

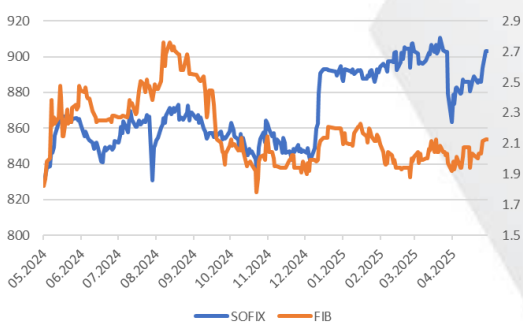
First Investment Bank AD

Share Information

Price (BGN)	4.20
Price (EUR)	2.15
52-week price change	16.85%
52-week EUR price range	1.78 – 2.76
NAV Price (EUR)	5.67
Market Cap (BGN)	620,192,768
Market Cap (EUR)	317,099,527
Shares outstanding	149,084,800
Free Float	11.06%
P/E (ttm)(ind)	3.99
P/S (ttm)(ind)	0.99
P/BV (ind)	0.37
Net Interest Margin (31/03/2025)	4.94
ROA	0.95%
ROE	9.10%

Source: SIS Calculations and Market Data
BGN is pegged to EUR at 1.95583 BGN

52 week price (EUR)



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Q1 2025 Individual Results

- Fibank's Q1 2025 unconsolidated net profit increased nearly 139% YoY to EUR 22.8m. This happened after 9.8% YoY growth in Net Interest Income to EUR 56.6m and the 8.3% increase in the Net fee and commission income to EUR 20.7m. The major change in Other net operating income (by nearly EUR 13m) helped massively for the end result.

- The decrease in the main account in Other net operating income by EUR 15.3m (a loss in debt instrument, which are no longer there) are the after effect from the problem with SG Group described in previous reports. Additionally, the movement in Investments in Securities in the Balance Sheet seems to be from the restructuring of the asset portfolio – the bank has bought nearly EUR 12m BGN denominated and EUR 4.7m EUR denominated Bulgarian government bonds. Considering the higher rates, which the Ministry of Finance placed them on, this might be a great step for the short to mid term.

- Total operating income increased by 31% YoY to EUR 78.6m. The business generally grew steady (both interest and fees), but since Net Interest income and Net fee and commissions income grew by less than 10%, the real reason why operating income grew so much is that the saga from the SG Group funding fallout is behind.

- The gross sum of overdue loans with delay of over 90 days was EUR 236m, which was a 4.5% decline from its Q1 2024 level of 247mln.

- Gross loans portfolio added 3.9% to EUR 4.2bn. The greatest contributor was consumer loans, which grew 9% to represent 17.2% of the portfolio. Additionally, corporate banking was also helpful as both large corporates (2.6% growth) and SMEs (2.8% growth) were able to add the same amount at Consumer loans. However, considering corporate loans are more strategic from borrowers' perspective (compared to consumer loans), we see a decline in the rise of those (previous quarterly review showed nearly double digit growth, while earlier in 2024 recorded growths were 10.5% (large corps) and 16.3% (SMEs). Global rising interest rates have a clear impact on the size of the portfolio.

- The loan portfolio as per the business line:

Receivables from clients (EUR '000)	Q1 2025	Share	Q1 2024	Share	Change
Large enterprises	1 408 246	33.5%	1 372 780	33.9%	2.6%
SMEs	1 104 133	26.3%	1 074 248	26.5%	2.8%
Microcrediting	120 862	2.9%	118 962	2.9%	1.6%
Retail					
Consumer loans	725 126	17.2%	665 328	16.4%	9.0%
Mortgages	783 801	18.6%	754 474	18.6%	3.9%
Credit cards	63 196	1.5%	62 238	1.5%	1.5%
Other	0	0.0%	0	0.0%	0.0%
Total	4 205 364		4 048 031		3.9%

Q1 2025, EUR '000	Assets	share	Deposits	share	Loans	share	EBIT	Net income from interest and fees
United Bulgarian Bank	19 637 970	19.4%	17 230 319	20.2%	12 926 155	19.6%	59 102	141 999
DSK Bank	19 088 626	18.9%	16 194 884	19.0%	13 732 361	20.9%	158 283	211 161
Unicredit Bulbank	18 501 413	18.3%	14 710 676	17.2%	12 542 841	19.1%	108 794	138 278
Eurobank Bulgaria	12 072 011	12.0%	10 430 919	12.2%	8 613 953	13.1%	64 681	119 507
Fibank	8 125 986	8.0%	6 659 306	7.8%	4 760 336	7.2%	28 313	77 300
Central Cooperative Bank	4 738 519	4.7%	4 237 493	5.0%	1 940 356	2.9%	17 130	33 885
ProCredit Bank	2 368 811	2.3%	2 119 514	2.5%	1 826 369	2.8%	12 365	22 266
Allianz Bulgaria	2 359 875	2.3%	2 031 629	2.4%	1 485 083	2.3%	8 554	15 402
TBI Bank	1 865 040	1.8%	1 390 163	1.6%	1 397 473	2.1%	17 162	69 515
Investbank	1 852 677	1.8%	1 607 355	1.9%	1 083 632	1.6%	6 220	14 892

in EUR '000	Q1 2025	Δ	Q1 2024	2024	Δ	2023	Δ	2022	Δ	2021
Interest income	65 516	13.2%	57 895	246 380	19.1%	206 925	30.2%	158 902	0.7%	157 762
Interest expense	(8 954)	40.4%	(6 380)	(27 999)	57.3%	(17 798)	-13.1%	(20 475)	-11.8%	(23 219)
Net interest income	56 562	9.8%	51 515	218 380	15.5%	189 128	36.6%	138 427	2.9%	134 543
Fee and commission income	28 252	12.8%	25 044	108 082	9.8%	98 477	11.3%	88 448	21.0%	73 122
Fee and commission expense	(7 515)	27.4%	(5 899)	(24 043)	14.5%	(20 992)	22.6%	(17 115)	38.6%	(12 348)
Net fee and commission income	20 737	8.3%	19 145	84 039	8.5%	77 486	8.6%	71 333	17.4%	60 775
Net trading income	2 606	-24.5%	3 452	13 446	12.9%	11 911	18.1%	10 081	28.2%	7 864
Other net operating income	(1 243)	-91.3%	(14 211)	(27 788)	99.9%	(13 903)	-291.6%	7 258	24.9%	5 812
TOTAL INCOME FROM BANKING OPERATIONS	78 662	31.3%	59 901	288 077	8.9%	264 621	16.5%	227 099	8.7%	208 994
Administrative expenses	(29 898)	4.4%	(28 634)	(117 522)	9.1%	(107 712)	2.7%	(104 873)	14.3%	(91 747)
Other expenses, net	(2 841)	93.5%	(1 468)	(52)	-99.5%	(9 664)	45.8%	(6 626)	-372.6%	2 431
Profit before impairment	45 923	54.1%	29 799	170 504	15.8%	147 244	27.4%	115 600	-3.4%	119 678
Allowance for impairment	(20 096)	5.8%	(18 999)	(99 212)	41.5%	(70 133)	1.3%	(69 203)	10.5%	(62 630)
PROFIT BEFORE TAX	25 827	139.1%	10 800	71 292	-7.5%	77 112	66.2%	46 397	-18.7%	57 048
Income tax expense	(2 964)	141.9%	(1 226)	(7 699)	-4.6%	(8 066)	65.4%	(4 878)	-17.0%	(5 876)
NET PROFIT	22 863	138.8%	9 574	63 593	-7.9%	69 045	66.3%	41 519	-18.9%	51 172

in EUR '000	Q1 2025	Δ	2024	Δ	2023	Δ	2022	Δ	2021
Assets									
Cash and balances with Central Banks	1 092 560	-8.1%	1 363 613	14.7%	1 189 166	21.7%	977 268	2.3%	955 529
Investments in securities	1 589 029	20.3%	1 573 044	19.1%	1 321 152	-0.5%	1 328 406	75.2%	758 092
Loans and advances to banks and other financial institutions	379 434	185.7%	216 693	63.2%	132 792	-2.0%	135 484	203.1%	44 693
Loans and advances to customers	4 205 364	14.9%	4 048 031	10.6%	3 659 985	12.1%	3 264 364	1.1%	3 229 105
Property and equipment	151 935	198.6%	153 060	200.8%	50 882	1.3%	50 229	29.5%	38 797
Intangible assets	12 643	7.5%	12 167	3.4%	11 763	54.2%	7 631	7.9%	7 072
Derivatives held for risk management	489	-45.8%	1 544	71.1%	902	9.7%	823	54.4%	533
Repossessed assets	186 099	-9.8%	185 619	-10.0%	206 318	-2.3%	211 162	-8.4%	230 586
Investment Property	392 480	1.4%	391 768	1.3%	386 929	0.9%	383 635	2.4%	374 700
Investments in subsidiaries	17 680	0.0%	17 680	0.0%	17 680	-10.2%	19 698	-16.0%	23 454
Rights of use assets	32 220	-48.1%	32 894	-47.0%	62 076	-2.2%	63 481	59.7%	39 740
Other assets	66 053	7.5%	61 802	0.6%	61 446	5.2%	58 413	-1.6%	59 379
TOTAL ASSETS	8 125 986	14.4%	8 057 915	0	7 101 092	9.2%	6 500 595	12.8%	5 761 682
LIABILITIES AND CAPITAL									
Due to banks	6 533	-76.5%	26 848	-3.3%	27 776	18.9%	23 368	53.0%	15 277
Due to other customers	6 652 772	13.2%	6 653 163	13.2%	5 876 873	6.4%	5 521 160	14.6%	4 819 054
Liabilities evidenced by paper	424 746	89.0%	369 349	64.3%	224 781	277.4%	59 559	9.6%	54 335
Financial liabilities at fair value through profit or loss	88	-94.6%	479	-70.4%	1 618	-62.7%	4 340	292.2%	1 106
Hybrid debt	135 516	2.8%	132 378	0.4%	131 847	0.4%	131 331	-19.9%	163 988
Derivatives held for risk management	-	-	-	-	-	-	-	-100.0%	1 107
Deferred tax liabilities	14 777	4.7%	14 731	4.4%	14 114	-0.8%	14 226	4.6%	13 604
Current tax liabilities	3 762	262.8%	1 053	1.6%	1 037	409.5%	203	-70.1%	681
Lease liabilities	32 276	-48.0%	32 942	-47.0%	62 123	-2.2%	63 523	59.7%	39 771
Other liabilities	10 652	36.1%	6 177	-21.1%	7 826	106.9%	3 783	-5.3%	3 997
TOTAL LIABILITIES	7 281 123	14.7%	6 347 997	9.0%	5 821 492	13.9%	5 112 922		
Owners Equity									
Issued share capital	76 226	0.0%	76 226	0.0%	76 226	0.0%	76 226	0.0%	76 226
Share premium	127 832	0.0%	127 832	0.0%	127 832	0.0%	127 832	0.0%	127 832
Statutory reserve	20 381	0.0%	20 381	0.0%	20 381	0.0%	20 381	0.0%	20 381
Revaluation reserve of investments in securities	-	99	-96.6%	1 224	-142.4%	-	2 883	-63.2%	-
Revaluation reserve on property	2 301	0.0%	2 301	0.0%	2 301	0.0%	2 301	0.0%	2 301
Other reserves and retained earnings	618 223	16.8%	592 833	12.0%	529 239	15.0%	460 194	9.9%	418 674
TOTAL SHAREHOLDERS' EQUITY	844 863	12.2%	820 795	20.9%	753 095	10.9%	679 102	4.7%	648 760
TOTAL LIABILITIES AND GROUP EQUITY	8 125 986	14.4%	8 057 915	24.0%	7 101 092	9.2%	6 500 595	12.8%	5 761 682

Valuation

Multiples approach:

Deals, which took place in recent years in Bulgaria were considered for the data:

Acquisition	Year	Price / Equity	Price / Assets	Price / (Net Interest & Fee Income)
Eurobank EFG acquires Piraeus Bank	2018	0.39	0.05	1.76
OTP Group acquires Societe Generale Expressbank	2018	1.49	0.18	5.32
KBC Group acquires UBB	2018	1.22	0.16	3.82
KBC Group acquires Raiffeisen Bulgaria	2022	2.05	0.20	6.47
Average		1.29	0.15	4.34

Source: Bulgarian National Bank, Eurobank EFG, UBB, Raiffeisen Bulgaria financials, official event statements and regulatory filings

The ratios were calculated using data from the previous year of the deals as indicative of the available information at the time of the negotiations.

Fibank value ('000) using Price / Equity ratio	EUR	1 087 572
Fibank value ('000) using Price / Assets ratio	EUR	1 215 531
Fibank value ('000) using Price / (Net Interest & Fee Income) ratio (TTM)	EUR	1 342 279
Fibank unadjusted fair value ('000), "lowest of" rule	EUR	1 087 572

The above value is 29% above current NAV.

Market based approach:

Share price (02/08/2024):	EUR 2.15
Shares outstanding:	149,084,800
Market cap (Valuation, '000):	EUR 320,149

The analysis suggests a substantial hidden fair value reserve over the current market cap valuation.

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