

Translation from Bulgarian!

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

CC:
Bulgarian Stock Exchange – Sofia Ad
6 Tri Ushi Str.
Sofia

03 January 2023

Re: Disclosure of Information by First Investment Bank AD pursuant to Regulation (EU) No. 575/2013 and Implementing Regulation (EU) 2021/637

Dear Sirs,

Please find attached Disclosure of Information by First Investment Bank AD pursuant to Regulation (EU) No. 575/2013 for the third quarter of 2022 on consolidated basis.

This disclosure of information was prepared in compliance with the requirements of Part Eight of Regulation (EU) No. 575/2013 and of Implementing Regulation (EU) 2021/637.

(signed)
Nikola Bakalov
Chief Executive Officer

(signed)
Svetozar Popov
Executive Director

INFORMATION DISCLOSURE
Pursuant to Regulation (EU) № 575/2013

(on consolidated basis)

**„FIRST INVESTMENT BANK AD
FOR THIRD QUARTER 2022**

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This disclosure of information was prepared pursuant to and in compliance with the requirements of Part Eight of Regulation (EU) No. 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions (Regulation (EU) No. 575/2013), and of Commission Implementing Regulation (EU) 2021/637 of 15 March 2021 laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the Council and repealing Commission Implementing Regulation (EU) No 1423/2013, Commission Delegated Regulation (EU) 2015/1555, Commission Implementing Regulation (EU) 2016/200 and Commission Delegated Regulation (EU) 2017/2295 (Implementing Regulation (EU) 2021/637).

1. DISCLOSURE OF KEY METRICS

1.1. TEMPLATE EU KM1 — KEY METRICS

The table below contains information on the key metrics referred to in Article 447 of Regulation (EU) No 575/2013, presented in template EU KM1 from Commission Implementing Regulation (EU) 2021/637:

BGN Thousands		30.09.2022	30.06.2022	31.03.2022	31.12.2021	30.09.2021
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	1,315,495	1,327,147	1,199,110	1,299,477	1,308,825
2	Tier 1 capital	1,569,753	1,581,405	1,453,368	1,553,735	1,563,083
3	Total capital	1,578,216	1,590,065	1,462,223	1,562,783	1,572,667
	Risk-weighted exposure amounts					
4	Total risk exposure amount	7,533,832	7,486,797	7,453,593	7,498,839	7,552,553
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	17.46%	17.73%	16.09%	17.33%	17.33%
6	Tier 1 ratio (%)	20.84%	21.12%	19.50%	20.72%	20.70%
7	Total capital ratio (%)	20.95%	21.24%	19.62%	20.84%	20.82%
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.85%	2.85%	3.75%	3.75%	3.75%
EU 7b	of which: to be made up of CET1 capital (percentage points)	1.60%	1.60%	3.75%	3.75%	3.75%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	2.14%	2.14%	3.75%	3.75%	3.75%
EU 7d	Total SREP own funds requirements (%)	10.85%	10.85%	11.75%	11.75%	11.75%
	Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0%	0%	0%	0%	0%
9	Institution specific countercyclical capital buffer (%)	0.46%	0.46%	0.47%	0.47%	0.47%
EU 9a	Systemic risk buffer (%)	3%	3%	3%	3%	3%
10	Global Systemically Important Institution buffer (%)	0%	0%	0%	0%	0%

BGN Thousands		30.09.2022	30.06.2022	31.03.2022	31.12.2021	30.09.2021
EU 10a	Other Systemically Important Institution buffer (%)	1%	1%	1%	1%	1%
11	Combined buffer requirement (%)	6.96%	6.96%	6.97%	6.97%	6.97%
EU 11a	Overall capital requirements (%)	17.81%	17.81%	18.72%	18.72%	18.72%
12	CET1 available after meeting the total SREP own funds requirements (%)	855,931	870,452	584,189	680,823	685,739
Leverage ratio						
13	Total exposure measure	13,208,874	12,542,738	12,234,932	12,189,455	11,998,984
14	Leverage ratio (%)	11.88%	12.61%	11.88%	12.75%	13.03%
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)						
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	0	0	0	0	0
EU 14b	of which: to be made up of CET1 capital (percentage points)	0	0	0	0	0
EU 14c	Total SREP leverage ratio requirements (%)	3,00%	3,00%	3,00%	3,00%	3,00%
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)						
EU 14d	Leverage ratio buffer requirement (%)	0,00%	0,00%	0,00%	0,00%	0,00%
EU 14e	Overall leverage ratio requirement (%)	3,00%	3,00%	3,00%	3,00%	3,00%
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	3,554,168	3,204,213	2,931,403	2,723,227	2,598,834
EU 16a	Cash outflows - Total weighted value	1,862,755	1,637,266	1,537,256	1,350,111	1,439,809
EU 16b	Cash inflows - Total weighted value	414,674	351,101	355,396	287,891	380,382
16	Total net cash outflows (adjusted value)	1,448,081	1,286,165	1,181,860	1,062,220	1,059,427
17	Liquidity coverage ratio (%)	245.44%	249.13%	248.03%	256.37%	245.31%
Net Stable Funding Ratio						
18	Total available stable funding	10,914,291	10,537,178	10,245,479	10,274,380	10,170,923
19	Total required stable funding	7,531,597	7,376,537	7,296,193	7,348,944	7,307,464
20	NSFR ratio (%)	144.91%	142.85%	140.42%	139.81%	139.19%

2. DISCLOSURE OF LIQUIDITY REQUIREMENTS

2.1. TEMPLATE EU LIQ1 — QUANTITATIVE INFORMATION OF LCR

The table below contains information on the liquidity requirements referred to in Article 451a(2) of Regulation (EU) No 575/2013, presented in template EU LIQ1 from Commission Implementing Regulation (EU) 2021/637:

BGN Thousands	Quarter ending on (DD Month YYYY)	30.09.2022	30.06.2022	31.03.2022	31.12.2021	30.09.2022	30.06.2022	31.03.2022	31.12.2021
EU 1a									
EU 1b	Number of data points used in the calculation of averages	3	3	3	3	3	3	3	3
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality liquid assets (HQLA)					3,454,413	3,123,309	2,838,043	2,661,975
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	8,597,034	8,461,245	8,493,162	8,462,071	722,905	714,472	740,846	729,973
3	Stable deposits	8,347,010	8,233,429	8,236,758	8,223,502	665,356	659,910	666,067	673,608
4	Less stable deposits	250,024	227,816	256,404	238,569	57,549	54,562	74,779	56,365
5	Unsecured wholesale funding	2,205,507	1,797,050	1,488,352	1,301,135	1,007,090	819,274	688,320	640,794
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	0	0	0	0	0	0	0	0
7	Non-operational deposits (all counterparties)	2,205,507	1,797,050	1,488,352	1,301,135	1,007,090	819,274	688,320	640,794
8	Unsecured debt	0	0	0	0	0	0	0	0
9	Secured wholesale funding					0	0	0	0
10	Additional requirements	846,643	727,726	694,523	648,495	67,120	55,703	52,706	48,298
11	Outflows related to derivative exposures and other collateral requirements	0	0	0	0	0	0	0	0
12	Outflows related to loss of funding on debt products	0	0	0	0	0	0	0	0
13	Credit and liquidity facilities	846,643	727,726	694,523	648,495	67,120	55,703	52,706	48,298
14	Other contractual funding obligations	0	0	0	0	0	0	0	0

BGN Thousands		30.09.2022	30.06.2022	31.03.2022	31.12.2021	30.09.2022	30.06.2022	31.03.2022	31.12.2021
15	Other contingent funding obligations	120,187	167,711	167,524	176,602	6,009	8 386	8 376	8 830
16	TOTAL CASH OUTFLOWS					1,803,124	1,597,835	1,490,248	1,427,895
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	3751	4,606	16,088	12,366	3,751	4,606	16,088	12,366
18	Inflows from fully performing exposures	440,571	359,937	312,091	331,326	419,556	345,347	292,497	309,065
19	Other cash inflows	0	0	0	0	0	0	0	0
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					0	0	0	0
EU-19b	(Excess inflows from a related specialised credit institution)					0	0	0	0
20	TOTAL CASH INFLOWS	444,322	364543	328,179	343,692	423,307	349,953	308,585	321,431
EU-20a	Fully exempt inflows	0	0	0	0	0	0	0	0
EU-20b	Inflows subject to 90% cap	0	0	0	0	0	0	0	0
EU-20c	Inflows subject to 75% cap	444,322	364543	328,179	343,692	423,307	349,953	308,585	321,431
TOTAL ADJUSTED VALUE									
EU-21	LIQUIDITY BUFFER					3,454,413	3,123,309	2,838,043	2,661,975
22	TOTAL NET CASH OUTFLOWS					1,379,817	1,247,882	1,181,663	1,106,464
23	LIQUIDITY COVERAGE RATIO					250.35%	250.29%	240.17%	240.58%

2.2. TABLE EU LIQB — ON QUALITATIVE INFORMATION ON LCR, WHICH COMPLEMENTS TEMPLATE EU LIQ1

The table below contains information on the liquidity requirements referred to in Article 451a(2) of Regulation (EU) No 575/2013, presented in template EU LIQB from Commission Implementing Regulation (EU) 2021/637:

Row number	Qualitative information - Free format	
a	Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time	<p>In accordance with the requirements of Commission Delegated Regulation (EU) 2015/61 the Bank's liquidity buffer consists of coins and banknotes, withdrawable reserves with the central bank, central government assets, and high-quality corporate bonds.</p> <p>Liquidity inflows consist of receivables from retail clients and non-financial customers on performing loan exposures, nostro accounts, overnight deposits and reverse repo deals. The biggest share is due to inflows from nostro accounts and overnight deposits payable by financial customers.</p> <p>Liquidity outflows consist mainly of withdrawals of demand deposits and term deposits, and draws on loans.</p>
b	Explanations on the changes in the LCR over time	Over the reporting period the LCR was in the range of 245%-253%, and no significant change compared to the previous quarter was observed.
c	Explanations on the actual concentration of funding sources	Retail deposits are the Bank's main source of funding. The deposit base is characterised by a low concentration of attracted funds from a specific client or group of clients.
d	High-level description of the composition of the institution's liquidity buffer.	In accordance with the requirements of Commission Delegated Regulation (EU) 2015/61 the Bank's liquidity buffer consists of coins and banknotes, withdrawable reserves with the central bank, central government assets, and high-quality corporate bonds.
e	Derivative exposures and potential collateral calls	As at 30.09.2022, the Bank had no outflows related to derivative exposures.
f	Currency mismatch in the LCR	As at 30.09.2022, the Bank had no currency mismatch, and maintains its liquidity buffer within levels that are sufficient to cover the Bank's liabilities in different currencies during a stressed period.
g	Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile	The are on other significant elements used for calculating the LCR which have not been reflected in the liquidity template.

3. DISCLOSURE OF CAPITAL REQUIREMENTS AND TOTAL RISK EXPOSURE AMOUNTS

3.1. TEMPLATE EU OV1 — OVERVIEW OF TOTAL RISK EXPOSURE AMOUNTS

The table below contains information on the capital requirements and the risk-weighted exposure amounts referred to in Article 438, point (d) of Regulation (EU) No 575/2013, presented in template EU OV1 from Commission Implementing Regulation (EU) 2021/637:

BGN Thousands		Total risk exposure amounts (TREA)		Total own funds requirements
		30.09.2022	30.06.2022	30.09.2022
1	Credit risk (excluding CCR)	6,960,457	6,913,872	556,837
2	Of which the standardised approach	6,960,457	6,913,872	556,837
3	Of which the Foundation IRB (F-IRB) approach			
4	Of which slotting approach			
EU 4a	Of which equities under the simple riskweighted approach			
5	Of which the Advanced IRB (A-IRB) approach			
6	Counterparty credit risk - CCR			
7	Of which the standardised approach			
8	Of which internal model method (IMM)			
EU 8a	Of which exposures to a CCP			
EU 8b	Of which credit valuation adjustment - CVA			
9	Of which other CCR			
10	Not applicable			
11	Not applicable			
12	Not applicable			
13	Not applicable			
14	Not applicable			
15	Settlement risk			
16	Securitisation exposures in the non-trading book (after the cap)			
17	Of which SEC-IRBA approach			
18	Of which SEC-ERBA (including IAA)			
19	Of which SEC-SA approach			
EU 19a	Of which 1 250 % / deduction			
20	Position, foreign exchange and commodities risks (Market risk)	4,625	4,175	370
21	Of which the standardised approach	4,625	4,175	370
22	Of which IMA			
EU 22a	Large exposures			
23	Operational risk	568,750	568,750	45,500
EU 23a	Of which basic indicator approach			

BGN Thousands		Total risk exposure amounts (TREA)		Total own funds requirements
		30.09.2022	30.06.2022	30.09.2022
EU 23b	Of which standardised approach	568,750	568,750	45,500
EU 23c	Of which advanced measurement approach			
24	Amounts below the thresholds for deduction (subject to 250 % risk weight)			
25	Not applicable			
26	Not applicable			
27	Not applicable			
28	Not applicable			
29	Total	7,533,832	7,486,797	602,707

The information on capital requirements and the risk-weighted exposure amounts referred to in Article 438, point h) of Regulation (EU) No 575/2013 is not applicable to the Bank.