

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

30 June 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 first quarter of 2023 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 FIRST QUARTER 2023

TABLE OF CONTENTS

1. DISCLOSURE OF KEY METRICS	3
1.1. TEMPLATE EU KM1 — KEY METRICS	3
2. DISCLOSURE OF LIQUIDITY REQUIREMENTS	5
2.1. TEMPLATE EU LIQ1 — QUANTITATIVE INFORMATION OF LCR	5
2.2. TABLE EU LIQB — ON QUALITATIVE INFORMATION ON LCR, WHICH COMPLEMENTS TEMPLATE EU LIQ1	7
3. DISLOSURE OF CAPITAL REQUIREMENTS AND TOTAL RISK EXPOSURE AMOUNTS	8
3.1. TEMPLATE EU OV1 — OVERVIEW OF TOTAL RISK EXPOSURE AMOUNTS.....	8

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		31.03.2023	31.12.2022	30.09.2022	30.06.2022	31.03.2022
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	1,245,372	1,314,754	1,315,495	1,327,147	1,199,110
2	Tier 1 capital	1,499,630	1,569,012	1,569,753	1,581,405	1,453,368
3	Total capital	1,516,594	1,586,448	1,578,216	1,590,065	1,462,223
	Risk-weighted exposure amounts					
4	Total risk exposure amount	7,730,653	7,551,920	7,533,832	7,486,797	7,453,593
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	16.11%	17.41%	17.46%	17.73%	16.09%
6	Tier 1 ratio (%)	19.40%	20.78%	20.84%	21.12%	19.50%
7	Total capital ratio (%)	19.62%	21.01%	20.95%	21.24%	19.62%
	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%	2.85%	2.85%	3.75%
EU 7b	of which: to be made up of CET1 capital (percentage points)	1.60%	1.60%	1.60%	1.60%	3.75%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	2.14%	2.14%	2.14%	2.14%	3.75%
EU 7d	Total SREP own funds requirements (%)	10.85%	10.85%	10.85%	10.85%	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 (%)	1.39%	0.92%	0.46%	0.46%	0.47%
EU 9a	Systemic risk buffer (%)	3.00%	3.00%	3.00%	3.00%	3.00%
10	Global Systemically Important Institution buffer (%)	0%	0%	0%	0%	0%

BGN Thousands		31.03.2023	31.12.2022	30.09.2022	30.06.2022	31.03.2022
EU 10a	Other Systemically Important Institution buffer (%)	0.75%	1.00%	1.00%	1.00%	1.00%
11	Combined buffer requirement (%)	7.64%	7.42%	6.96%	6.96%	6.97%
EU 11a	Overall capital requirements (%)	18.49%	18.27%	17.81%	17.81%	18.72%
12	CET1 available after meeting the total SREP own funds requirements (%)	773 802	854 087	855 931	870 452	584 189
Leverage ratio						
13	Total exposure measure	13,731,211	13,593,633	13,208,874	12,542,738	12,234,932
14	Leverage ratio (%)	10.92%	11.54%	11.88%	12.61%	11.88%
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)	4,101,227	3,887,114	3,554,168	3,204,213	2,931,403
EU 16a	Cash outflows - Total weighted value	1,882,906	1,962,904	1,862,755	1,637,266	1,537,256
EU 16b	Cash inflows - Total weighted value	401,898	342,502	414,674	351,101	355,396
16	Total net cash outflows (adjusted value)	1,481,008	1,620,402	1,448,081	1,286,165	1,181,860
17	Liquidity coverage ratio (%)	276.92%	239.89%	245.44%	249.13%	248.03%
Net Stable Funding Ratio						
18	Total available stable funding	11,521,118	11,286,396	10,914,291	10,537,178	10,245,479
19	Total required stable funding	7,798,631	7,682,703	7,531,597	7,376,537	7,296,193
20	NSFR ratio (%)	147.73%	146.91%	144.91%	142.85%	140.42%

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)	Total unweighted value (average)				Total weighted value (average)			
		31.03.2023	31.12.2022	30.09.2022	30.06.2022	31.03.2023	31.12.2022	30.09.2022	30.06.2022
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)					4,004,872	3,699,271	3,454,413	3,123,309
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	9,089,162	8,854,078	8,597,034	8,461,245	796,023	772,774	722,905	714,472
3	Stable deposits	8,746,917	8,534,273	8,347,010	8,233,429	692,055	676,945	665,356	659,910
4	Less stable deposits	342,245	319,805	250,024	227,816	103,968	95,829	57,549	54,562
5	Unsecured wholesale funding	2,388,635	2,336,952	2,205,507	1,797,050	1,059,464	1,072,548	1,007,090	819,274
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)	2,388,635	2,336,952	2,205,507	1,797,050	1,059,464	1,072,548	1,007,090	819,274
8	Unsecured debt	0	0	0	0	0	0	0	0
9	Secured wholesale funding					0	0	0	0
10	Additional requirements	1,037,432	1,013,470	846,643	727,726	86,091	83,591	67,120	55,703
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	1,037,432	1,013,470	846,643	727,726	86,091	83,591	67,120	55,703
14	Other contractual funding obligations	0	0	0	0	0	0	0	0

BGN Thousands	Quarter ending on (DD Month YYYY)	Total unweighted value (average)				Total weighted value (average)			
		31.03.2023	31.12.2022	30.09.2022	30.06.2022	31.03.2023	31.12.2022	30.09.2022	30.06.2022
15	Other contingent funding obligations	0	0	120,187	167,711	0	0	6 009	8 386
16	TOTAL CASH OUTFLOWS					1,941,578	1,928,913	1,803,124	1,597,835
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	3,704	3,753	3,751	4,606	3,704	3,753	3,751	4,606
18	Inflows from fully performing exposures	406,394	453,129	440,571	359,937	383,248	430,008	419,556	345,347
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	410,098	456,882	444,322	364,543	386,952	433,761	423,307	349,953
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	410,098	456,882	444,322	364,543	386,952	433,761	423,307	349,953
TOTAL ADJUSTED VALUE									
EU-21	LIQUIDITY BUFFER					4,004,872	3,699,271	3,454,413	3,123,309
22	TOTAL NET CASH OUTFLOWS					1,554,626	1,495,152	1,379,817	1,247,882
23	LIQUIDITY COVERAGE RATIO					257.61%	247.42%	250.35%	250.29%

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%-277%. There was increase on average with 10% compared to the previous quarter, due to increase in liquidity buffer.
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 31.03.2023, the Bank had no outflows related to derivative exposures.
f	Currency mismatch in the LCR	As at 31.03.2023, 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 no 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
		31.03.2023	31.12.2022	31.03.2023
1	Credit risk (excluding CCR)	7,106,028	6,978,820	568,482
2	Of which the standardised approach	7,106,028	6,978,820	568,482
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)	4,150	4,350	332
21	Of which the standardised approach	4,150	4,350	332
22	Of which IMA			
EU 22a	Large exposures			
23	Operational risk	620,475	568,750	49,638
EU 23a	Of which basic indicator approach			

BGN Thousands		Total risk exposure amounts (TREA)		Total own funds requirements
		31.03.2023	31.12.2022	31.03.2023
EU 23b	Of which standardised approach	620,475	568,750	49,638
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	7,730,653	7,551,920	618,452

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.