which started at the beginning of 2020 and led to a drop in financial activities globally, the Group has improved its key financial indicators, and reports an increase of BGN 5,938 thousand of the net profit for H1 2021 compared to the same period of 2020, reaching BGN 27,596 thousand. To a great extent this is due to the higher income from banking operations, but also to the significant decrease of administrative expenses.

The profit before tax for H1 2021 was BGN 30,793 thousand, the profit before provisions and impairment amounted to BGN 84,073 thousand.

The total revenue from banking operations for the first six months of 2021 amounted to BGN 184,749 thousand (H1 2020: BGN 168,123 thousand). The net interest income for the period January-June amounted to BGN 119,997 thousand, marking an increase by BGN 5,891 thousand compared the same period of last year. The main reason for this is the decrease in interest rates on attracted funds leading to lower interest expense. In H1 2021 the net fee and commission income amounted to BGN 52,543 thousand, BGN 7,752 thousand higher than H1 2020. A significant decrease in general administrative expenses has been achieved – in H1 2021 they amounted to BGN 88,631 thousand, i.e. BGN 6,532 thousand lower than the same period of 2020, a decrease by 7%.

Capital resources

The capital adequacy ratio of First Investment Bank AD as at 30 June 2021 reached 21.58 %. The Tier 1 capital ratio was also 21.58%, while CET1 ratio was 18.01 %. The own funds amounted to BGN 1,536 million. In March 2020, after preliminary permission from BNB, First Investment Bank included in its Common Equity Tier 1 (CET1) the Bank's net annual profit for 2019 in the amount of BGN 129 million. On 30 September 2020, after obtaining permission from the BNB, the Bank included in its CET1 the total issue value of the newly issued shares in the amount of BGN 195 million, consisting of the issue value of BGN 39 million and BGN 156 million premium reserve. As at 30 June 2021 the Bank was in compliance with and above the regulatory capital requirements.

- *Liquidity*

The liquidity coverage ratio of First Investment Bank AD as at 30 June 2021 reached 243.61% and the net stable funding ratio was 133.36 %, showing a stable liquidity position.

- *A total of 126 branches and offices throughout the country*

As at 30 June 2021, First Investment Bank AD had a total of 126 branches and offices in Bulgaria – 44 of them in Sofia and 82 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 30 June 2021
UNDER ART. 33, PARA. 1, P. 7
OF ORDINANCE No2**

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

- 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 2019.

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

The following changes in the Bank's economic group occurred as at 30 June 2021:

- *Mr Ianko Karakolev was appointed as member of the Managing Board of FIBank Albania for a 4-year term in office;*
- *Ms. Mariana Sadjaklieva's term in office as member of the Board of Directors of Balkan Financial Services EAD was prolonged for another 5-year period;*
- *The terms in office of Mr Evgeni Lukanov and Mr Nikola Bakalov as members of the Board of Directors of Fi Health Insurance were prolonged for another 5-year period;*
- *By resolution of the regular general meeting of the partners in Realtor OOD, UIN 200990052 of 14.06.2021:*
 - ✓ *the operations of "Realtor" OOD were terminated and the company was declared in liquidation with a procedure under Article 266 and subsequent of the Commerce Act;*
 - ✓ *The Company is to be liquidated within the legally stipulated minimum timeframe of 6 (six) months of the date of publication of the notice to creditors in the Commercial Register and Register of Non-Profit Legal Entities with the Registration Agency;*
 - ✓ *Mr Iordan Dimitrov Petrov, former manager of the company, was appointed as liquidator.*

- *By decision of the sole shareholder of 17.06.2021, it was decided to increase the capital of Myfin EOOD from BGN 1 million to BGN 2 million, by an instalment in the amount of BGN 1 000 000 (one million); upon the increase a change in the company's By-Laws is to be made.*

b) 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.

c) opinion of the managing 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:

Based on these interim quarterly reports the management considers that the possibilities for achieving the forecasts regarding key ratios, as stated in the “Priorities for Development 2021-2023” remain.

d) 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>at 31 March 2021</i>		<i>at 30 June 2021</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 Managing Board</i>	<i>at 31 March 2021</i>		<i>at 30 June 2021</i>	
	<i>Number of shares</i>	<i>% of capital</i>	<i>Number of shares</i>	<i>% of capital</i>
Nikola Bakalov	374	0,00	No change	
Chavdar Zlatev	21 323	0,01	27 173	0,01
Ralitsa Bogoeva	0	0,00	No change	
Svetozar Popov	0	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>at 31 March 2021</i>		<i>at 30 June 2021</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	
Georgi Mutafchiev	9 454	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 30 June 2021 no events have occurred beyond the ordinary activity of the Bank.

Appendix 2

**INFORMATION AS AT 30 June 2021
UNDER ART. 33, PARA. 3
OF ORDINANCE No. 2**

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

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. These transactions do not affect the financial condition or performance of First Investment Bank AD.

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.

As at 30.06.2021, no changes have occurred in transactions concluded with related parties that have significant impact on the financial position or performance of First Investment Bank AD.

(signed)
Nikola Bakalov
Chief Executive Officer
Chairman of MB

(signed)
Chavdar Zlatev
Executive Director
Member of MB

(signed)
Ianko Karakolev
Chief Financial Officer
MB Member

DECLARATION

under Art. 100o, para. 4(3) of the Public Offering of Securities Act (POSA) and Art. 33, para. 1(4) of 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

The undersigned Nikola Hristov Bakalov, Chief Executive Officer and Chairman of the Managing Board of First Investment Bank AD, Chavdar Zlatev, Executive Director and Member of the Managing Board of First Investment Bank AD, and Ianko Angelov Karakolev, Chief Financial Officer and Member of the Managing 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 30 June 2021, 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 30 June 2021 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)
Chavdar Zlatev
Executive Director
Member of MB

(signed)
Yanko Karakolev
Chief Financial Officer
Member of MB

29 July 2021

This document was prepared in compliance with the requirements of Art. 100o, Para. 4(4) of the Law on the Public Offering of Securities, as per Art. 33, Para. 1, items (3) and (5) of Ordinance No. 2 of the Financial Supervision 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

**Information on circumstances which occurred by 30 June 2021
and which may have an impact on the price of First Investment Bank shares**

1. Individual (unaudited) financial statements of First Investment Bank AD as at 31 December 2020 – FSC incoming No. 10-05-476/29.01.2021;
2. Consolidated (unaudited) financial statements of First Investment Bank AD as at 31 Dec 2019 – FSC incoming No. 10-05-968/01.03.2021.
3. Annual individual (audited) financial statements of First Investment Bank AD as at 31 December 2020 – FSC incoming No. 10-05-1651/06.04.2021;
4. Consolidated (unaudited) financial statements of First Investment Bank AD as at 31 Dec 2020 – FSC incoming No. 10-05-1998/27.04.2021;
5. First Investment Bank's Priorities for Development for the 2021-2023– FSC incoming No. 10-05-2096/28.04.2021;
6. Unconsolidated (unaudited) financial statements of First Investment Bank AD as at 31 March 2021 – FSC incoming No. 10-05-2235/29.04.2021;
7. Notice and materials for the General Meeting of Shareholders of First Investment Bank AD – FSC incoming No. 10-05-2665/20.05.2021;
8. First Investment Bank's Ratings from Fitch Ratings – FSC incoming No. 10-05-2786/26.05.2021;
9. Consolidated (unaudited) financial statements of First Investment Bank AD as at 31 March 2021– FSC incoming No. 10-05-2971/28.05.2021;
10. Information on the results from the regular Annual General Meeting of Shareholders of First Investment Bank held on 23 July 2021 – FSC incoming No. 10-05-3427/23.06.2021;
11. Notifications and submission of minutes of the regular annual General Meeting of Shareholders of First Investment Bank AD, held on 23 July 2020 – FSC incoming No. 10-05-3481/25.06.2021;
12. Disclosure of information by First Investment Bank AD pursuant to Regulation (EU) No. 575/2013 – FSC incoming No. 10-05-3640/30.06.2021=

(signed)
Nikola Bakalov
Chief Executive Officer
Chairman of MB

(signed)
Chavdar Zlatev
Executive Director
Member of MB

(signed)
Ianko Karakolev
Chief Financial Officer
Member of MB

FIRST INVESTMENT BANK AD

Bank **FINV9150** First Investment Bank AD

Reporting date **30.6.2021**

Basis for application **Individual**

Accounting standard **IFRS**

Reporting currency in BGN '000

1.1. Balance sheet [statement of financial position]

c0010

1.1 Assets

		References	Breakdown in table	Carrying amount
				part 1, paragraph 27 of Appendix V 0010
0010	Cash and cash balances with central banks and other deposits payable on demand	Para. 54 (i) of IAS 1		1 695 049
0020	Cash	part 2, paragraph 1 of Appendix V		194 401
0030	Cash balances with central banks	part 2, paragraph 1 of Appendix V		1 199 744
0040	Other deposits payable on demand	part 2, paragraph 1 of Appendix V	5	300 904
0050	Financial assets held for trading	Supplement A to IFRS 9		4 524
0060	Derivatives	Supplement A to IFRS 9	10	0
0070	Equity	Para. 11 of IAS 32	4	4 509
0080	Debt securities	part 1, paragraph 31 of Appendix V	4	15
0090	Loans and advances	part 1, paragraph 32 of Appendix V	4	0
0096	Non-tradable financial assets mandatorily reported at fair value through profit or loss	Para. 8 (a)(ii) of IFRS 7; IFRS 9.4.1.4	4	265 925
0097	Equity	Para. 11 of IAS 32	4	23 590
0098	Debt securities	part 1, paragraph 31 of Appendix V	4	242 335
0099	Loans and advances	part 1, paragraph 32 of Appendix V	4	0
0100	Financial assets at fair value through profit or loss	Para. 8 (a)(i) of IFRS 7; IFRS 9.4.1.5	4	0
0120	Debt securities	part 1, paragraph 31 of Appendix V	4	0
0130	Loans and advances	part 1, paragraph 32 of Appendix V	4	0
0141	Financial assets at fair value through other comprehensive income	Para. 8 (h) of IFRS 7; IFRS 9.4.1.2A	4	829 919
0142	Equity	Para. 11 of IAS 32	4	0
0143	Debt securities	part 1, paragraph 31 of Appendix V	4	829 919
0144	Loans and advances	part 1, paragraph 32 of Appendix V	4	0
0181	Financial assets at amortised cost	Para. 8 (f) of IFRS 7; IFRS 9.4.1.2	4	6 507 280
0182	Debt securities	part 1, paragraph 31 of Appendix V	4	310 352
0183	Loans and advances	part 1, paragraph 32 of Appendix V	4	6 196 928
0240	Derivatives - hedge accounting	IFRS 9.6.2.1, part 1, paragraph 22 of Appendix V	11	0
0250	Changes in the fair value of hedged positions when hedging a portfolio for interest rate risk	Para. 89A (a) of IAS 39, IFRS 9.6.5.8		0
0260	Investments in a subsidiary, jointly-controlled entity or associate	Para. 54 (e) of IAS 1; part 1, paragraph 21 and part 2, paragraph 4 of Appendix V	40	44 874
0270	Tangible assets			485 252
0280	Property, Plant and Equipment	Para. 6 of IAS 16; Para. 54 (a) of IAS 1; Para 47 (a) of IFRS 16	21, 42	71 424
0290	Investment Property	Para. 5 of IAS 40; Para. 54 (b) of IAS 1; Para. 48 of IFRS 16	21, 42	413 828
0300	Intangible assets	Para. 54(c) of IAS 1; Art. 4, Para. 1, item 115 of Reg 575		14 071
0310	Goodwill	Para. B67, (d) of IFRS 3; Art. 4, Para. 1, item 113 of Reg 575		0
0320	Other intangible assets	Para. 8 and Para. 118 of IAS 38; Para. 47 (a) of IFRS 16	21, 42	14 071
0330	Tax assets	Para. 54 (n)-(o) of IAS 1		890
0340	Current tax assets	Para. 54(n) of IAS 1; Para. 5 of IAS 12		890
0350	Deferred tax assets	Para. 54, (o) of IAS 1; Para. 5 of IAS 12; Art. 4, Para. 1, item 106 of Reg 575		0
0360	Other assets	part 2, paragraph 5 of Appendix V		979 938
0370	Non-current assets and disposal groups classified as held for sale	Para. 54, (j) of IAS 1; Para. 38 of IFRS 5; part 2, item 7 of Appendix V		0
0380	TOTAL ASSETS	Para. 9, (a), IN 6 of IAS 1		10 827 722

FIRST INVESTMENT BANK AD

Bank **FINV9150** First Investment Bank AD

Reporting date **30.6.2021**

Basis for application **Individual**

Accounting standard IFRS

Reporting currency '000

BGN

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

c0010

1.2 Liabilities

		References	Breakdown in table	Carrying amount
				part 1, paragraph 27 of Appendix V 0010
0010	Financial liabilities held for trading	Para. 8, (e)(ii) of IFRS 7; BA Para. 6 of IFRS 9	8	0
0020	Derivatives	supplement A to IFRS 9, IFRS 9.4.2.1(a), BA, paragraph 7(a) of IFRS 9	10	0
0030	Short positions	BA, Paragraph 7(b) of IFRS 9	8	0
0040	Deposits	Part 2, item 9 of Appendix 2 to ECB/2013/33; Part 1, item 36 of Appendix V	8	0
0050	Issued debt securities	part 1, paragraph 37 of Appendix V	8	0
0060	Other financial liabilities	part 1, paragraph 38-41 of Appendix V	8	0
0070	Financial liabilities at fair value through profit or loss	Para. 8 (e)(i) of IFRS 7; IFRS 9.4.2.2	8	0
0080	Deposits	Part 2, item 9 of Appendix 2 to ECB/2013/33; Part 1, item 36 of Appendix V	8	0
0090	Issued debt securities	part 1, paragraph 37 of Appendix V	8	0
0100	Other financial liabilities	part 1, paragraph 38-41 of Appendix V	8	0
0110	Financial liabilities at amortised cost	Para. 8 (g) of IFRS 7; IFRS 9.4.2.1	8	9 448 965
0120	Deposits	Part 2, item 9 of Appendix 2 to ECB/2013/33; Part 1, item 36 of Appendix V	8	9 147 885
0130	Issued debt securities	part 1, paragraph 37 of Appendix V	8	271 279
0140	Other financial liabilities	part 1, paragraph 38-41 of Appendix V	8	29 801
0150	Derivatives - hedge accounting	IFRS 9.6.2.1, part 1, paragraph 26 of Appendix V	11	0
0160	Changes in the fair value of hedged positions when hedging a portfolio for interest rate risk	Para. 89A (b) of IAS 39, IFRS 9.6.5.8		0
0170	Provisions	Para. 10 of IAS 37; Para. 54 (l) of IAS 1	43	2 016
0180	Pensions and other obligations to pay defined post-employment benefits	Para. 63 of IFRS 19; Para. 78(d) of IAS 1; part 2, item 9 of Appendix V	43	0
0190	Other long-term employee benefits	Para. 153 of IFRS 19; Para. 78(d) of IAS 1; part 2, item 10 of Appendix V	43	0
0200	Restructuring	Para. 71 and 84(a) of IAS 37	43	0
0210	Pending legal matters and tax-related court cases	IAS 37, addendum B, examples 6 and 10	43	1 031
0220	Commitments and guarantees	IFRS 9.4.2.1(c), (d); 9.5.5; 9.C2.5; IAS 37; IFRS 4; part 2, para. 11 of Appendix V	9 12 43	985
0230	Other provisions	Para. 14 of IAS 37	43	0
0240	Tax liabilities	Para. 54 (n)-(o) of IAS 1		23 727
0250	Current tax liabilities	Para. 54(n) of IAS 1; Para. 5 of IAS 12		297
0260	Deferred tax liabilities	Para. 54, (o) of IAS 1; Para. 5 of IAS 12; Art. 4, Para. 1, item 108 of Reg 575		23 430
0270	Share capital payable upon request	IAS 32, illustrative example 33; IFRIC 2; part 2, paragraph 12 of Appendix V		0
0280	Other liabilities	part 2, paragraph 13 of Appendix V		151 788
0290	Liabilities in disposal groups classified as held for sale	Para. 54, (p) of IAS 1; Para. 38 of IFRS 5; part 2, paragraph 14 of Appendix V		0
0300	TOTAL LIABILITIES	Para. 9, (b), IN 6 of IAS 1		9 626 496

FIRST INVESTMENT BANK AD

Bank **FINV9150** First Investment Bank AD

Reporting date **30.6.2021**

Basis for application **Individual**

Accounting standard **IFRS**

Reporting currency '000

BGN

1.1. Balance sheet [statement of financial position]

c0010

1.3 Total own funds

		References	Breakdown in table	Carrying amount
				0010
0010	Equity	Para. 54(s) of IAS 1; Para. 22 of DOB	46	149 085
0020	Paid up share capital	Para. 78 (e) of IAS 1		149 085
0030	Not fully paid-up capital	part 2, paragraph 14 of Appendix V		0
0040	Premium reserves	Para. 78(e) of IAS 1; Art. 4, Para. 1, item 124 of Reg 575	46	250 017
0050	Issued capital instruments other than share capital	part 2, paragraphs 18-19 of Appendix V	46	0
0060	Component of the share capital in compound financial instruments	Paras. 28 -29 of IAS 32; part 2, item 18 of Appendix V		0
0070	Other issued equity instruments	part 2, paragraph 19 of Appendix V		0
0080	Other own funds	Para. 10 of IFRS 2; part 2, paragraph 20 of Appendix V		0
0090	Accumulated other comprehensive income	Art. 4, para. 1, item 100 of Reg 575	46	15 895
0095	Items which cannot be reclassified as profit or loss	Para. 89A (a) of IAS 1		4 500
0100	Tangible assets	Paras. 39 -41 of IAS 16		4 500
0110	Intangible assets	Paras. 85-87 of IAS 38		0
0120	Actuarial gains or (-) losses on defined benefit plans	Para. 7, NI 6 of IAS 1; Para. 120(c) of IAS 19		0
0122	Non-current assets and disposal groups classified as held for sale	Para. 38, IN example 12 of IFRS 5		0
0124	Share of the other comprehensive income of subsidiaries, associates and joint ventures	NI 6 of IAS1, paragraph 10 of IAS 28		0
0320	Changes in fair value of capital instruments at fair value in other comprehensive income	Para. 7 (d) of IAS 1; 5.7.5 and B5.7.1 of IFRC 9; part 2, paragraph 21 of Appendix V		0
0330	Inefficiency of hedging in fair value hedging of capital instruments at fair value in other comprehensive income	Para. 7 (d) of IFRS 1; IFRS 9.5.7.5 and 6.5.3; paragraph 24C of IFRS 7, part 2, paragraph 22 of Appendix V		0
0340	Changes in fair value of capital instruments at fair value in other comprehensive income [hedged position]	IFRS 9.5.7.5 and 6.5.8(b); part 2, paragraph 22 of Appendix V		0
0350	Changes in fair value of capital instruments at fair value in other comprehensive income [hedging instrument]	Para. 7 (e) of IFRS 1; IFRS 9.5.7.5 and 6.5.8(a); part 2, paragraph 57 of Appendix V		0
0360	Changes in fair value of financial liabilities at fair value in profit or loss due to changes in credit risk	Para. 7 (f) of IAS 1; IFRS 9.5.7.7; part 2, paragraph 23 of Appendix V		0
0128	Items which can be reclassified as profit or loss	Para. 81A (a)(ii) of IAS 1		11 395
0130	Hedges of net investments in foreign operations [effective portion]	IFRS 9.6.5.13(a); Paragraph 24B(b), items ii) and iii) of IFRS 7; Paragraph 24C(b), items i) and iv), and paragraph 24E(a) of IFRS 7; part 2, paragraph 24 of Appendix V		0
0140	Currency exchange	Para. 52 (b) of IFRC 21; Paras. 32, 38-49 of IAS 21		0
0150	Derivatives from hedging Cash flow hedges [effective portion]	Paragraph 7(e) of IAS 1; paragraph 24B(b), items ii) and iii) of IFRS 7; paragraph 24C(b), item i) and paragraph 24E of IFRS 7; IFRS 9.6.5.11(b); part 2, paragraph 25 of appendix V		0
0155	Changes in fair value of debt instruments at fair value in other comprehensive income	Para. 7 (da) of IAS 1; IFRS 9.4.1.2A and 5.7.10; part 2, paragraph 26 of Appendix V		11 395
0165	Hedging instruments [unreported elements]	Paragraph 7, (g) and (h) of IAS 1; IFRS 9.6.5.10 and 6.5.16; Paragraph 24E (b) and (c) of IFRS 7		0
0170	Non-current assets and disposal groups classified as held for sale	Para. 38, IN example 12 of IFRS 5		0
0180	Share of the other comprehensive income of subsidiaries, associates and joint ventures	NI 6 of IAS1, paragraph 10 of IAS 28		0
0190	Retained earnings	Art. 4, para. 1, item 123 of Reg 575		0
0200	Revaluation reserve	Para. 30, D5-D8 of IFRS 1; part 2, item 28 of Appendix V		0
0210	Other reserves	Para. 54 of IAS 1; Para. 78 (e) of IAS 1		758 633
0220	Reserves or losses from investments in a subsidiary, jointly-controlled entity or associate reported via the equity method	Para. 11 of IAS 28; part 2, item 29 of Appendix V		0
0230	Other	part 2, paragraph 29 of Appendix V		758 633
0240	(-) Repurchased own shares	Para. 79 (a)(vi) of IAS 1; Paras. 33-34, IE14, IE36 of IAS 32; part 2, paragraph 30 of Appendix V	46	0
0250	Profit or loss attributable to the owners of the parent company	Para. 81B (b)(ii) of IAS 1	2	27 596
0260	(-) Interim dividends	Para. 11 of IAS 32		0
0270	Minority interests [Non-controlling interests]	Para. 54 (r) of IAS 1		0
0280	Accumulated other comprehensive income	Art. 4, para. 1, item 100 of Reg 575	46	0

BG
ANNEX III

0290	Other items		46	0
0300	TOTAL SHAREHOLDERS' EQUITY	<i>Para. 9 (c), IN 6 of IAS 1</i>	46	1 201 226
0310	TOTAL SHAREHOLDERS' EQUITY AND TOTAL LIABILITIES	<i>IN 6 of IAS 1</i>		10 827 722

(signed)
Nikola Bakalov
Chief Executive Officer

(signed)
Yanko Karakolev
Chief Financial Officer

(signed)
CHAVDAR ZLATEV
Executive Director

FIRST INVESTMENT BANK AD

Bank **FINV9150** First Investment Bank AD

Reporting date **30.6.2021**

Basis for application **Individual**

Accounting standard IFRS

Reporting currency '000

BGN

2. Profit and Loss Account

c0010

		References	Breakdown in table	Current period
				0010
0010	Interest income	<i>Para. 97 of IAS 1; part 2, paragraph 31 of Appendix V</i>	16	144 770
0020	Financial assets held for trading	<i>Para. 20, (a)(i), Para. B5, (e) of IFRS 7; part 2, paragraphs 33, 34 of Appendix V</i>		3
0025	Non-tradable financial assets mandatorily reported at fair value through profit or loss	<i>Para. 20, (a)(i), Para. B5, (e) of IFRS 7, IFRS 9.5.7.1</i>		5 852
0030	Financial assets at fair value through profit or loss	<i>Para. 20, (a)(i), Para. B5, (e) of IFRS 7</i>		0
0041	Financial assets at fair value through other comprehensive income	<i>Para. 20(b) of IFRS 7; IFRS 9.5.7.10-11, IFRS 9.4.1.2A</i>		689
0051	Financial assets at amortised cost	<i>Para. 20(b) of IFRS 7; IFRS 9.4.1.2, IFRS 9.5.7.2</i>		138 211
0070	Derivatives — hedge accounting, interest rate risk	<i>supplement A to IFRS 9, C.6.6.16, part 2, paragraph 35 of Appendix V</i>		0
0080	Other assets	<i>part 2, paragraph 36 of Appendix V</i>		0
0085	Revenue from interest on liabilities	<i>IFRS 9.5.7.1, part 2, paragraph 37 of Appendix V</i>		15
0090	(Interest expense)	<i>Para. 97 of IAS 1; part 2, paragraph 31 of Appendix V</i>	16	24 773
0100	(Financial liabilities held for trading)	<i>Para. 20, (a)(i), Para. B5, (e) of IFRS 7; part 2, paragraphs 33, 34 of Appendix V</i>		0
0110	(Financial liabilities at fair value through profit or loss)	<i>Para. 20, (a)(i), Para. B5, (e) of IFRS 7</i>		0
0120	(Financial liabilities at amortised cost)	<i>Para. 20(b) of IFRS 7; IFRS 9.5.7.2</i>		20 598
0130	(Derivatives — hedge accounting, interest rate risk)	<i>Para. 9 of IAS 39; part 2, paragraph 35 of Appendix V</i>		0
0140	(Other liabilities)	<i>part 2, paragraph 38 of Appendix V</i>		1
0145	(Interest expense on assets)	<i>IFRS 9.5.7.1, part 2, paragraph 39 of Appendix V</i>		4 174
0150	(Expense for share capital payable upon request)	<i>IFRIC 2, item 11</i>		0
0160	Dividend income	<i>part 2, paragraph 40 of Appendix V</i>	31	296
0170	Financial assets held for trading	<i>Para. 20, (a)(i), Para. B5, (e) of IFRS 7; part 2, paragraphs 40 of Appendix V</i>		0
0175	Non-tradable financial assets mandatorily reported at fair value through profit or loss	<i>Para. 20, (a)(i), Para. B5, (e) of IFRS 7; IFRS 9.5.7.1A, part 2, paragraphs 40 of Appendix V</i>		296
0191	Financial assets at fair value through other comprehensive income	<i>Para. 20, (a)(ii) of IFRS 7; IFRS 9.4.1.2A, IFRS 9.5.7.1A, part 2, paragraph 41 of Appendix V</i>		0
0192	Investments in a subsidiary, jointly-controlled entity or associate reported via the equity method	<i>part 2, paragraph 42 of Appendix V</i>		0
0200	Fee and commission income	<i>Para. 20 (c) of IFRS 7</i>	22	63 902
0210	(Fee and commission expense)	<i>Para. 20 (c) of IFRS 7</i>	22	11 359
0220	Net profits or (-) losses from write-off of financial assets and liabilities which are not accounted at fair value through profit or loss	<i>part 2, paragraph 45 of Appendix V</i>	16	1 839
0231	Financial assets at fair value through other comprehensive income	<i>IFRS 9.4.12A; IFRS 9.5.7.10-11</i>		354
0241	Financial assets at amortised cost	<i>Para. 20(B)(v) of IFRS 7; IFRS 9.4.1.2, IFRS 9.5.7.2</i>		1 485
0260	Financial liabilities at amortised cost	<i>Para. 8 (a)(v) of IFRS 7; IFRS 9.5.7.2</i>		0
0270	Other			0
0280	Net profits or (-) losses from financial assets and liabilities held for trading	<i>Para. 20, (a)(i) of IFRS 7; IFRS 9.5.7.1, part 2, items 43, 46 of Appendix V</i>	16	234
0287	Net profits or (-) losses from non-tradable financial assets and liabilities mandatorily reported at fair value through profit or loss	<i>Para. 20, (a)(i) of IFRS 7; IFRS 9.5.7.1, part 2, items 46 of Appendix V</i>		0
0290	Net profits or (-) losses from financial assets and liabilities at fair value through profit or loss	<i>Para. 20, (a)(i) of IFRS 7; IFRS 9.5.7.1, part 2, items 44 of Appendix V</i>	16, 45	0
0300	Net profits or (-) losses from hedge accounting	<i>part 2, paragraph 47 of Appendix V</i>	16	0
0310	Net profits or (-) losses from exchange rate differences	<i>Para. 28 and Para 52 (a) of IAS 21</i>		6 902
0320	Net profits or (-) losses from derecognition of investments in subsidiaries joint ventures and associates	<i>Application V, part 2.56</i>		0
0330	Net profits or (-) losses from derecognition of non-financial assets	<i>Para. 34 of IAS 1; part 2, paragraph 48 of Appendix V</i>	45	-104
0340	Other operating income	<i>part 2, paragraphs 314-316 of Appendix V</i>	45	3 862
0350	(Other operating expense)	<i>part 2, paragraphs 314-316 of Appendix V</i>	45	1 177
0355	TOTAL NET OPERATING INCOME			184 392
0360	(Administrative expenses)			82 928

BG
ANNEX III

0370	(Personnel costs)	<i>Para. 7 of IAS 19; Para. 102, IN 6 of IAS 1</i>	44	38 981
0380	(Other administrative expenses)		16	43 947
0385	(Cash instalments for restructuring funds and deposit guarantee schemes)	<i>part 2, paragraph 48 of Appendix V</i>		11 688
0390	(Amortisation)	<i>Paras. 102, 104 of IAS 1</i>		5 703
0400	(Property, Plant and Equipment)	<i>Para. 104 of IAS 1; Para. 73, (e), (vii) of IAS 16</i>		4 492
0410	(Investment Property)	<i>Para. 104 of IAS 1; Para. 79, (d), (iv) of IAS 40</i>		0
0420	(Other intangible assets)	<i>Para. 104 of IAS 1; Para. 118, (e), (vi) of IAS 38</i>		1 211
0425	Net profits or (-) losses from modification	<i>IFRS 9.5.4.3, supplement A to IFRS 9, part 2, paragraph 49 of Appendix V</i>		0
0426	Financial assets at fair value through other comprehensive income	<i>Paragraph 35J of IFRS 7</i>		0
0427	Financial assets at amortised cost	<i>Paragraph 35J of IFRS 7</i>		0
0430	(Provisions or (-) reversed provisions)	<i>Para. 59, 84 of IAS 37; Para. 98, (b), (f), (g) of IAS 1</i>	9 12 43	147
0435	(Undertaken obligations to make payments for restructuring funds and deposit guarantee schemes)	<i>part 2, paragraph 48 (i) of Appendix V</i>		0
0440	(Commitments and guarantees)	<i>IFRS 9.4.2.1(c), (d); IFRS 9.B2.5; IAS 37; IFRS 4; part 2, para. 50 of Appendix V</i>		147
0450	(Other provisions)			0
0460	(Impairment or (-) impairment adjustment of financial assets which are not accounted at fair value through profit or loss)	<i>Para. 20, (a)(viii) of IFRC 7; IFRS 9.5.4.4, part 2, items 51, 53 of Appendix V</i>	12	53 133
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	53 133
0510	(Impairment or (-) reversed impairment of investments in a subsidiary, jointly-controlled entity or associate)	<i>Paras. 40-43 of IAS 28</i>	16	0
0520	(Impairment or (-) reversed impairment of non-financial assets)	<i>Para. 126(a)-(b) of IAS 36</i>	16	0
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	Negative goodwill in profit or loss	<i>B64, (n)(i) to IFRC 3</i>		0
0590	Share of profit or (-) loss from investments in a subsidiary, jointly-controlled entity or associate reported via the equity method	<i>part 2, paragraph 54 of Appendix V</i>		0
0600	Profit or (-) loss from non-current assets and disposal groups classified as held for sale, which do not meet the requirements for discontinued operations	<i>Para. 37 of IFRS 5, part 2, paragraph 55 of Appendix V</i>		0
0610	PROFIT OR (-) LOSS BEFORE TAX FROM CURRENT OPERATIONS	<i>Para. 102, IN 6 of IAS 1; Para. 33 A of IFRC 5</i>		30 793
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>		3 197
0630	PROFIT OR (-) LOSS AFTER TAX FROM CURRENT OPERATIONS	<i>IN 6 of IAS 1</i>		27 596
0640	Profit or (-) loss after tax from discontinued operations	<i>Para. 82, (e) of IAS 1; Para. 33(a) and paragraph 33A of IFRC 5; part 2, paragraph 56 of Appendix V</i>		0
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	PROFIT OR (-) LOSS FOR THE YEAR	<i>Para. 81A (a) of IAS 1</i>		27 596
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>		27 596

(signed)
Nikola Bakalov
Chief Executive Officer

(signed)
Yanko Karakolev
Chief Financial Officer

(signed)
CHAVDAR ZLATEV
Executive Director