

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 September 2021

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 September 2021, containing:

1. Financial statements as at 30.09.2021 as per Art. 100o, para. 4(1) with relation to Art. 100o¹, Para. 7 of POSA;
2. Notes to the financial statements as at 30.09.2021;
3. Interim activity report under Art. 100o, para. 4(2) with relation to Art. 100o¹, Para. 7 of POSA;
4. Declaration under Art. 100o, para. 4(3) with relation to Art. 100o¹, Para. 7 of POSA;
5. Information pursuant to Ordinance No 2 of the Financial Supervision Commission on the prospectuses to be published when securities are offered to the public or admitted to trading on a regulated market and on disclosure of information.

Sincerely,

(signed)

Nikola Bakalov
Chief Executive Officer
Chair of the MB

(signed)

Svetozar Popov
Executive Director
Member of the MB

First Investment Bank AD

Individual statement of shareholders' equity for the nine months ended 30 September 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 nine months ended on 30/09/2021	-	-	51 424	-	-	-	51 424
Other comprehensive income for the period							
Revaluation reserve of investments in securities	-	-	-	(4 914)	-	-	(4 914)
Balance as at 30 September 2021	149 085	250 017	770 197	10 599	4 500	39 861	1 224 259

NIKOLA BAKALOV
Chief Executive Officer

SVETOZAR POPOV
Executive Director

CHAVDAR ZLATEV
Executive Director

RALITSA BOGOEVA
Executive Director

IANKO KARAKOLEV
Chief Financial Officer

Individual statement of profit or loss and of other comprehensive income for the nine months ended 30 September 2021

unaudited

in BGN '000

	nine months ended 30/09/2021	nine months ended 30/09/2020
Interest income	223 607	218 004
Interest expense	(35 379)	(44 633)
Net interest income	188 228	173 371
Fee and commission income	102 433	85 057
Fee and commission expense	(17 500)	(14 814)
Net fee and commission income	84 933	70 243
Net trading income	11 205	8 696
Other net operating income	7 975	5 419
TOTAL INCOME FROM BANKING OPERATIONS	292 341	257 729
Administrative expenses	(133 549)	(140 572)
Allowance for impairment	(84 224)	(53 138)
Other (expenses)/income, net	(17 191)	(20 948)
PROFIT BEFORE TAX	57 377	43 071
Income tax expense	(5 953)	(4 716)
NET PROFIT	51 424	38 355
Other comprehensive income for the period		
Items which should or may be reclassified as profit or loss		
Revaluation reserve of investments in securities	(4 914)	536
Total other comprehensive income	(4 914)	536
TOTAL COMPREHENSIVE INCOME	46 510	38 891

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Chief Financial Officer

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

unaudited

in BGN '000

	30.9.2021	31.12.2020
ASSETS		
Cash and balances with Central Banks	1 828 765	2 060 496
Investments in securities	1 430 345	1 132 106
Loans and advances to banks and other financial institutions	70 634	106 085
Loans and advances to customers	6 294 832	6 038 889
Property and equipment	70 442	72 972
Intangible assets	14 106	14 678
Derivatives held for risk management	1 379	5 110
Current tax assets	-	-
Reposessed assets	736 463	706 042
Investment Property	411 976	414 021
Investments in subsidiaries	45 873	44 872
Rights of use assets	140 584	139 837
Other assets	124 536	97 721
TOTAL ASSETS	11 169 935	10 832 829
LIABILITIES AND CAPITAL		
Due to banks	24 838	14 340
Due to other customers	9 372 707	9 100 155
Liabilities evidenced by paper	104 262	104 151
Financial liabilities at fair value through profit or loss	391	-
Hybrid debt	265 322	267 579
Derivatives held for risk management	-	410
Deferred tax liability	23 414	21 286
Current tax liabilities	1 155	12
Lease liabilities	140 615	139 868
Other liabilities	12 972	7 279
TOTAL LIABILITIES	9 945 676	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	10 599	15 513
Revaluation reserve on property	4 500	4 500
Other reserves and retained earnings	770 197	718 773
TOTAL SHAREHOLDERS' EQUITY	1 224 259	1 177 749
TOTAL LIABILITIES AND GROUP EQUITY	11 169 935	10 832 829

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First Investment Bank AD
 Stand-alone statement of cash flows for the three months ended 30 September 2021

in BGN '000

	nine months ended 30/09/2021	nine months ended 30/09/2020
Net cash flow from operating activities		
Net profit	51424	38355
Adjustment for non-cash items		
Allowance for impairment	84224	53138
Net interest income	(188 228)	(173 371)
Depreciation and amortization	8 460	9 422
Tax expense	5 953	4 716
(Profit)/loss from sale and write-off of tangible and intangible fixed assets, net	(9)	38
(Profit) from sale and write-off of other assets, net	(729)	(1 430)
(Positive) revaluation of investment property	-	(2 312)
	(38 905)	(71 444)
Change in operating assets		
(Increase)/Decrease in financial assets at fair value through profit or loss	(1 563)	2 936
(Increase) in financial assets at fair value in other comprehensive income	(180 212)	(71 518)
Decrease/(Increase) in loans and advances to banks and financial institutions	1 193	125
(Increase) in loans to customers	(417 161)	(288 351)
(Increase) in other assets	(23 831)	16 501
	(621 574)	(340 307)
Change in operating liabilities		
Increase/(decrease) in deposits from banks	10 498	(22 247)
Increase in amounts owed to other depositors	288 251	94 610
Net increase/(decrease) in other liabilities	5 849	(22 642)
Interest received	304 598	49 721
Interest paid	255 288	185 428
Dividends received	(53 266)	(52 084)
Dividends received	339	280
Tax on profit, paid	(2 136)	(178)
NET CASH FLOW FROM OPERATING ACTIVITIES	(155 656)	(228 584)
Cash flow from investing activities		
(Purchase) of tangible and intangible fixed assets	(5 363)	(7 518)
Sale of tangible and intangible fixed assets	14	2
Sale of other assets	9 165	8 161
(Increase) of investments	(114 319)	(144 367)
NET CASH FLOW FROM INVESTING ACTIVITIES	(110 503)	(143 722)
Financing activities		
Increase/(decrease) in borrowings	141	(4 646)
Increase in subordinated liabilities	-	-
Capital increase through newly issued shares	-	39 085
Increase of share premium reserve of newly issued shares	-	156 339
NET CASH FLOW FROM FINANCING ACTIVITIES	141	190 778
NET INCREASE IN CASH AND CASH EQUIVALENTS	(266 018)	(181 528)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	2 130 044	2 040 468
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	1 864 026	1 858 940

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**ADDENDUM TO THE UNAUDITED STAND-ALONE INTERIM FINANCIAL STATEMENTS OF
FIRST INVESTMENT BANK AD
AS AT 30/09/2021**

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.

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

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

(ii) Fees and Commissions

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

(iii) Net trading income

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

(iv) Dividend income

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

(b) Basis of consolidation of subsidiaries

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

(c) Foreign currency transactions

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

(iii) Foreign operations

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

(d) Financial assets

(i) Recognition

The Bank recognizes a financial asset when it becomes a party to the contractual provisions of the instrument. The Bank initially recognizes trade and other receivables on the date of transaction. Advances to customers are recognised when cash is advanced to the borrowers. At initial recognition, the Bank measures all financial assets at fair value plus, in the case of financial asset not measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

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

(ii) *Financial assets at amortised cost*

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

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

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

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

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

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

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

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

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

(vi) *Fair value measurement principles*

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

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

When there is no quoted price in an active market, the Bank uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction.

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

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

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

(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 September 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.

(v) 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.

	Bulgarian operations		Foreign operations		Total	
	Nine months ended	Nine months ended	Nine months ended	Nine months ended	Nine months ended	Nine months ended
	30/09/2021	30/09/2020	30/09/2021	30/09/2020	30/09/2021	30/09/2020
Interest income	223,589	217,937	18	67	223,607	218,004
Interest expense	(35,377)	(44,625)	(2)	(8)	(35,379)	(44,633)
Net interest income	188,212	173,312	16	59	188,228	173,371
Fee and commission income	97,165	82,203	5,268	2,854	102,433	85,057
Fee and commission expense	(17,471)	(14,794)	(29)	(20)	(17,500)	(14,814)
Net fee and commission income	79,694	67,409	5,239	2,834	84,933	70,243
Net trading income	9,998	7,792	1,207	904	11,205	8,696
Administrative expenses	(131,796)	(138,725)	(1,753)	(1,847)	(133,549)	(140,572)
	30.09.2021	31.12.2020	30.09.2021	31.12.2020	30.09.2021	31.12.2020
Assets	10,740,837	10,805,491	429,098	27,338	11,169,935	10,832,829
Liabilities	9,350,133	9,288,211	595,543	366,869	9,945,676	9,655,080

The table below shows assets and liabilities and income and expense by business segments as at 30/09/2021:

	Assets	Liabilities	Net interest income	Net fee and commission income	Net trading income	Other net operating income
Corporate customers	3,232,672	1,327,746	67,614	21,670	-	81
Small and medium enterprises	856,354	528,997	23,156	14,852	-	135
Retail Banking	2,205,806	7,516,464	110,248	48,143	-	1,675
Treasury	3,331,123	98,784	(3,670)	619	11,205	1,054
Other	1,543,980	473,685	(9,120)	(351)	-	5,030
Total	11,169,935	9,945,676	188,228	84,933	11,205	7,975

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 September 2021	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	4,614	269,312	14	273,940
Financial assets at fair value through other comprehensive income	818,354	25,446	-	843,800
Derivatives held for risk management	579	800	-	1,379
Total	823,547	295,558	14	1,119,119

In BGN '000

31 December 2020	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 September 2021	Level 1	Level 2	Level 3	Total fair values	Total balance sheet value
Assets					
Cash and balances with Central Banks	-	1,828,765	-	1,828,765	1,828,765
Financial assets at amortised cost	316,180	-	-	316,180	312,605
Loans and advances to banks and other financial institutions	-	70,634	-	70,634	70,634
Loans and advances to customers	-	977,735	5,438,008	6,415,743	6,294,832
Total	316,180	2,877,134	5,438,008	8,631,322	8,506,836
Liabilities					
Due to banks	-	24,838	-	24,838	24,838
Due to other customers	-	5,395,247	3,978,500	9,373,747	9,372,707
Liabilities evidenced by paper	-	104,249	-	104,249	104,262
Hybrid debt	-	265,322	-	265,322	265,322
Total	-	5,789,656	3,978,500	9,768,156	9,767,129

In BGN '000

31 December 2020	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

	Nine months ended 30/09/2021	Nine months ended 30/09/2020
Interest income		
Accounts with and placements to banks and financial institutions	215	452
Revenue from interest on liabilities	29	-
Large enterprise	70,310	64,439
Medium enterprise	20,153	23,396
Small business	13,812	13,334
Micro enterprise	11,414	11,267
Households	94,471	91,867
Debt instruments	13,203	13,249
	223,607	218,004
Interest expense		
Deposits from banks	(32)	(9)
Deposits from other customers	(8,201)	(20,274)
Liabilities evidenced by paper	(552)	(593)
Hybrid debt	(20,626)	(20,609)
Interest on assets cost	(5,966)	(3,122)
Lease agreements and other	(2)	26
	(35,379)	(44,633)
Net interest income	188,228	173,371

6. Net fee and commission income

in thousands of BGN

	Nine months ended 30/09/2021	Nine months ended 30/09/2020
Fee and commission income		
Letters of credit and guarantees	2,634	1,623
Payment operations	16,846	13,589
Customer accounts	26,072	24,373
Card services	26,910	23,373
Other	29,971	22,099
	102,433	85,057
Fee and commission expense		
Letters of credit and guarantees	(409)	(360)
Payment systems	(1,972)	(1,649)
Card services	(11,827)	(10,369)
Other	(3,292)	(2,436)
	(17,500)	(14,814)
Net fee and commission income	84,933	70,243

7. Net trading income

	Nine months ended 30/09/2021	Nine months ended 30/09/2020
<i>in thousands of BGN</i>		
Net trading income arises from:		
- Debt instruments	25	(52)
- Equities	294	(129)
- Foreign exchange rate fluctuations	10,886	8,877
Net trading income	11,205	8,696

8. Other net operating income

	Nine months ended 30/09/2021	Nine months ended 30/09/2020
<i>In BGN '000</i>		
Other net operating income arising from:		
- net income/(expense) from transactions and revaluation of gold and precious metals	692	404
Rental income	4,338	4,252
- Debt instruments	1,054	683
- Equities	-	-
- income from management of assigned receivables	1,607	-
- Gain on administration of loans acquired through business combination	284	80
Other net operating income	7,975	5,419

9. Administrative expenses

	Nine months ended 30/09/2021	Nine months ended 30/09/2020
<i>in thousands of BGN</i>		
General and administrative expenses comprise:		
- Personnel cost	49,067	48,271
Amortization of equipment and tangible fixed assets	8,460	9,422
Rights of use assets	25,382	25,184
- Advertising	5,808	7,468
-Telecommunication, software and other computer maintenance	9,012	8,953
- Other expenses for external services	35,820	41,274
Administrative expenses	133,549	140,572

10. Allowance for impairment

	Nine months ended 30/09/2021	Nine months ended 30/09/2020
<i>in thousands of BGN</i>		
Write-downs		
Loans and advances to customers	(114,393)	(83,511)
Investments in subsidiaries	-	-
Off balance sheet commitments	(650)	(396)
Securities	-	-
Reversal of write-downs		
Loans and advances to customers	30,642	30,423
Off balance sheet commitments	177	346
Impairment cost, net	(84,224)	(53,138)

10a. Other (expenses)/income, net

	Nine months ended 30/09/2021	Nine months ended 30/09/2020
<i>In BGN '000</i>		
Proceeds/loss from the sale and write-off of assets acquired as collateral	309	1,848
Revaluation of investment property	-	2,312
Profit/(loss) from sale of investment property	420	(380)
Dividend income	339	280
Cost of guarantee schemes	(16,966)	(25,607)
(Expense)/reversal of expense for provisions for pending court cases	-	-
Other (expenses)/income, net	(1,293)	599
Total	(17,191)	(20,948)

11. Cash and balances with Central Banks

<i>in thousands of BGN</i>	30.09.2021	31.12.2020
Cash on hand		
- in BGN	164,759	135,249
- in foreign currency	60,199	40,692
Balances with Central Banks	1,354,621	1,620,906
Current accounts and amounts with foreign banks	249,186	263,649
Total	1,828,765	2,060,496

12. Investments in securities

<i>In BGN '000</i>	30.09.2021	31.12.2020
Bonds and notes issued by:		
Bulgarian Government		
- denominated in BGN	339,771	258,766
- denominated in foreign currencies	193,736	180,725
Foreign governments	437,692	404,728
Corporates	306,999	236,484
Foreign banks	123,531	24,011
Other issuers – equity instruments	28,616	27,392
Total	1,430,345	1,132,106
Of which:		
at fair value through other comprehensive income	843,800	668,385
at amortised cost	312,605	199,830
at fair value through profit and loss	273,940	263,891
Total	1,430,345	1,132,106

13. Loans and advances to banks and other financial institutions

(a) Analysis by type

<i>in thousands of BGN</i>	30.09.2021	31.12.2020
Placements with banks	35,194	34,094
Other	35,440	71,991
Total	70,634	106,085

(b) Geographical analysis

<i>in thousands of BGN</i>	30.09.2021	31.12.2020
Domestic banks and financial institutions	18,164	39,570
Foreign banks and other financial institutions	52,470	66,515
Total	70,634	106,085

14. Loans and advances to customers

in thousands of BGN

		30/09/2021	
	Gross value	Allowance for impairment	Amortised cost
Large enterprise	2,690,520	(228,910)	2,461,610
Medium enterprise	933,545	(96,277)	837,268
Small business	507,155	(46,747)	460,408
Micro enterprise	398,664	(6,667)	391,997
Households			
- Consumer loans	1,068,358	(54,497)	1,013,861
- Mortgage loans	1,001,006	(14,604)	986,402
- Credit cards	155,048	(15,850)	139,198
- Other programmes and collateralised financing	4,088	-	4,088
Total	6,758,384	(463,552)	6,294,832
<i>In BGN '000</i>			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

in thousands of BGN

30/09/2021

	Gross value	Allowance for impairment	Amortised cost
- 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	114,393
Amounts released	(30,642)
Write-offs	(132,282)
Other	1,204
Balance as at 30 September 2021	463,552

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

	30/09/2021		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)	4,346,331	(11,644)	4,053,162	(12,184)
Exposures with significant increase of credit risk after the initial recognition (phase 2)	1,045,537	(63,127)	1,001,689	(59,623)
Non-performing (impaired) exposures (phase 3)	1,366,516	(388,781)	1,494,917	(439,072)
Total	6,758,384	(463,552)	6,549,768	(510,879)

30 September 2021

	Gross amount of loans and advances to customers	Allowance for impairment	in thousands of BGN Carrying amount of loans and advances to customers
Class of exposure			
Performing			
Collectively impaired	5,391,868	(74,771)	5,317,097
Nonperforming			
Collectively impaired	238,338	(85,579)	152,759
Individually impaired	1,128,178	(303,202)	824,976
Total	6,758,384	(463,552)	6,294,832

31 December 2020

	Gross amount of loans and advances to customers	Allowance for impairment	in thousands of BGN Carrying amount of loans and advances to customers
Class of exposure			
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 September 2021 the gross amount of overdue loans and advances to customers measured as exposures 90+ days overdue is BGN 782,044 thousand (31 December 2020: BGN 777,984 thousand).

For comparability with the official EBA definition of the ratio measuring NPLs and advances (NPL ratio), the Bank discloses the gross balance sheet value of the supervisory category Loans and advances as at 30 September 2021 in the amount of BGN 8,432,825 thousand (31 December 2020: BGN 8,491,572 thousand).

15. Property and equipment

<i>in BGN '000</i>	Land and Buildings	Fixtures and fittings	Motor vehicles	Assets under Construction	Leasehold Improvements	Total
At 01 January 2021	22,208	138,906	6,632	16,314	64,197	248,257
Additions	-	25	-	5,336	-	5,361
Disposals	-	(8,629)	-	-	(4,219)	(12,848)
Transfers	-	3,640	-	(5,004)	106	(1,258)
At 30 September 2021	22,208	133,942	6,632	16,646	60,084	239,512
Amortisation						
At 01 January 2021	6,085	121,094	6,434	-	41,672	175,285
Accrued during the year	606	4,183	86	-	1,753	6,628
On disposals	-	(8,628)	-	-	(4,215)	(12,843)
At 30 September 2021	6,691	116,649	6,520	-	39,210	169,070
Carrying amount						
At 01 January 2021	16,123	17,812	198	16,314	22,525	72,972
At 30 September 2021	15,517	17,293	112	16,646	20,874	70,442

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	1,258	1,258
At 30 September 2021	46,847	46,847
Amortisation		
At 01 January 2021	30,909	30,909
Accrued during the year	1,832	1,832
On disposals	-	-
At 30 September 2021	32,741	32,741
Carrying amount		
At 01 January 2021	14,678	14,678
At 30 September 2021	14,106	14,106

17. Repossessed assets

<i>in thousands of BGN</i>	30.09.2021	31.12.2020
Land	473,434	467,564
Buildings	227,424	204,079
Machines, plant and vehicles	34,797	33,594
Fixtures and fittings	808	805
Total	736,463	706,042

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

18. Investment Property

in thousands of BGN

Balance as at 01 January 2021	414,021
Incomings for the period	23
Transferred from repossessed assets	171
Revaluation of investment property to the fair value recognised at transfer	-
Write-offs upon sale	(2,239)
Balance as at 30 September 2021	411,976

19. Investments in subsidiaries

Investments in subsidiaries are as follows:

In BGN '000

30/09/2021

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%	2,000	-	2,000
Total		46,051	(178)	45,873

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
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	(25,382)
Effect of modification to lease terms and expectations on lease term	27,061
At 30 September 2021	141,516

Lease liabilities

01 January 2021	139,868
Lease payments	(25,382)
Effect of modification to lease terms and expectations on lease term	27,092
At 30 September 2021	141,578

21. Other assets

in thousands of BGN

	30.09.2021	31.12.2020
Deferred expense	20,411	10,596
Gold	1,845	2,598
Other assets	102,280	84,527
Total	124,536	97,721

22. Due to banks

in thousands of BGN

	30.09.2021	31.12.2020
Term deposits	-	-
Payable on demand	24,838	14,340
Total	24,838	14,340

23. Due to other customers

in thousands of BGN

	30.09.2021	31.12.2020
Retail customers		
- current accounts	2,112,925	1,819,473
- term and savings deposits	4,821,648	5,055,784
Businesses and public institutions		
- current accounts	1,967,621	1,709,538
- term deposits	470,513	515,360
Total	9,372,707	9,100,155

24. Liabilities evidenced by paper

in thousands of BGN

	30.09.2021	31.12.2020
Acceptances under letters of credit	5,080	6,776
Debt related to agreements for full swap of profitability	73,946	73,742
Financing from financial institutions	25,126	23,633
Liabilities related to a structured investment product	110	-
Total	104,262	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 September 2021
European Investment Fund – JEREMIE 2	0%	30/09/2025	3,105
Bulgarian Bank for Development AD Manager of financial instruments in Bulgaria fund	1% - 1.583%	15.03.2027 - 30.11.2028	15,831
	0%	31/12/2033	6,190
Total			25,126

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 Manager of financial instruments in Bulgaria fund	1% - 1.583%	15.03.2027 - 30.11.2028	16,137
	0%	31/12/2033	3,252
Total			23,633

25. Hybrid debt

in thousands of BGN

	Principal amount	Amortised cost as at 30 September 2021
Hybrid debt with principal EUR 40 mio	78,233	82,396
Hybrid debt with principal EUR 60 mio	117,350	120,586
Hybrid debt with principal EUR 30 mio	58,675	62,340
Total	254,258	265,322

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

in thousands of BGN

	30.09.2021	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	1,312	838
Other payables	9,301	4,082
Total	12,972	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 30/09/2021 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

	30.09.2021	31.12.2020
Bank guarantees	162,118	179,964
Unused credit lines	593,921	556,694
Letters of credit	7,980	26,227
Total	764,019	762,885
Impairment on off balance sheet commitments	1,312	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	
	30.09.2021	31.12.2020	30.09.2021	31.12.2020
Loans	3,386	1,769	84,292	84,580
Deposits and loans received:	14,153	13,275	117,978	113,352
Deposits placed	-	-	13,741	2,955
Other receivables	-	-	17,227	17,565
Other borrowings	-	-	100	100
Off-balance sheet commitments issued by the Bank	1,083	1,031	3,324	3,412

First Investment Bank announces that as at 30/09/2021:

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)
Svetozar Popov
Executive Director

(signed)
Chavdar Zlatev
Executive Director

(signed)
Ralitsa Bogoeva
Executive Director

(signed)
Ianko Karakolev
Chief Financial Officer

**INTERIM REPORT
ON THE ACTIVITY OF FIRST INVESTMENT BANK AD
as at 30 September 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 third 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 September 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;
13. Notification pursuant to Art. 27, Para. 2 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 was published on 05 July 2021 concerning the death of SB member Mr Georgi Mutafchiev;
14. Notification pursuant to Art. 100y, Para. 1(2) and Para.2 of the Law on the Public Offering of Securities (LPOS) and the ordinances for its implementation regarding a prolongation of the term in office of Ms Nadya Koshinska as member of the Managing Board of First Investment Bank AD was published on 26 July 2021;
15. Individual (unaudited) financial statements of First Investment Bank AD as at 30 June 2021 were published on 29 July 2021;
16. Notification pursuant to Art. 100y, Para. 1(1) and Para.2 of the Law on the Public Offering of Securities (LPOS) regarding amendments to the By-Laws of First Investment Bank AD was published on 11 August 2021;
17. Invitation to minority shareholders was published on 16 August 2021;
18. Notification about the meeting held with minority shareholders of First Investment Bank on 19 August 2021 was published that same day;
19. Consolidated (unaudited) financial statements of First Investment Bank AD as at 30 June 2021 were published on 27 August 2021.

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

- *Balance sheet as at 30 September 2021.*

The balance sheet assets of the Bank as at 30.09.2021 reached BGN 11,170 million, showing an increase by BGN 337 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 30.09.2021 the deposits from other customers amounted to BGN 9,373 million, with net increase of BGN 273 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 September 2021 the accounting equity amounted to BGN 1,224 million net, which means growth by BGN 47 million for the period, mostly due to the profit generated. Receivables from clients at 30 September 2021 amounted to BGN 6,295 million book value, an increase against 2020 by BGN 256 million.

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

Despite the Covid-19 pandemic which started at the beginning of 2020 and led to a drop in financial activities globally, the Bank has improved its key financial indicators, and reports an increase of BGN 13,069 thousand of the net profit as at 30 September 2021 compared to the same period of 2020, reaching BGN 51,424 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 Q3 2021 was BGN 57,377 thousand, the profit before provisions and impairment amounted to BGN 141,601 thousand.

The total revenue from banking operations as at 30 September 2021 amounted to BGN 292,341 thousand (Q3 2020: BGN 257,729 thousand). The net interest income for the period January-September 2021 amounted to BGN 188,228 thousand, marking an increase by BGN 14,857 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 Q3 2021 the net fee and commission income amounted to BGN 84,933 thousand, BGN 14,690 thousand higher than Q3 2020. A significant decrease in general administrative expenses has been achieved – in Q3 2021 they amounted to BGN 133,549 thousand, i.e. BGN 7,023 thousand lower than the same period of 2020, a decrease by 5%.

- *Capital resources*

The capital adequacy ratio of First Investment Bank AD as at 30 September 2021 reached 21.46 %. The Tier 1 capital ratio was also 21.46%, while CET1 ratio was 17.91 %. The own funds amounted to BGN 1,534 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 September 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 September 2021 reached 223.13% and the net stable funding ratio was 137.80 %, showing a stable liquidity position.

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

As at 30 September 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 September 2021
UNDER ART. 33, PARA. 1, P. 7
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

- 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 September 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 30 June 2021</i>		<i>at 30 September 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 30 June 2021</i>		<i>at 30 September 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	27 173	0,01	No change	
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 30 June 2021</i>		<i>at 30 September 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 September 2021 no events have occurred beyond the ordinary activity of the Bank.

Appendix 2

**INFORMATION AS AT 30 September 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 30.09.2021, 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 the Managing Board

(signed)
Svetozar Popov
Executive Director
Member of MB

(signed)
Chavdar Zlatev
Executive Director
Member of MB

(signed)
Ralitsa Bogoeva
Executive Director
Member of MB

(signed)
Ianko Karakolev
Chief Financial Officer
Member of MB

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 Bakalov, Chief Executive Officer and Chairman of the Managing Board of First Investment Bank AD, Chavdar Zlatev, Svetozar Popov and Ralitsa Bogoeva, Executive Directors and members of the Managing Board of First Investment Bank AD, and Ianko Karakolev, Chief Financial Officer and member of the Managing Board of 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 September 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 September 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 the Managing Board

(signed)
Svetozar Popov
Executive Director
Member of MB

(signed)
Chavdar Zlatev
Executive Director
Member of MB

(signed)
Ralitsa Bogoeva
Executive Director
Member of MB

(signed)
Ianko Karakolev
Chief Financial Officer
Member of MB

22 October 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 September 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;
13. Notification pursuant to Art. 27, Para. 2 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 – FSC incoming No. 10-05-3756/05.07.2021;
14. Notification pursuant to Art. 100y, Para. 1(2) and Para.2 of the Law on the Public Offering of Securities (LPOS) and the ordinances for its implementation regarding changes in the Managing Board of First Investment Bank AD – FSC incoming No. 10-05-4071/26.07.2021;
15. Individual (unaudited) financial statements of First Investment Bank AD as at 30 June 2021 – FSC incoming No. 10-05-4236/29.07.2021;

16. Notification pursuant to Art. 100y, Para. 1(1) and Para.2 of the Law on the Public Offering of Securities (LPOS) regarding amendments to the By-Laws of First Investment Bank AD – FSC incoming No. 10-05-4516/11.08.2021;
17. Invitation to minority shareholders – FSC incoming No. 10-05-4542/16.08.2021;
18. Meeting with minority shareholders of First Investment Bank – FSC incoming No. 10-05-4583/19.08.2021;
19. Consolidated (unaudited) financial statements of First Investment Bank AD as at 30 June 2021 – FSC incoming No. 10-05-4628/27.08.2021.

(signed)
Nikola Bakalov
Chief Executive Officer
Chairman of the Managing Board

(signed)
Svetozar Popov
Executive Director
Member of MB

(signed)
Chavdar Zlatev
Executive Director
Member of MB

(signed)
Ralitsa Bogoeva
Executive Director
Member of MB

(signed)
Ianko Karakolev
Chief Financial Officer
Member of MB

BG
ANNEX III

Bank	FINV9150	First Investment Bank AD
Reporting date	30.9.2021	
Basis for application	Individual	
Accounting standard	IFRS	

Reporting currency in BGN '000

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

1.1 Assets

		References	Breakdown in table	Carrying amount
				part 1, paragraph 27 of Appendix V
				0010
0010	Cash and cash balances with central banks and other deposits payable on demand	Para. 54 (i) of IAS 1		1 852 662
0020	Cash	part 2, paragraph 1 of Appendix V		224 958
0030	Cash balances with central banks	part 2, paragraph 1 of Appendix V		1 354 621
0040	Other deposits payable on demand	part 2, paragraph 1 of Appendix V	5	273 083
0050	Financial assets held for trading	Supplement A to IFRS 9		4 618
0060	Derivatives	Supplement A to IFRS 9	10	0
0070	Equity	Para. 11 of IAS 32	4	4 603
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	269 323
0097	Equity	Para. 11 of IAS 32	4	24 014
0098	Debt securities	part 1, paragraph 31 of Appendix V	4	245 309
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	843 800
0142	Equity	Para. 11 of IAS 32	4	0
0143	Debt securities	part 1, paragraph 31 of Appendix V	4	843 800
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	6 654 174
0182	Debt securities	part 1, paragraph 31 of Appendix V	4	312 605
0183	Loans and advances	part 1, paragraph 32 of Appendix V	4	6 341 569
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	45 873
0270	Tangible assets			482 418
0280	Property, Plant and Equipment	Para. 6 of IAS 16; Para. 54 (a) of IAS 1; Para 47 (a) of IFRS 16	21, 42	70 442
0290	Investment Property	Para. 5 of IAS 40; Para. 54 (b) of IAS 1; Para. 48 of IFRS 16	21, 42	411 976
0300	Intangible assets	Para. 54(c) of IAS 1; Art. 4, Para. 1, item 115 of Reg 575		14 106
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	14 106
0330	Tax assets	Para. 54 (n)-(o) of IAS 1		0
0340	Current tax assets	Para. 54(n) of IAS 1; Para. 5 of IAS 12		0

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ANNEX III

		<i>References</i>	<i>Breakdown in table</i>	Carrying amount
				<i>part 1, paragraph 27 of Appendix V</i> 0010
0350	Deferred tax assets	<i>Para. 54, (o) of IAS 1; Para. 5 of IAS 12; Art. 4, Para. 1, item 106 of Reg 575</i>		0
0360	Other assets	<i>part 2, paragraph 5 of Appendix V</i>		1 002 961
0370	Non-current assets and disposal groups classified as held for sale	<i>Para. 54, (j) of IAS 1; Para. 38 of IFRS 5; part 2, item 7 of Appendix V</i>		0
0380	TOTAL ASSETS	<i>Para. 9, (a), IN 6 of IAS 1</i>		11 169 935

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ANNEX III

Bank	FINV9150	First Investment Bank AD
Reporting date	30.9.2021	
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 IFRIC 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 IFRIC 7; IFRS 9.4.2.2	8	391
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	391
0110	Financial liabilities at amortised cost	Para. 8 (g) of IFRIC 7; IFRS 9.4.2.1	8	9 767 129
0120	Deposits	Part 2, item 9 of Appendix 2 to ECB/2013/33; Part 1, item 36 of Appendix V	8	9 471 491
0130	Issued debt securities	part 1, paragraph 37 of Appendix V	8	265 322
0140	Other financial liabilities	part 1, paragraph 38-41 of Appendix V	8	30 316
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	2 343
0180	Pensions and other obligations to pay defined post-employment benefits	Para. 63 of IFRIC 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 IFRIC 19; Para. 78(d) of IAS 1; part 2, item 10 of Appendix V	43	0
0200	Restructuring	Para. 71 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	12	1 312
0230	Other provisions	Para. 14 of IAS 37	43	0
0240	Tax liabilities	Para. 54 (n)-(o) of IAS 1		24 569
0250	Current tax liabilities	Para. 54(n) of IAS 1; Para. 5 of IAS 12		1 155
0260	Deferred tax liabilities	Para. 54, (o) of IAS 1; Para. 5 of IAS 12; Art. 4, Para. 1, item 108 of Reg 575		23 414
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		151 244
0290	Liabilities in disposal groups classified as held for sale	Para. 54, (p) of IAS 1; Para. 38 of IFRIC 5; part 2, paragraph 14 of Appendix V		0
0300	TOTAL LIABILITIES	Para. 9, (b), IN 6 of IAS 1		9 945 676

Bank	FINV9150	First Investment Bank AD
Reporting date	30.9.2021	
Basis for application	Individual	
Accounting standard	IFRS	
		Reporting currency '000 BGN

1. Balance sheet [statement of financial position]

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	15 099
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		10 599
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		10 599
0165	Hedging instruments [unreported elements]	Paragraph 7, (g) and (h) of IAS 1; IFRS 9 6.5.15 and		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		758 634
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		758 634
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	51 424
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
0290	Other items		46	0
0300	TOTAL SHAREHOLDERS' EQUITY	Para. 9 (c), IN 6 of IAS 1	46	1 224 259
0310	TOTAL SHAREHOLDERS' EQUITY AND TOTAL LIABILITIES	IN 6 of IAS 1		11 169 935

NIKOLA BAKALOV
Chief Executive Officer

SVETOZAR POPOV
Executive Director

CHAVDAR ZLATEV
Executive Director

RALITSA BOGOEVA
Executive Director

IANKO KARAKOLEV
Chief Financial Officer

Bank	FINV9150	First Investment Bank AD
Reporting date	30.9.2021	
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	Para. 97 of IAS 1; part 2, paragraph 31 of Appendix V	16	223 607
0020	Financial assets held for trading	Para. 20, (a)(i), Para. B5, (e) of IFRIC 7; part 2, paragraphs 33, 34 of Appendix V		3
0025	Non-tradable financial assets mandatorily reported at fair value through profit or loss	Para. 20, (a)(i), Para. B5, (e) of IFRIC 7, IFRS 9.5.7.1		8 826
0030	Financial assets at fair value through profit or loss	Para. 20, (a)(i), Para. B5, (e) of IFRIC 7		0
0041	Financial assets at fair value through other comprehensive income	Para. 20(b) of IFRIC 7; IFRS 9.5.7.10-11, IFRS 9.4.1.2A		2 376
0051	Financial assets at amortised cost	Para. 20(b) of IFRIC 7; IFRS 9.4.1.2, IFRS 9.5.7.2		212 373
0070	Derivatives — hedge accounting, interest rate risk	supplement A to IFRS 9, C.6.6.16, part 2, paragraph 35 of Appendix V		0
0080	Other assets	part 2, paragraph 36 of Appendix V		0
0085	Revenue from interest on liabilities	IFRS 9.5.7.1, part 2, paragraph 37 of Appendix V		29
0090	(Interest expense)	Para. 97 of IAS 1; part 2, paragraph 31 of Appendix V	16	35 379
0100	(Financial liabilities held for trading)	Para. 20, (a)(i), Para. B5, (e) of IFRIC 7; part 2, paragraphs 33, 34 of Appendix V		0
0110	(Financial liabilities at fair value through profit or loss)	Para. 20, (a)(i), Para. B5, (e) of IFRIC 7		0
0120	(Financial liabilities at amortised cost)	Para. 20(b) of IFRIC 7; IFRS 9.5.7.2		29 410
0130	(Derivatives — hedge accounting, interest rate risk)	Para. 9 of IAS 39; part 2, paragraph 35 of Appendix V		0
0140	(Other liabilities)	part 2, paragraph 38 of Appendix V		2
0145	(Interest expense on assets)	IFRS 9.5.7.1, part 2, paragraph 39 of Appendix V		5 967
0150	(Expense for share capital payable upon request)	IFRIC 2, item 11		0
0160	Dividend income	part 2, paragraph 40 of Appendix V	31	339
0170	Financial assets held for trading	Para. 20, (a)(i), Para. B5, (e) of IFRIC 7; part 2, paragraphs 40 of Appendix V		41
0175	Non-tradable financial assets mandatorily reported at fair value through profit or loss	Para. 20, (a)(i), Para. B5, (e) of IFRIC 7; IFRS 9.5.7.1A, part 2, paragraphs 40 of Appendix V		298
0191	Financial assets at fair value through other comprehensive income	Para. 20, (a)(ii) of IFRIC 7; IFRS 9.4.1.2A, IFRS 9.5.7.1A, part 2, paragraph 41 of Appendix V		0
0192	Investments in a subsidiary, jointly-controlled entity or associate reported via the equity method	part 2, paragraph 42 of Appendix V		0
0200	Fee and commission income	Para. 20 (c) of IFRS 7	22	102 433
0210	(Fee and commission expense)	Para. 20 (c) of IFRS 7	22	17 500
0220	Net profits or (-) losses from write-off of financial assets and liabilities which are not accounted at fair value through profit or loss	part 2, paragraph 45 of Appendix V	16	2 945
0231	Financial assets at fair value through other comprehensive income	IFRS 9.4.1.2A; IFRS 9.5.7.10-11		1 054
0241	Financial assets at amortised cost	Para. 20(B)(v) of IFRIC 7; IFRS 9.4.1.2, IFRS 9.5.7.2		1 891
0260	Financial liabilities at amortised cost	Para. 8 (a)(v) of IFRIC 7; IFRS 9.5.7.2		0
0270	Other			0
0280	Net profits or (-) losses from financial assets and liabilities held for trading	Para. 20, (a)(i) of IFRIC 7; IFRS 9.5.7.1, part 2, items 43, 46 of Appendix V	16	319
0287	Net profits or (-) losses from non-tradable financial assets and liabilities mandatorily reported at fair value through profit or loss	Para. 20, (a)(i) of IFRIC 7; IFRS 9.5.7.1, part 2, items 46 of Appendix V		0
0290	Net profits or (-) losses from financial assets and liabilities at fair value through profit or loss	Para. 20, (a)(i) of IFRIC 7; IFRS 9.5.7.1, part 2, items 44 of Appendix V	16, 45	0
0300	Net profits or (-) losses from hedge accounting	part 2, paragraph 47 of Appendix V	16	0
0310	Net profits or (-) losses from exchange rate differences	Para. 28 and Para 52 (a) of IAS 21		10 886
0320	Net profits or (-) losses from derecognition of investments in subsidiaries joint ventures and associates	Application V, part 2.56		0
0330	Net profits or (-) losses from derecognition of non-financial assets	Para. 34 of IAS 1; part 2, paragraph 48 of Appendix V	45	739
0340	Other operating income	part 2, paragraphs 314-316 of Appendix V	45	5 901
0350	(Other operating expense)	part 2, paragraphs 314-316 of Appendix V	45	2 235
0355	TOTAL NET OPERATING INCOME			292 055
0360	(Administrative expenses)			125 089
0370	(Personnel costs)	Para. 7 of IAS 19; Para. 102, IN 6 of IAS 1	44	58 872
0380	(Other administrative expenses)		16	66 217
0385	(Cash instalments for restructuring funds and deposit guarantee schemes)	part 2, paragraph 48 of Appendix V		16 905
0390	(Amortisation)	Paras. 102, 104 of IAS 1		8 460

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ANNEX III

0400	(Property, Plant and Equipment)	Para. 104 of IAS 1; Para. 73, (e), (vii) of IAS 16		6 628
0410	(Investment Property)	Para. 104 of IAS 1; Para. 79, (d), (iv) of IAS 40		0
0420	(Other intangible assets)	Para. 104 of IAS 1; Para. 118, (e), (vi) of IAS 38		1 832
0425	Net profits or (-) losses from modification	IFRS 9.5.4.3, supplement A to IFRS 9, part 2, paragraph 49 of Appendix V		0
0426	Financial assets at fair value through other comprehensive income	Paragraph 35J of IFRS 7		0
0427	Financial assets at amortised cost	Paragraph 35J of IFRS 7		0
0430	(Provisions or (-) reversed provisions)	Para. 59, 84 of IAS 37; Para. 98, (b), (f), (g) of IAS 1	9 12 43	474
0435	(Undertaken obligations to make payments for restructuring funds and deposit guarantee schemes)	part 2, paragraph 48 (i) of Appendix V		0
0440	(Commitments and guarantees)	IFRS 9.4.2.1(c), (d); IFRS 9.B2.5; IAS 37; IFRS 4; part 2, para. 50 of Appendix V		474
0450	(Other provisions)			0
0460	(Impairment or (-) impairment adjustment of financial assets which are not accounted at fair value through profit or loss)	Para. 20, (a)(viii) of IFRC 7; IFRS 9.5.4.4, part 2, items 51, 53 of Appendix V	12	83 750
0481	(Financial assets at fair value through other comprehensive income)	IFRS 9.5.4.4; IFRS 9.5.5.1; IFRS 9.5.5.2; IFRS 9.5.5.8	12	0
0491	(Financial assets at amortised cost)	IFRS 9.5.4.4; IFRS 9.5.5.1; IFRS 9.5.5.2; IFRS 9.5.5.8	12	83 750
0510	(Impairment or (-) reversed impairment of investments in a subsidiary, jointly-controlled entity or associate)	Paras. 40-43 of IAS 28	16	0
0520	(Impairment or (-) reversed impairment of non-financial assets)	Para. 126(a)-(b) of IAS 36	16	0
0530	(Property, Plant and Equipment)	Para. 73, (e), (v)-(vi) of IAS 16		0
0540	(Investment Property)	Para. 79, (d), (v) of IAS 40		0
0550	(Goodwill)	B67, (d), (v) of IFRC 3; Para. 124 of IAS 36		0
0560	(Other intangible assets)	Para. 118, (e), (iv)-(v) of IAS 38		0
0570	(Other)	Para. 126(a)-(b) of IAS 36		0
0580	Negative goodwill in profit or loss	B64, (n)(i) to IFRC 3		0
0590	Share of profit or (-) loss from investments in a subsidiary, jointly-controlled entity or associate reported via the equity method	part 2, paragraph 54 of Appendix V		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	Para. 37 of IFRS 5, part 2, paragraph 55 of Appendix V		0
0610	PROFIT OR (-) LOSS BEFORE TAX FROM CURRENT OPERATIONS	Para. 102, IN 6 of IAS 1; Para. 33 A of IFRC 5		57 377
0620	(Tax expense or (-) income relating to the profit or loss from current operations)	Para. 8, (d) of IAS 1; Para. 77 of IAS 12		5 953
0630	PROFIT OR (-) LOSS AFTER TAX FROM CURRENT OPERATIONS	IN 6 of IAS 1		51 424
0640	Profit or (-) loss after tax from discontinued operations	Para. 82, (e) of IAS 1; Para. 33(a) and paragraph 33A of IFRC 5; part 2, paragraph 56 of Appendix V		0
0650	Profit or (-) loss before tax from discontinued operations	Para. 33, (b)(i) of IFRC 5		0
0660	(Tax expense or (-) income related to discontinued operations)	Para. 33, (b)(i) and (iv) of IFRC 5		0
0670	PROFIT OR (-) LOSS FOR THE YEAR	Para. 81A (a) of IAS 1		51 424
0680	Relating to minority interests [non-controlling interests]	Para. 81B (b)(i) of IAS 1		0
0690	Attributable to the owners of the parent company	Para. 81B (b)(ii) of IAS 1		51 424

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