

# The German impact bank for South Eastern & Eastern Europe

March 2025



**ProCredit**  
H O L D I N G

# Impact-oriented business practices embedded into our DNA

“ **Responsible banking in transition economies allows to combine comprehensive positive impact with attractive and sustainable returns for investors** ”



**~200k**  
jobs supported  
by our MSME  
clients<sup>(1)</sup>

**62%**  
of our business  
loans for  
capital formation  
of clients



**~20%**  
green loans for  
renewable energy &  
energy efficiency

**Net-zero**  
SBTI<sup>(2)</sup>  
commitment to  
net-zero



**Extensive  
training**  
part of holistic staff  
training

**~20%**  
of our loan clients  
are woman-owned  
MSMEs

# The German impact bank for SEE and EE



**ProCredit**  
HOLDING

- ▶ Frankfurt listed
- ▶ BaFin / Bundesbank regulated

*Bank  
Holding*



**ProCredit Bank**

- ▶ 12 self-sufficient green-field banks
- ▶ All 100% owned with high strategic alignment
- ▶ > 20 years experience in every market

*100%  
owned  
subsidiary*



- ▶ Strategic partners on debt and equity side
- ▶ Strong impact orientation with similar goals and alignment on SME lending, green transition and women empowerment

## Strong positioning for increased scale ✓

**11**  
SEE/EE countries  
of operation<sup>(1)</sup>

**>280k**  
clients

**~€11bn**  
balance sheet

## Simple asset and liability structure ✓

**€7.0bn**  
loan portfolio

**~20%**  
share of  
green loans

**€8.3bn**  
deposits

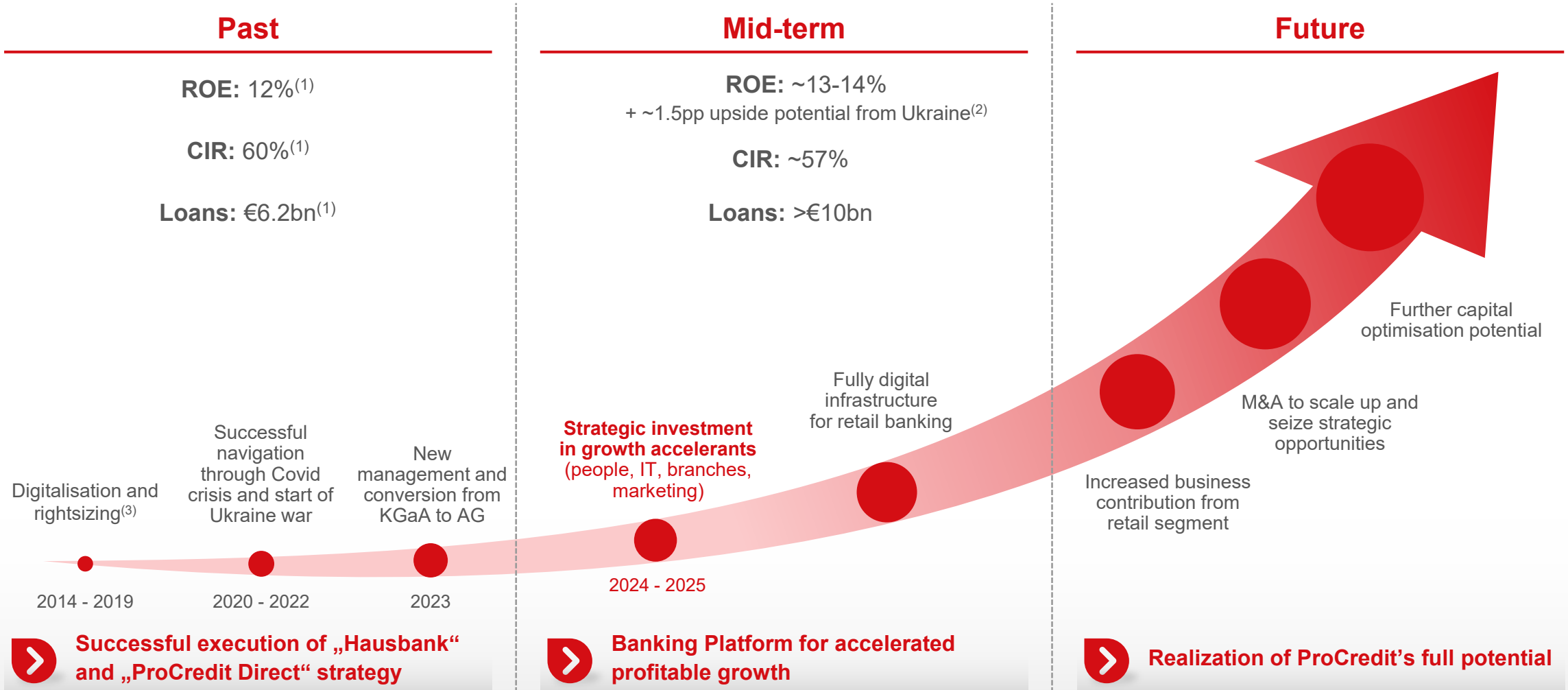
## Good profitability and capitalisation, attractive payout ✓

**10.2%**  
RoE in FY-24

**13.1%**  
CET1 ratio  
(fully loaded)

**33%**  
dividend payout  
ratio policy

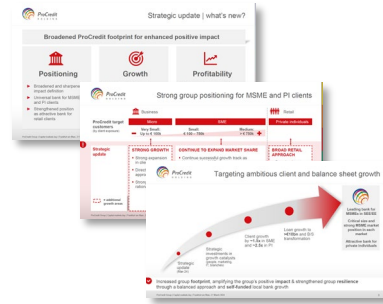
# Management focused to transform ProCredit into thriving banking group



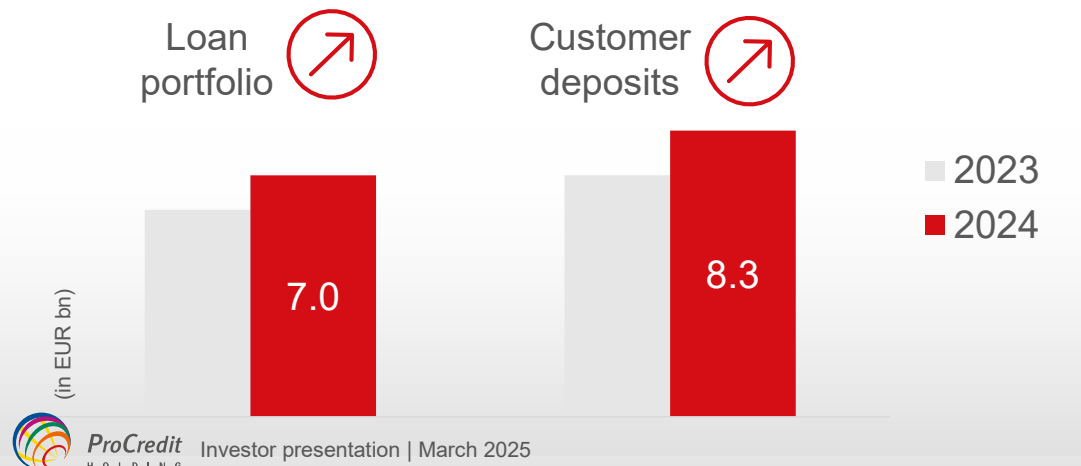
# Delivering on strategic priorities laid out at Capital Markets Day

## 2024: significant step on our growth trajectory

➤ **New strategy** communicated at Capital Markets Day in Mar-24, positioning ProCredit as **Universal Bank for MSME and private clients**



➤ **Record business growth in 2024:** loan portfolio surpassing €7bn mark and customer deposits growing by >€1bn



## Balance sheet transformation underway

**12.6%**  
loan growth

With **smaller ProCredit banks contributing strongly**, growing on average by ~18%

**~65%**  
of loan growth

**Achieved in lower-volume segments**  
Small, Micro and Private clients

**14.3%**  
deposit growth

**Granular private client deposits** as main driver, growing by ~18%

**43%**  
of deposits

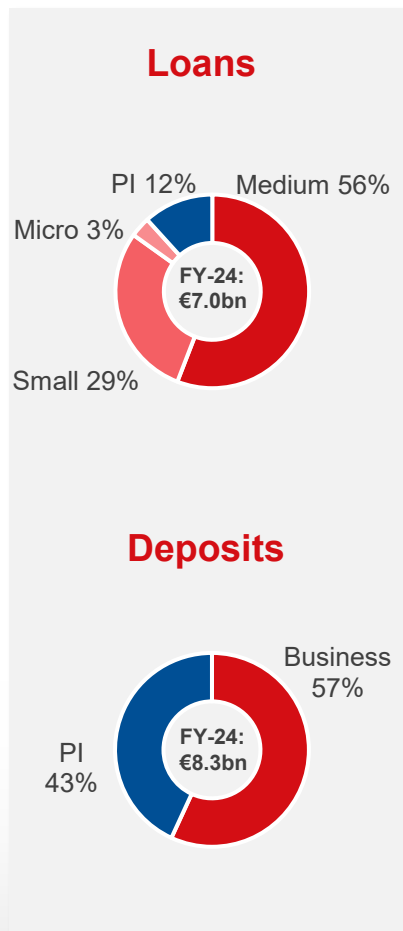
Are **from private clients**, ratio expected to increase to ~50% in the medium-term

# Investment highlights



- 1** | **Impact banking group regulated and listed in Germany**, with **diversified presence across 13 countries** servicing Micro-, Small- and Medium Enterprises and Private Clients
- 2** | **Focus on EU accession markets in Southern- and Eastern Europe** with attractive economic growth
- 3** | **Prudent lending practices** amid high diversification, careful client selection and strong risk management reflected in low through-the-cycle cost of risk
- 4** | **Attractive and sustainable financial profile** driven by organic growth, strong risk-adjusted earnings and scaling effects; group always profitable in > 20-year history
- 5** | **Simple balance sheet structure** reflecting plain, low-risk approach to banking
- 6** | **Proven track record** to execute strategies and deliver financial and non-financial goals

# 1 | Focus on MSME and Private Individuals as core clients



## Retail

### Private individuals

**Client (exposure)**

Standardised retail

**Service model**

*ProCredit Direct*

Digital Bank + contact centres

**Impact & business rationale**

Transparent pricing  
Avoid client over-indebtedness  
Granular deposit base

**Key products**

Account services  
Mortgages | Consumer loans

**# active clients, target multiplier<sup>(1)</sup>**

212k  
~2.5x client growth



## Business

### Micro

### SME

Very Small:  
(Up to € 100k)

Small:  
(€ 100 – 750k)

Medium:  
(> € 750k)



*Hausbank*

Digital Bank + contact centres

Business Client Advisor + digital channels

High quality services | Client formalisation | Green finance  
“MSMEs who invest, employ, train, and are open for innovation and ecological transformation”

Credit lines | Working capital loans | Investment loans | Overdrafts  
Business accounts | Documentary business | Trade finance

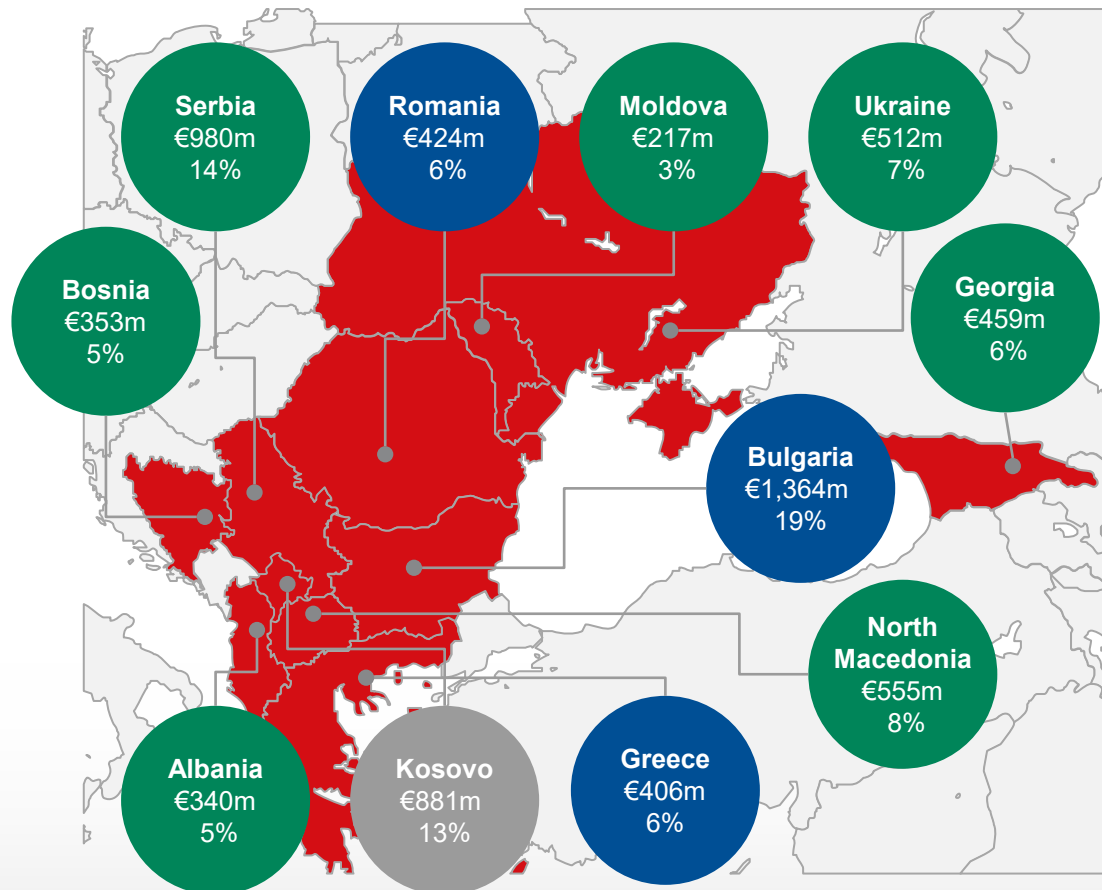
27k  
~2.0x client growth

48k  
~1.5x client growth

## 2 | Strong regional footprint in highly attractive markets

### Group focus on attractive SEE/EE region

- ▶ Countries with high GDP growth and low banking sector penetration
- ▶ High impact potential due to elevated industrial emission levels, significant informal sector, and inadequate banking services for MSMEs
- ▶ Attractive margins allowing for sustainable returns
- ▶ EU accession process major factor for positive region outlook



### Key macro factors

#### Growth outlook

Median real GDP growth '25-'29

3.6%

1.3%

ProCredit countries<sup>(1)</sup>

Euro area

#### Banking sector penetration

Loans / GDP '23

~1.4x

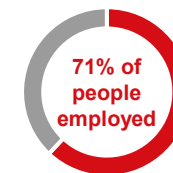
~0.5x

ProCredit countries<sup>(1)</sup>

Euro area

#### High importance of SMEs

in our countries of operation<sup>(2)</sup>





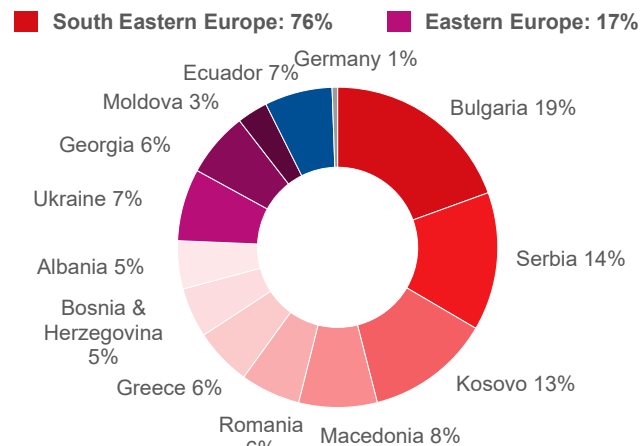
# 3 | Prudent lending practices

## Lending Strategy

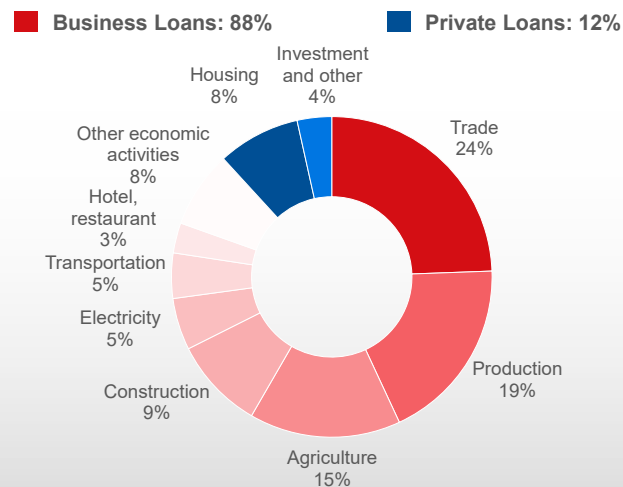
- ▶ Careful client selection and strong client relationships
- ▶ Well trained staff
- ▶ Effective credit risk assessment and monitoring
- ▶ Solid risk profile with low net write offs
- ▶ Loan portfolio quality consistently better than market

## Well-diversified loan book

### By geography (FY-24)



### By sector (FY-24)



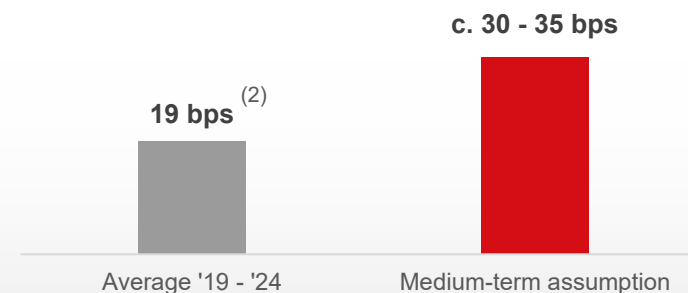
## Consistently low default rates

### Share of loan portfolio in Stage 3

**2.3%**  
group loans  
in Stage 3

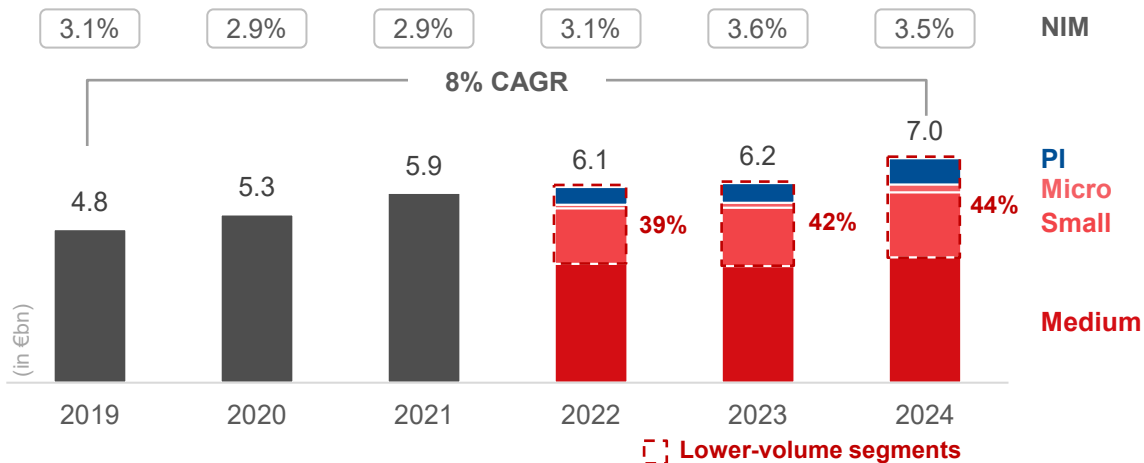
On par of average level of significant institutions in the European Union<sup>(1)</sup>

### Low through-the-cycle cost of risk



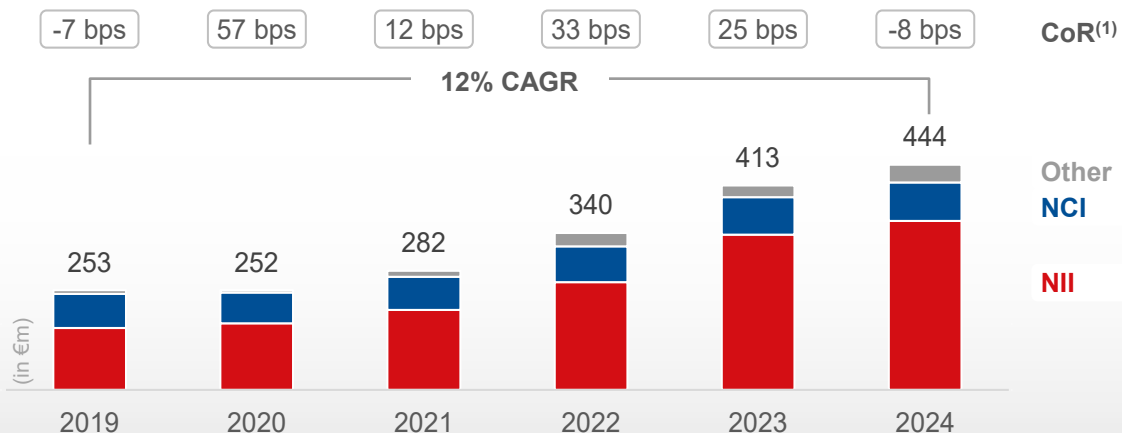
# 4 | Attractive and sustainable financial profile set for growth

## Loan book and net interest margin



- ▶ Track record of **high loan growth at attractive margins**
- ▶ **Average 8% annual growth over past 5 years, with acceleration to >12% in 2024** in line with group scaling strategy
- ▶ **Lower-volume segments** (Small, Micro, PI) now stand at 44% of loan book

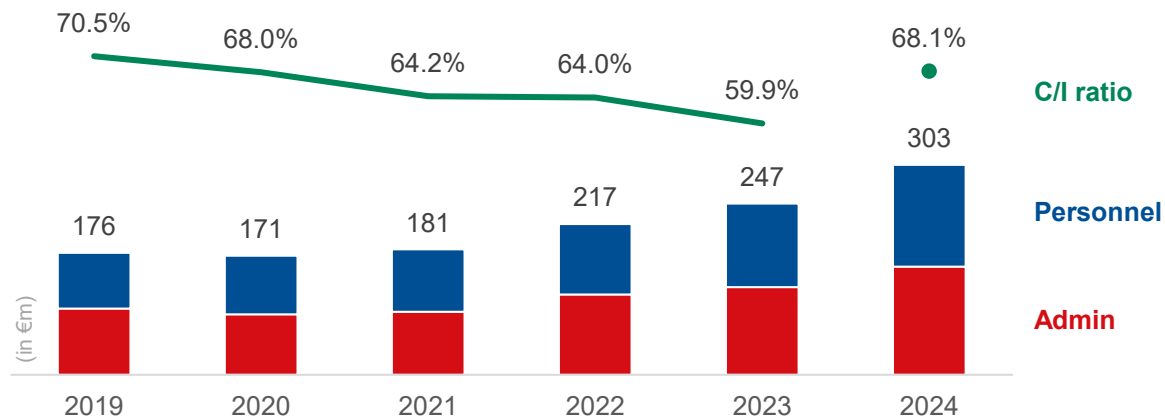
## Operating income and cost of risk



- ▶ **Strong operating income expansion at low risk costs**
- ▶ Driven by **positive volume and pricing effects**
- ▶ **Consistently low risk costs** as result of strong portfolio quality

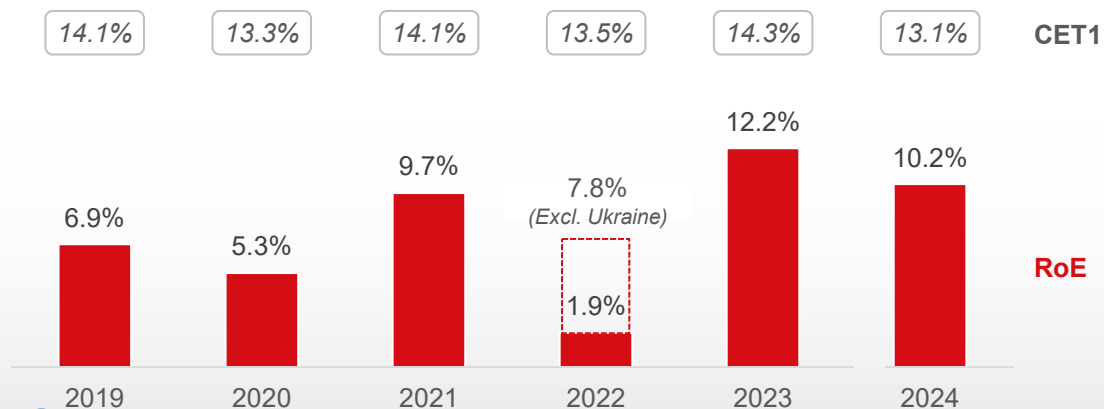
# 4 | Attractive and sustainable financial profile set for growth

## Operating expenses and C/I ratio



- ▶ **Efficiency well improved** until 2023 to ~60% C/I ratio
- ▶ **Strategic growth investments into staff, branches, IT and marketing** drive temporarily higher C/I ratio in 2024
- ▶ **Continued strict underlying cost discipline**

## RoE and CET1 ratio

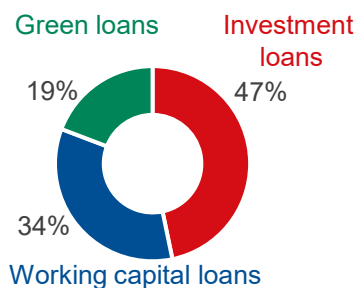
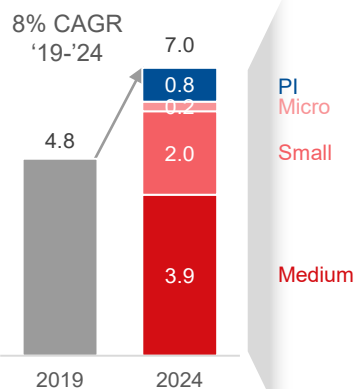


- ▶ **Enhanced structural profitability at solid capitalisation**
- ▶ **Good profitability in transition year 2024**
- ▶ **Regional segments SEE and EE** with strong RoE of 15.5% in 2024, underlining group potential

# 5 | Low-risk balance sheet with local deposit funding

## Assets

### Loans (in €bn)



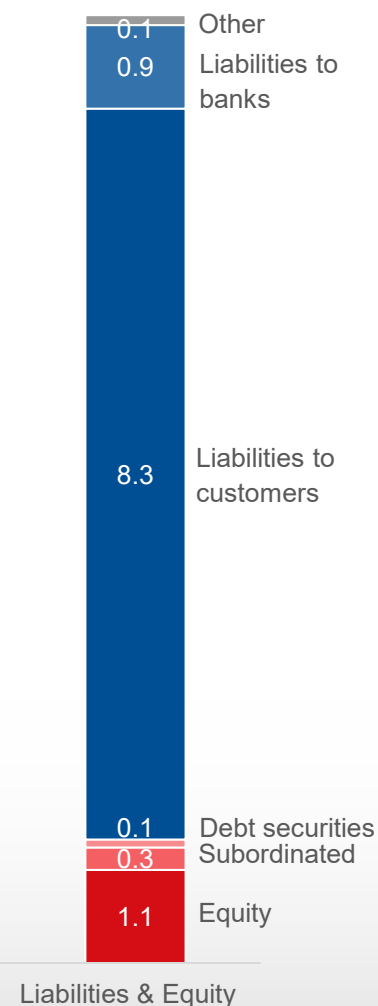
### Conservative investment strategy

- ▶ **Liquidity in domestic currency** predominantly invested into central bank paper or sovereign
- ▶ **No speculative trading**
- ▶ **Limited market risk**
- ▶ **Further optimisation** potential from **Asset Liability Management**

€10.8bn

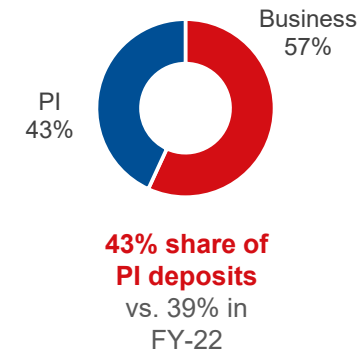
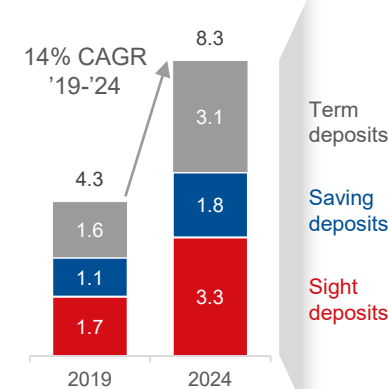


€10.8bn

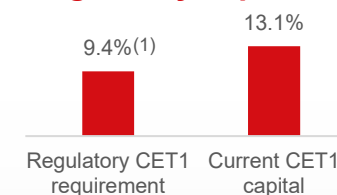


## Liabilities

### Deposits (in €bn)



### Regulatory capital



- ▶ **RWA efficiency measures** to improve density from 66% (FY-24) to **<60% medium-term**
- ▶ **All Tier 1 capital is CET1 capital; no AT1**

▶ ProCredit Holding with **limited interdependency** to back **subsidiaries**, which are **largely self-funded**

▶ **Fitch rating: BBB (stable)**

# 6 | Experienced Management focused to deliver on set financial goals

## Senior Management leading ProCredit Holding



**Hubert Spechtenhauser**

*CEO*  
Legal, Communications



**Christian Dagrosa**

*CFO*  
Finance, Funding, Investor Relations



**Christoph Beeck**

*CHRCO*  
HR, Compliance, Audit



**Eriola Bibolli**

*CCO*  
Retail, MSME, Sustainability, Economics



**Georgios Chatzis**

*CRO*  
Risk



**Dr. Gian Marco Felice**

*CTO*  
IT

## Local ProCredit banks



**Collective training** in own ProCredit Academy



Shared vision with ~4,700 employees working **purpose driven**



**Clear Group framework** with strict operating, business and risk guidelines

## Strong track record of delivering on RoE guidance

**FY 2017**



**FY 2018**



**FY 2019**



**FY 2020**



**FY 2021**



**FY 2022**

Limited guidance due to Ukraine war

**FY 2023**



**FY 2024**



# ProCredit's medium-term ambitions

## Medium-term guidance

### >€10bn loan portfolio

(based on significant growth in # of clients)

### Return on equity ~13-14%

(w/o ~1.5pp upside potential from Ukraine)

### Cost income ratio ~57%

(w/o one-off effects)

### Offer attractive dividends

(33% payout ratio in line with group dividend policy)

## Target operating model



Leading bank for **MSMEs** in our region



Attractive bank for **private clients** with superior customer experience



Increased **size and scale** for enhanced medium-term profitability



Strong **sustainability** commitment

*Note: Return on equity of ~13 – 14%, based on over the cycle risk costs of 30 – 35 basis points*



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## Appendix



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## Our approach to banking



# Attractive and highly relevant region - *particularly in context of EU accession*

*ProCredit active  
in 13 countries*

*Serving  
>280k clients*

*Responsible  
banking partner*

**South Eastern Europe**  
Albania, Bosnia,  
Bulgaria, Greece  
Kosovo, North  
Macedonia,  
Romania, Serbia

**Eastern Europe**  
Georgia, Moldova,  
Ukraine

**Other**  
Ecuador, Germany



**Economic transformation  
& impact potential**



**Attractive growth  
prospects**



**Increased geopolitical  
importance**

# We make a difference for our clients

**Economic  
development**

Trusted,  
long-term  
banking partner

MSMEs often  
underserved

**Responsibility**

Act responsibly  
towards clients,  
environment & societies

Promote savings  
culture & avoid  
over-indebtedness

**Transparency**

Transparent and  
fair banking  
products

Positive impact in  
markets with weak  
customer protection

**Environmental  
sustainability**

Comprehensive  
approach throughout  
organization

Support transition  
through green lending

# How we work with our clients

## ProCredit customer-centric approach:

rigorous client  
selection

+

high service quality

+

long-term  
relationships



## Prudent credit risk

Central role of Business  
Client Advisers

Responsible lending

Good portfolio quality

## Strict customer focus

Hausbank approach

Cater all main client demands

True understanding of clients'  
needs and risks

## Strong digital channels

Evolving client demands

Superior customer experience

Efficient internal operations

# A team with shared values

Our key strength is our ~4,700 people

Carefully selected,  
well-trained  
and loyal staff

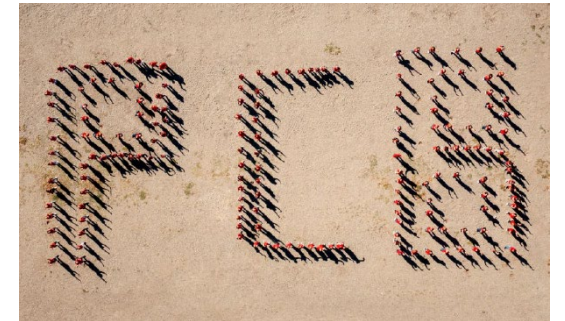
Develop staff  
capacities in own  
academies

Clear salary  
structures and  
career options

Share best  
practices and  
become  
one team

Professional  
development in banking  
and humanities

Strong commitment to the  
business and impact orientation  
of the group





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## FY 2024 results

# 2024: Strategy execution well underway



**Record loan growth**, particularly driven by lower-volume segments and ProCredit banks, as well as **highest ever deposit inflow** further increasing our business and impact footprint



Significant level of strategic investments in growth catalysts successfully undertaken; **in line with or ahead of plan in all areas** resulting in a temporarily higher C/I ratio



Good profitability in transition year 2024: **€104m net result or 10.2% RoE** based on income growth, strong loan portfolio quality and positive contribution from most banks



Solid capitalisation as basis for confirming 1/3 dividend payout and intention to **propose a dividend per share of EUR 0.59 for FY 2024 result** at AGM in June 2025

# FY 2024 results at a glance

In EUR m		Q4-23	Q4-24	FY-23	FY-24	Y-o-Y
Income statement	Net interest income	92.6	87.7	337.2	358.2	21.0
	Net fee and commission income	14.3	15.2	57.5	59.2	1.6
	Other operating income (net)	4.5	10.8	17.8	26.9	9.1
	Operating income	111.4	113.6	412.5	444.3	31.8
	Personnel expenses	32.9	40.4	120.6	146.8	26.1
	Administrative expenses	37.2	45.2	126.3	156.0	29.7
	Loss allowance	6.5	-9.3	15.5	-5.2	-20.7
	Tax expenses	15.4	17.7	36.6	42.4	5.7
	Profit after tax	19.4	19.5	113.4	104.3	-9.1
Key performance indicators	Change in customer loan portfolio	0.0%	3.3%	1.9%	12.6%	10.6 pp
	Cost-income ratio	62.9%	75.4%	59.9%	68.1%	8.3 pp
	Return on equity	7.9%	7.5%	12.2%	10.2%	-2.0 pp
	CET1 ratio (fully loaded)	14.3%	13.1%	14.3%	13.1%	-1.2 pp
Additional indicators	Net interest margin	3.8%	3.3%	3.6%	3.5%	-0.1 pp
	Net write-off ratio	0.5%	0.2%	0.5%	0.3%	-0.2 pp
	Credit impaired loans (Stage 3)	2.7%	2.3%	2.7%	2.3%	-0.4 pp
	Cost of risk	42 bps	-54 bps	25 bps	-8 bps	-33 bp
	Stage 3 loans coverage ratio	57.6%	49.9%	57.6%	49.9%	-7.8 pp
	Book value per share (EUR)	16.7	17.9	16.7	17.9	1.2
	Deposit-to-loan ratio	116.5%	118.3%	116.5%	118.3%	1.8 pp



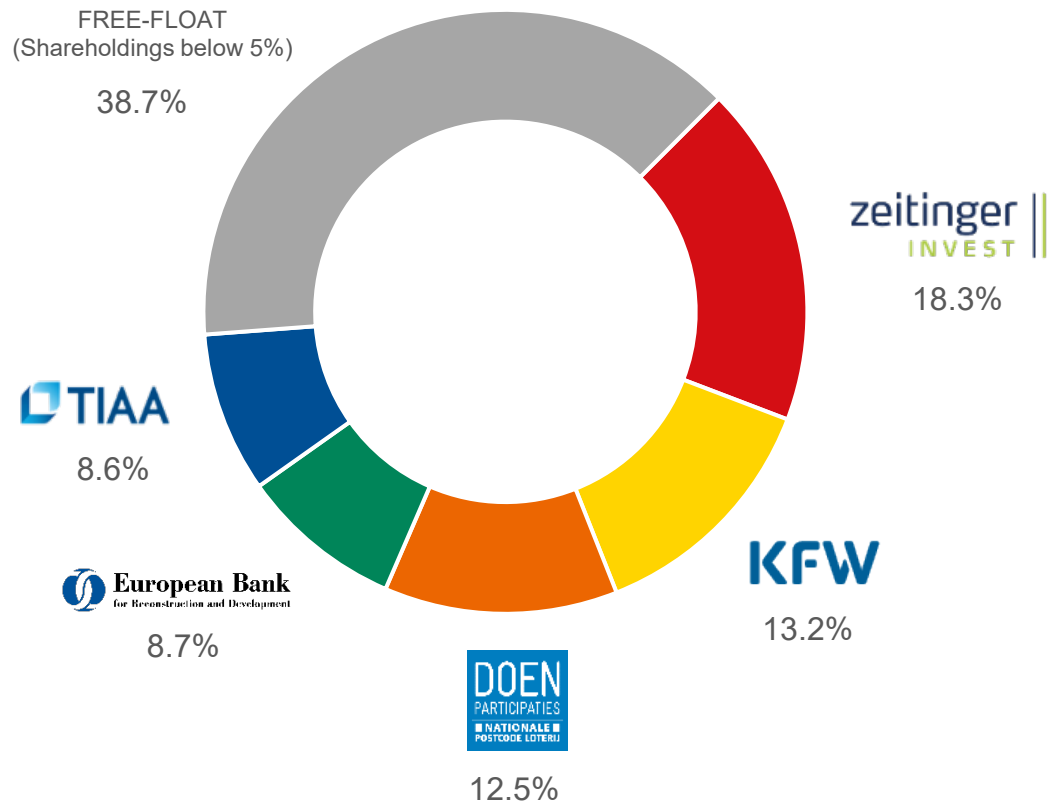
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## Shareholder structure



# ProCredit ownership

## Shareholder structure of ProCredit Holding AG



## Key information

Stock Exchange

Frankfurt Stock Exchange

Segment

Prime Standard

Trading symbol

PCZ

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