ProCredit
HOLDING

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Q3 2021 results

Frankfurt am Main, November 2021

Agenda

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Highlights Q3 2021

Q3-21 and 9M-21 financial result significantly improved

- **Net profit YTD of EUR 62.0m** (+86% vs. 9M-20 of EUR 33.4m)**,** corresponding to an annualised **RoE of 10.1%** (9M-20: 5.6%)
  - **Q3-21 RoE at 12.3%,** with strong cost-income ratio of 59.0% due to increase in net interest income and fee income
- **Cost-income ratio YTD improved to 62.4%**, supported by encouraging margin development
- **Guidance for FY 2021 RoE remains at 8.0 – 9.5%**, with upper-end corridor result likely
- **9M-21 results demonstrate strong progress towards mid-term guidance** of c. 10% RoE and <60% CIR

Continued strong business development on the back of robust loan portfolio quality

- **Customer loans growth of 2.6% (YTD 10.4%)**, underpinning strong ‘Hausbank’ positioning and expertise in green lending
- **Customer deposits growth of 5.0% (YTD 7.6%)**, with increase driven solely by low-margin sight- and FlexSave deposits
- **Cost of risk of 8bps YTD with** overall improved portfolio quality indicators

Prudent capitalisation comfortably above regulatory requirements

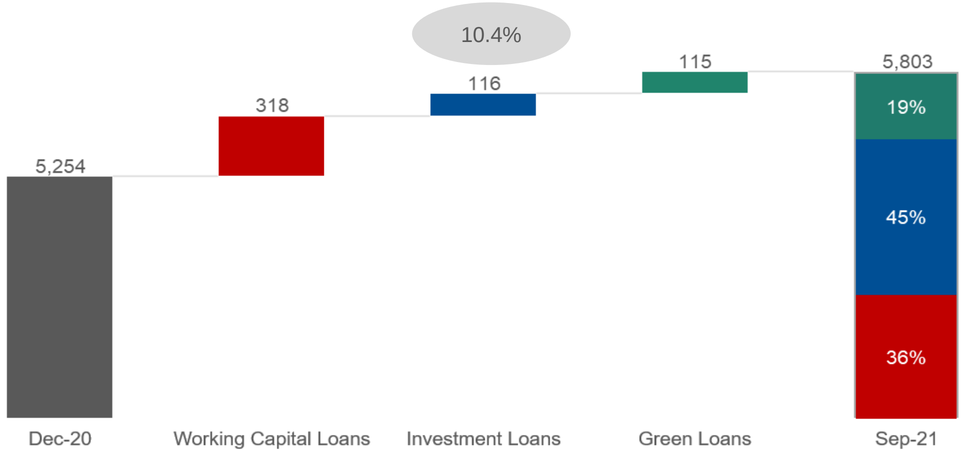
- **CET1 ratio at 13.8%** increased against Q4-20 and well above regulatory requirement of 8.2%; leverage ratio comfortable at 9.5%
- **Proposed dividend payment in Dec-21** of EUR 20.6m (35 ct per share) fully deducted from CET1 capital

Long-term, impact-oriented business model provides firm foundation for the future

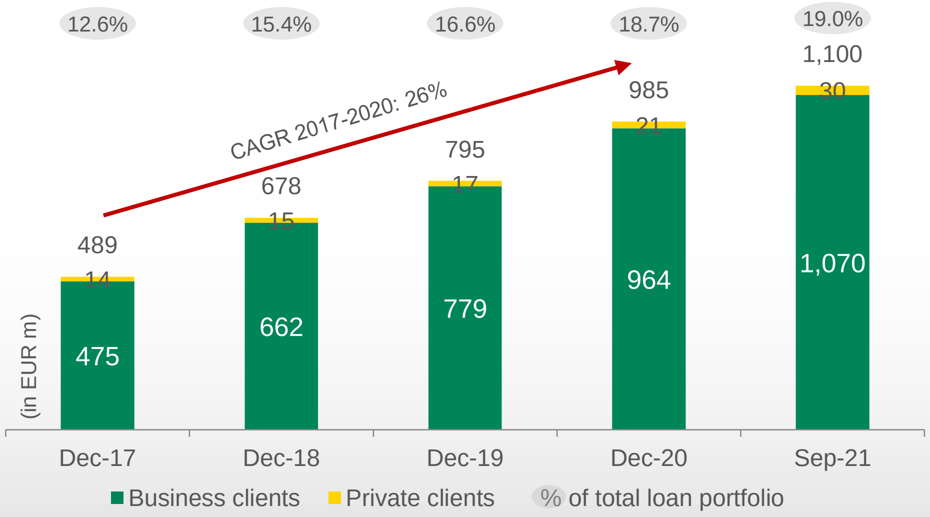
- **Capital Markets Day held in Oct-21** underlined unique strengths of ProCredit’s focused business model
- **Strong growth, good loan portfolio quality and robust financials through the economic cycle** reinforce business, impact and scaling potential of the group

Continued strong growth in customer loans

Loan portfolio growth YTD



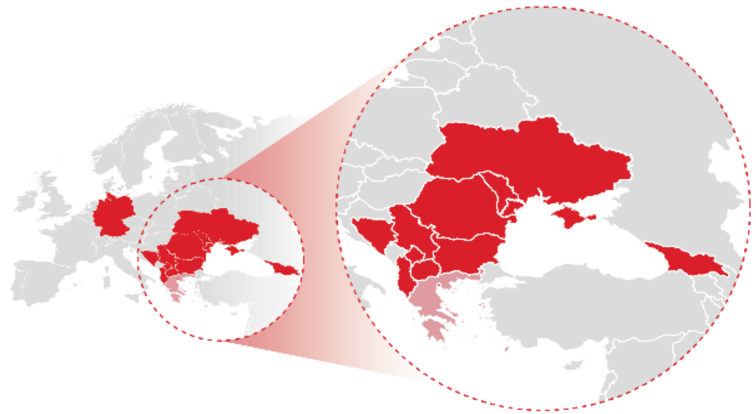
Green loan portfolio growth



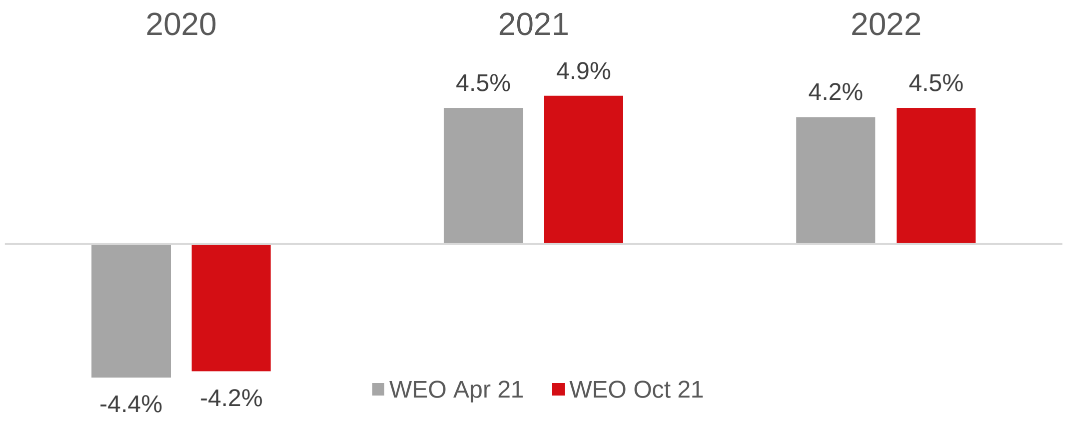
- Strong growth in customer loans YTD (EUR 549m/10.4%) and in Q3-21 (EUR 147m/2.6%)
  - Growth in all loan categories, with stronger demand for working capital loans in 9M-21 with maturities < 3 years
  - All ProCredit banks contributing to overall increase, with good growth rates across all geographies / regional segments
  - Appreciation of national currencies contributing approx. EUR 100 million YTD; FX-adjusted growth in customer loans of 8.5% YTD
- Green loan portfolio amounting to EUR 1.1bn and representing 19.0% of total loan portfolio
  - Very high portfolio quality; default rate of the green loan portfolio at 1.3% (1.3pp lower than for total loan portfolio)
  - Current medium-term target for green loans of 20% of total loan portfolio

Key recent developments and outlook for our countries of operations

Overview of regional presence in SEE/EE



Expected GDP development in SEE/EE(1)



Notes: (1) Median real GDP growth; includes PCH countries of operation in SEE/EE
Source: IMF World Economic Outlook Oct-21

COVID-19 pandemic and governmental response

- ► Steady progress of vaccination roll-out (share of people with at least one vaccine dose on average at 30%) helps curb the impact on the population of increasing infection rates
- ► Restrictive measures again on the rise amid higher infection rates in basically all countries of operation
- ► Clear signs of economic recovery in all countries
- ► ProCredit share of portfolio in moratorium at end Q3-21 at 0.3%

Macroeconomic environment

- ► Updated IMF World Economic Outlook indicates a very robust growth outlook in SEE/EE for 2021/2022 and beyond
- ► Inflation projected to increase in most ProCredit countries of operation
- ► Industrial Production Indices for most countries showing steady/ positive development

9M 2021 results versus increased guidance

	Guidance FY 2021	Actual 9M 2021
Growth of the loan portfolio	c. 10%	10.4%
Return on equity (RoE)	8.0 – 9.5% *upper-end corridor result likely*	10.1%
Cost-income ratio (CIR)	c. 65% *likely to not exceed 65%*	62.4%
CET1 ratio and leverage ratio	> 13% and c. 9%	13.8% and 9.5%
Dividend payout ratio	1/3 of profits	18 ct per share paid in Q2-21; 35 ct per share proposed for Dec-21

Medium-term:

In the medium term, assuming a stable political, economic and operating environment, we see potential for around 10% p.a. growth in the total loan portfolio, a cost-income ratio (CIR) of < 60%, and a return on equity (RoE) of about 10%

Risk factors to guidance include negative economic effects from slower improvement or deterioration in conditions related to the COVID-19 pandemic and recovery therefrom, major disruptions in the Eurozone, a significant change in foreign trade or monetary policy, a worsening of the interest rate margin, pronounced exchange rate fluctuations

9M 2021 results underline potential for higher levels of profitability going forward

Recapp of ProCredit Capital Markets Day 2021 (12 October 2021):

FY 2021	FY 2022 / 23	FY 2024 and later
Strong progress towards guidance:	**Consolidation of profitability level:**	**Upside potential:**

FY 2021

Strong progress towards guidance:

- Medium-term guidance close to being achieved
- Mainly driven by continued strong loan portfolio growth, attractive margins, efficient cost structure and continuously low risk cost
- Review of medium-term guidance until March 2022 – currently in progress

FY 2022 / 23

Consolidation of profitability level:

Further solidify at RoE level of approx. 10% through:

- Additional scaling effects
- Improving performance of weaker banks
- Finalizing key technology projects (e.g. centralization, digitalization of all non-financial transactions)
- Continued low cost of risk

FY 2024 and later

Upside potential:

- Future profitability depending e.g. on additional scale effects and inflationary trends in our markets of operation
- New medium-term guidance to be announced with publication of FY 2021 results in March 2022

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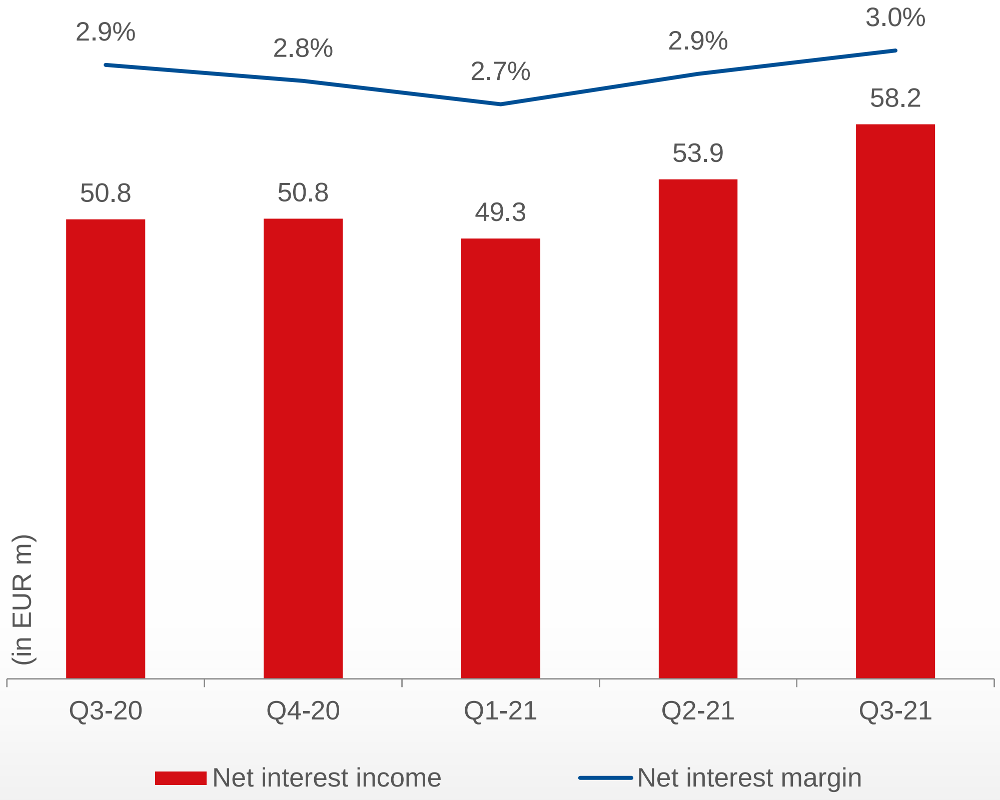
Q3 2021 results at a glance

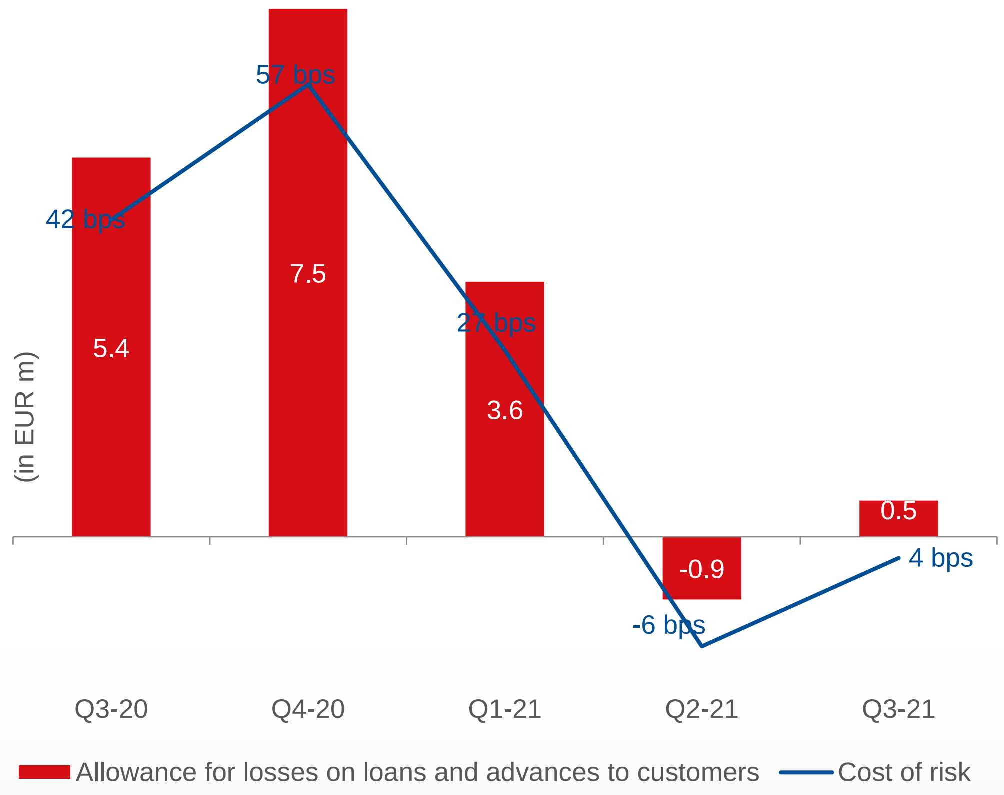
In EUR m		Q3-2020	Q3-2021	9M-2020	9M-2021	y-o-y
Income statement	Net interest income	50.8	58.2	150.7	161.4	10.7
	Net fee and commission income	12.1	13.0	34.7	37.1	2.4
	Other operating income (net)	0.6	4.0	2.6	6.1	3.4
	Operating income	63.5	75.2	188.1	204.5	16.5
	Personnel expenses	20.7	22.0	61.9	64.1	2.2
	Administrative expenses	21.6	22.4	63.2	63.6	0.4
	Loss allowance	5.4	0.5	21.1	3.2	-17.8
	Tax expenses	4.1	4.6	8.5	11.5	3.1
	Profit after tax	11.7	25.7	33.4	62.0	28.6
Key performance indicators	Change in customer loan portfolio	3.0%	2.6%	8.5%	10.4%	1.9pp
	Cost-income ratio	66.7%	59.0%	66.5%	62.4%	-4.1pp
	Return on equity	5.9%	12.3%	5.6%	10.1%	4.5pp
	CET1 ratio (fully loaded)	14.1%	13.8%	14.1%	13.8%	-0.3pp
Additional indicators	Net interest margin	2.9%	3.0%	2.9%	2.8%	-0.1pp
	Net write-off ratio	0.0%	0.1%	0.1%	0.1%	-0.1pp
	Credit impaired loans (Stage 3)	2.3%	2.6%	2.3%	2.6%	0.2pp
	Coverage impaired portfolio (Stage 3)	98.5%	87.3%	98.5%	87.3%	-11.2pp
	Book value per share	13.3	14.5	13.3	14.5	1.2

Net interest income



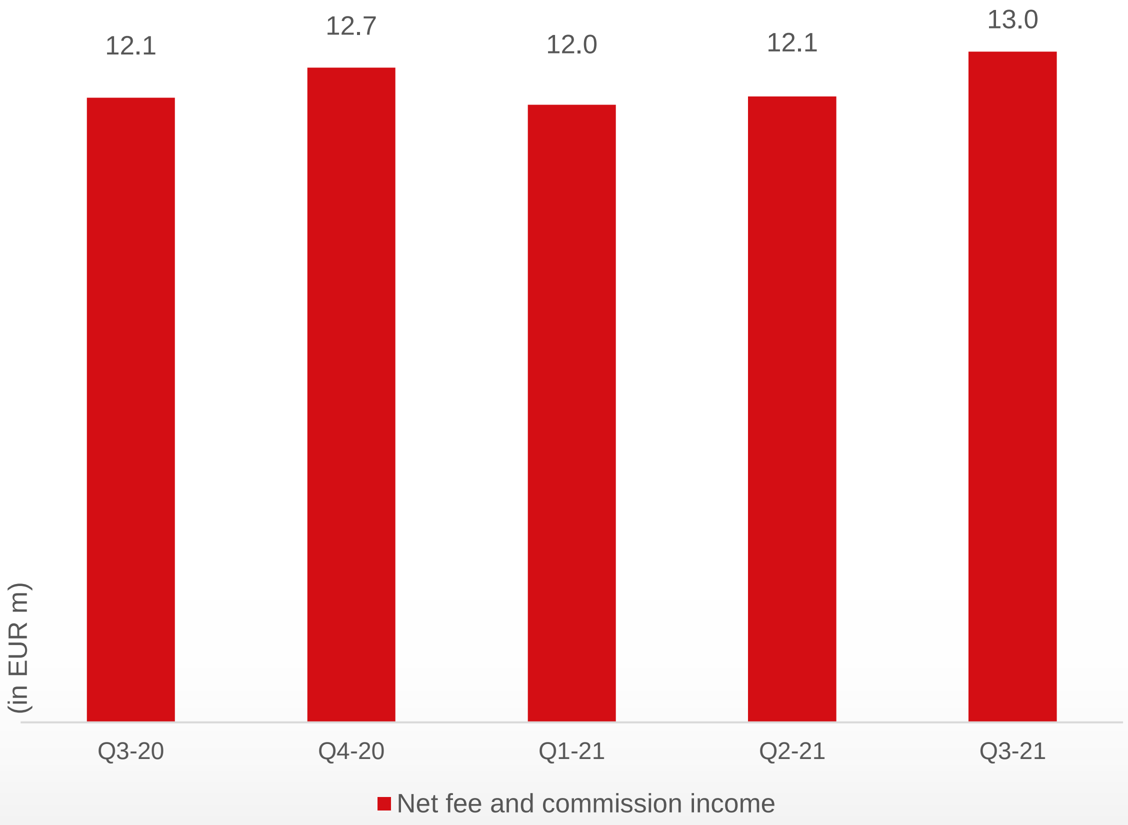
- Strong Q3-21 NII of EUR 58.2m (increased by EUR 4.3m or 8.0% vs. Q2-21 and EUR 8.9m or 18.0% vs. Q1-21)
- Net interest income with positive dynamic in 2021 as result of
  - Volume effects driven by strong portfolio growth (10.4% YTD)
  - Margin increase with positive development driven by all banks; Q3-21 NIM of 3.0% increased by 15bp vs. Q2-21 and by 34bp vs. Q1-21
  - Steadily increasing share of sight deposits supporting structurally lower funding costs
- 9M-21 NII increased by EUR 10.7m or 7.1% vs. previous year
  - Positive volume effects more than offset previous year base rate reductions

Provisioning expenses



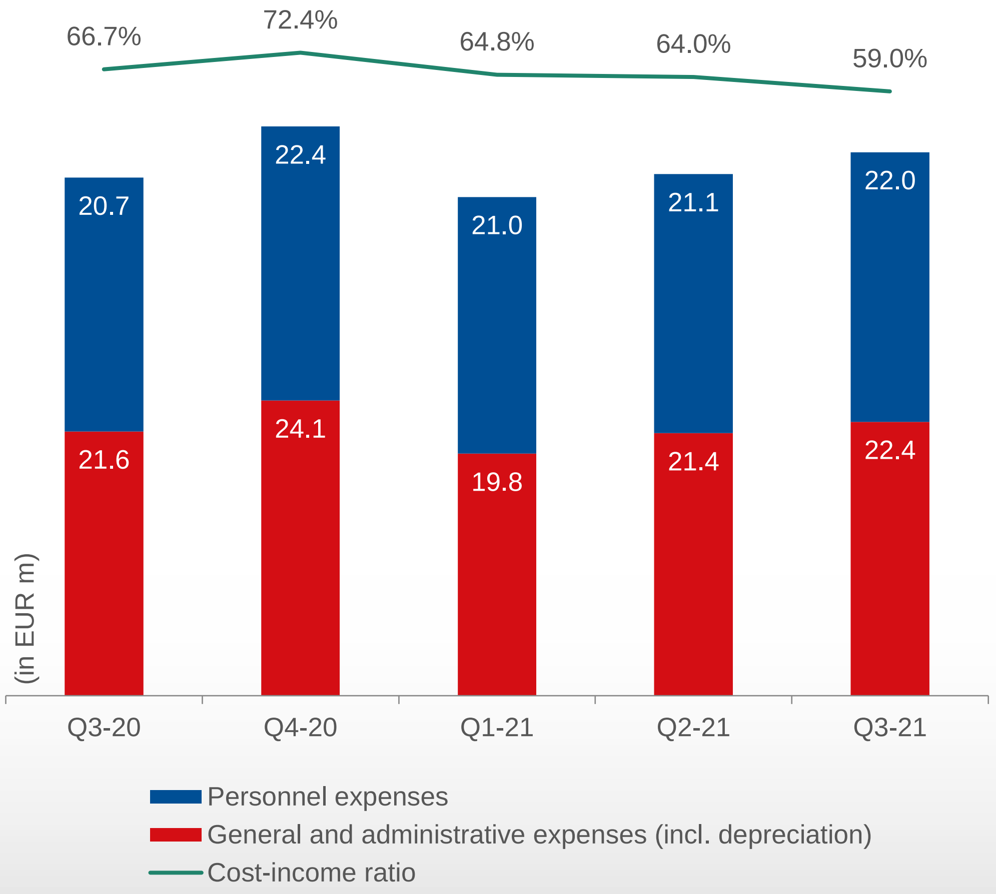
- Q3-21 loan loss provisioning expenses at EUR 0.5m, corresponding to 4bps cost of risk
  - New provisioning mainly as result of loan portfolio growth
  - Recoveries from written-off loans at good level of EUR 2.6m
- 9M-21 loan loss provisioning expenses of EUR 3.2m significantly below previous year; YTD cost of risk of 8 bps supported by good portfolio quality development
  - Share of credit impaired loans stable since beginning of the year; share of loans in Stage 2 reduced visibly (-80bp YTD)
  - Cost of risk not supported by model parameter effects, which prudentially have been held steady despite more positive macroeconomic outlook

Net fee and commission income



- Q3-21 net fee and commission income EUR 0.9m or 7.1% above previous quarter
  - Increased fee and commission income of EUR 1.5m driven primarily by continued increase in transactions, yielding higher income from money transfer and credit/debit card fees
  - Partly compensated by increased fee expenses by EUR 0.6m driven above all by higher payments for guarantee schemes such as InnovFin
- 9M-21 net fee and commission income increased by EUR 2.4m or 6.8% vs. 9M-21
  - Fee income up EUR 4.8m due to higher transaction income; EUR 2.5m increase in fee expenses in part driven by higher guarantee fees

Operating expenses

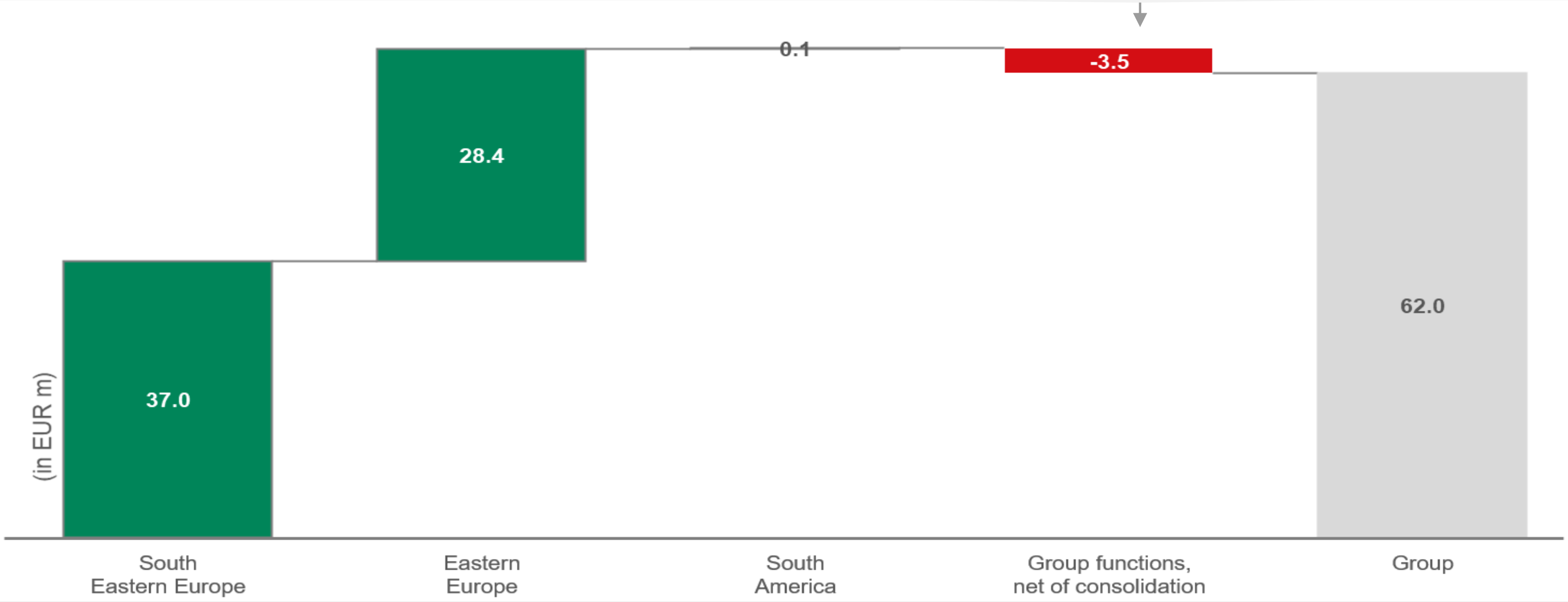


- Q3-21 cost-income ratio further reduced to low level of 59.0%
  - Significant increase in pre-provision income by EUR 8.6m or 13.1% vs. Q2-21 overcompensating slight increase in costs
  - Increased general and administrative expenses and higher personnel expenses after annual salary review in Jul-21
- 9M-21 cost-income ratio of 62.4% significantly improved YOY (-4pp)
  - Good increase in pre-provision operating income of EUR 16.5m or 8.8%
  - Personnel and administrative expenses up by 2.1% vs. 9M-20 driven above all by higher personnel expenses
  - Operating expenses still supported by relatively low travelling expenses (-EUR 2.6m with respect to pre-pandemic level 9M-19); return to pre-pandemic levels of travel expected within 2022
  - Class actions in Serbian banking sector now at halt after revised verdict of the Supreme Court: no further accrual of provisions since Jun-21

Contribution of segments to group net income

Group functions, e.g. risk management, reporting, capital management, IT, liquidity management, training and development

Includes ProCredit Holding, Quipu, ProCredit Academy Fürth, ProCredit Bank Germany (EUR 54m customer loan portfolio; EUR 240m customer deposits)



	South Eastern Europe	Eastern Europe	South America	Group functions, net of consolidation	Group
Customer loan portfolio (EUR m)	4,075	1,278	396		5,803
Change in customer loan portfolio	7.2%	18.4%	23.1%		10.4%
Cost-income ratio	62.4%	44.6%	95.1%		62.4%
Return on equity	8.6%	17.6%	0.4%		10.1%

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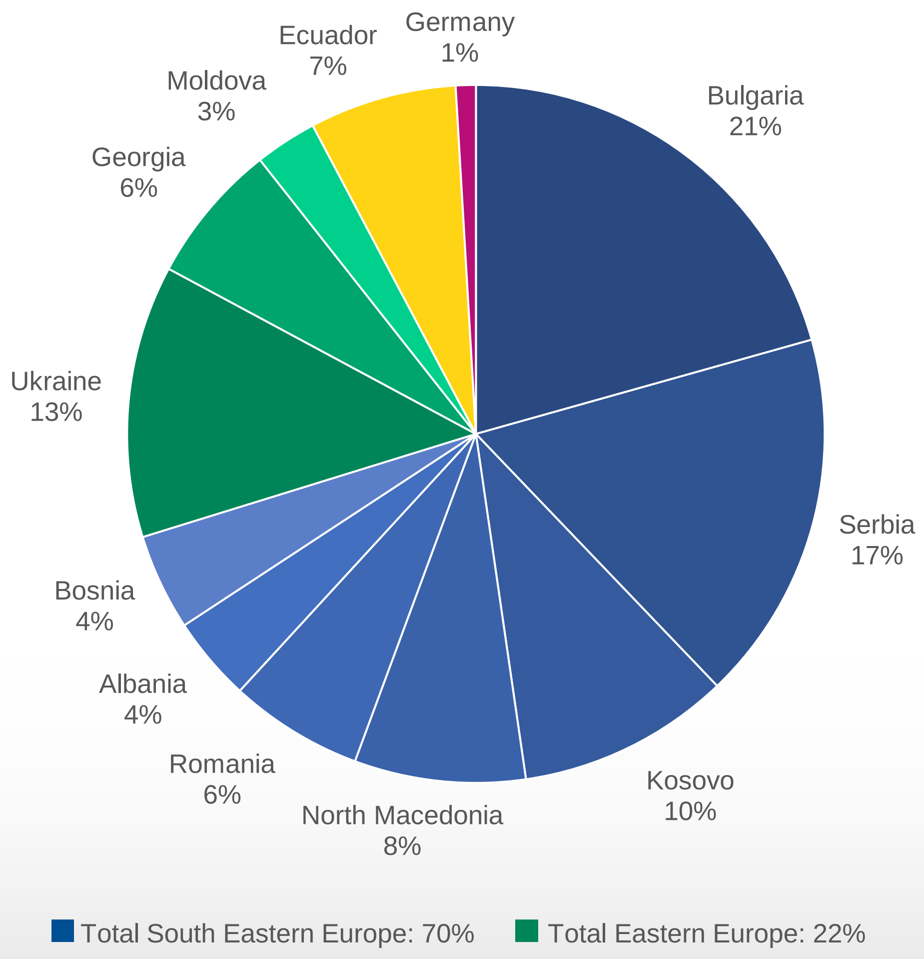
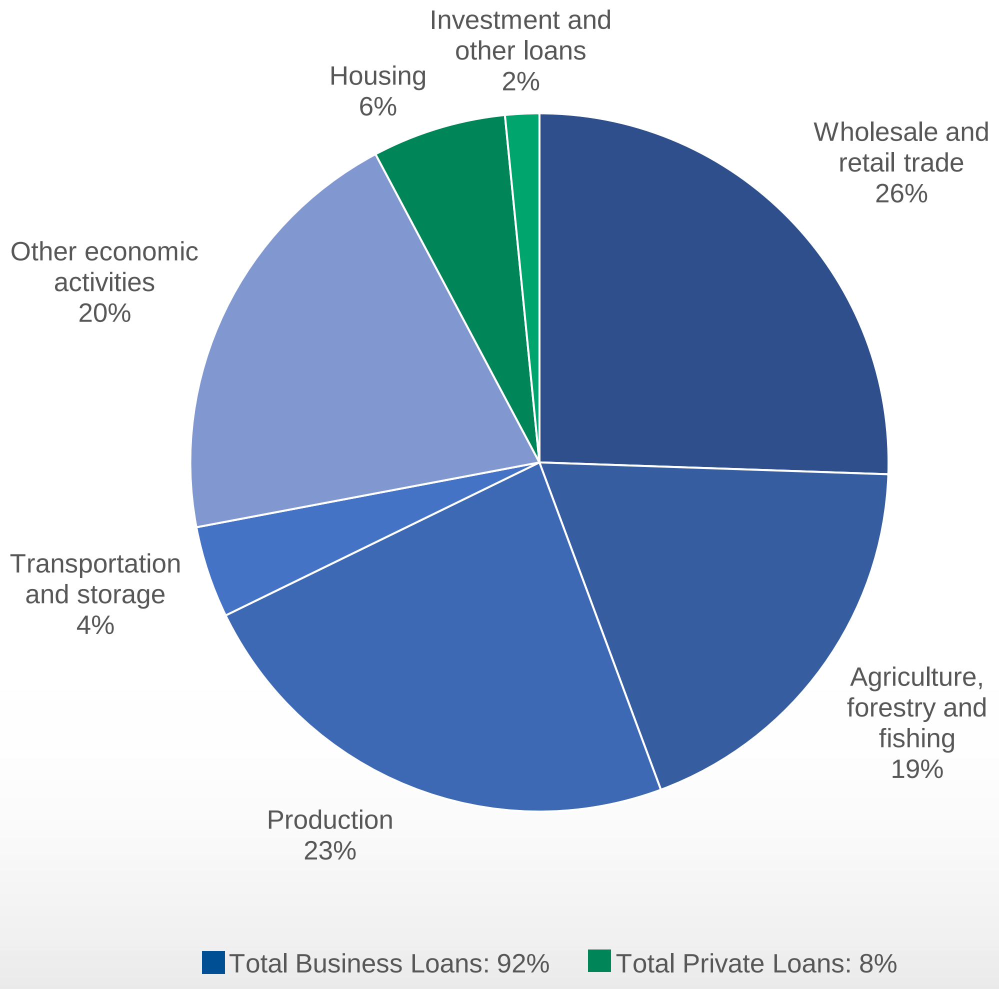
Structure of the loan portfolio

Loan portfolio by geographical segments

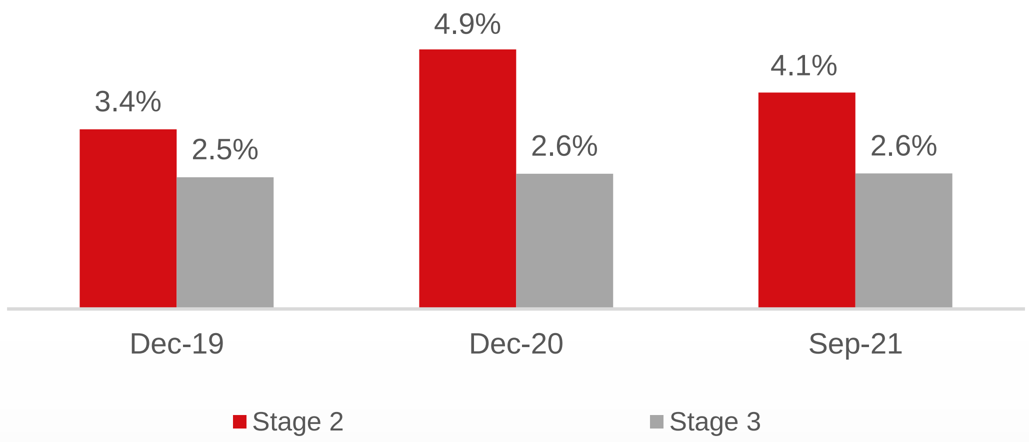


Loan portfolio by sector



Loan portfolio quality

	IFRS 9		
Net write-offs	0.3%	0.1%	0.1%
Coverage impaired portfolio	89.1%	91.4%	87.3%



- Continued positive development of risk indicators in Q3-21
- Share of Stage 3 loans at 2.6% stable against Q4-20, driving good development of cost of risk
- Share of Stage 2 loans at 4.1% well below levels of Q4-20 and Q2-21
  - Significantly reduced restructuring activities since mid Q2-21
  - Good level of repayments within restructured portfolio
- Net write-offs consistently at a very low level, also throughout the pandemic, mainly as a result of client-centric approach towards credit risk
- Continued high coverage ratio of 87.3% (excluding any collateral)

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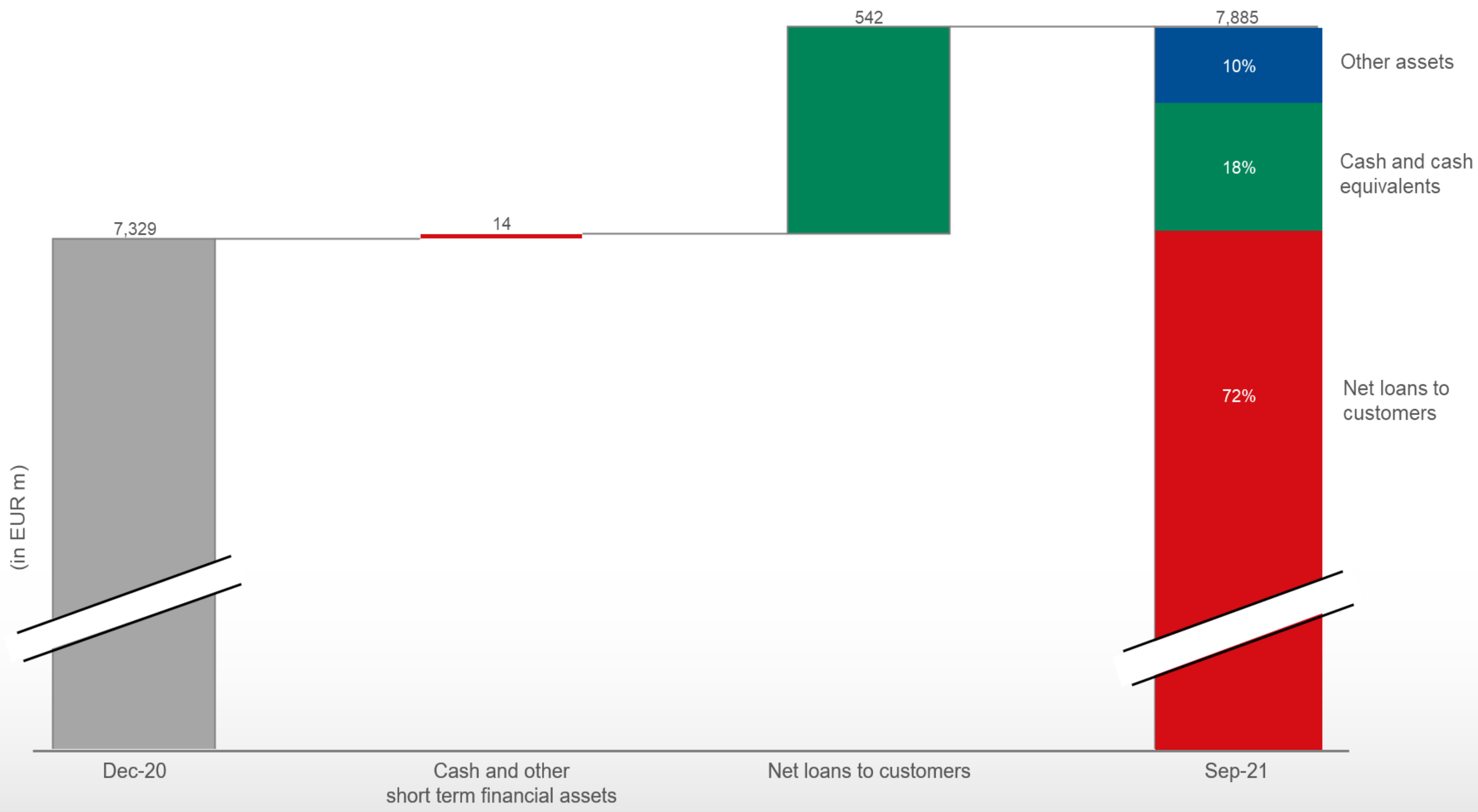
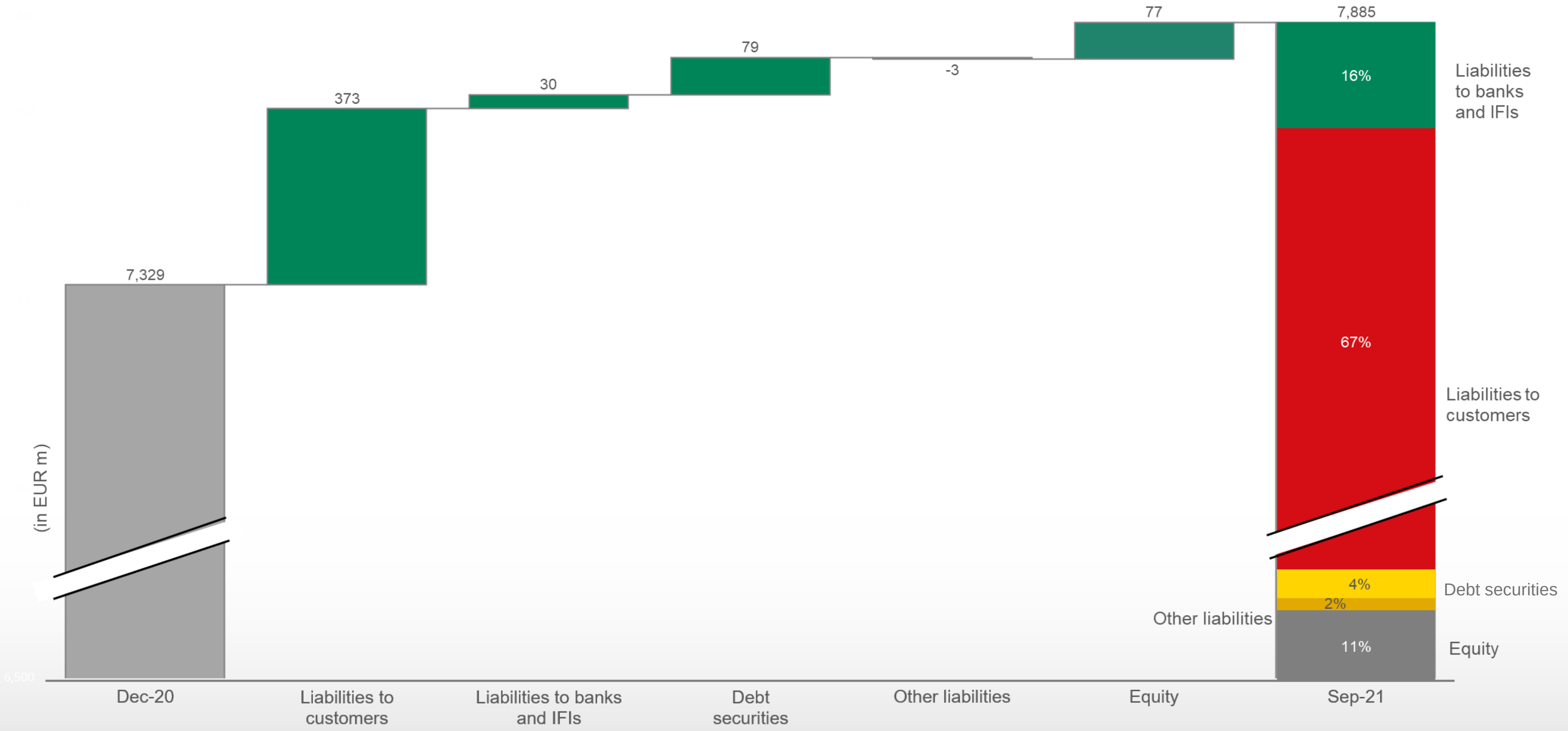
Asset reconciliation



Liabilities and equity reconciliation

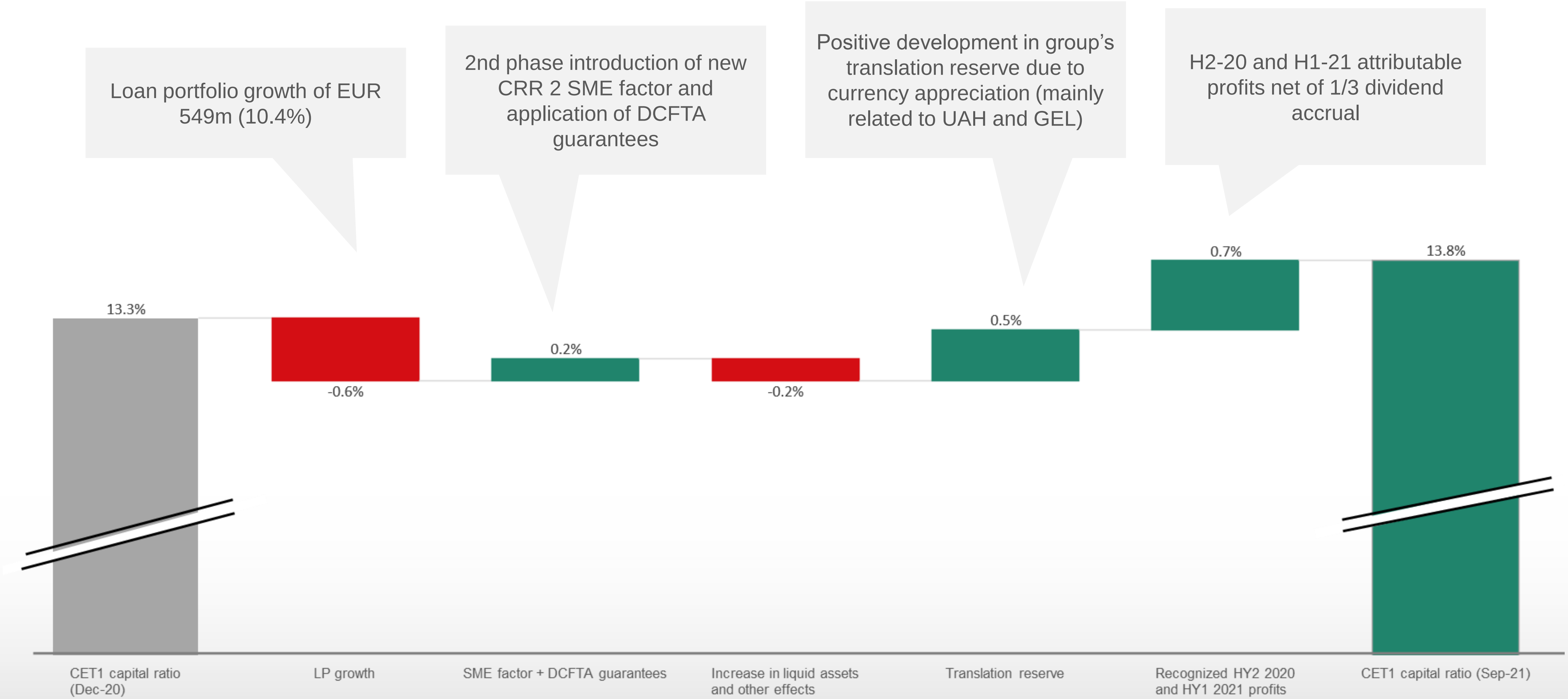


Regulatory capital and risk-weighted assets

in EUR m	Dec-20	Sep-21
CET1 capital	706	772
Additional Tier 1 capital	0	0
Tier 1 capital	706	772
Tier 2 capital	76	68
Total capital	782	841
RWA total	5,325	5,591
o/w Credit risk	4,363	4,569
o/w Market risk (currency risk)	528	572
o/w Operational risk	432	433
o/w CVA risk	2	17
CET1 capital ratio (fully loaded)	13.3%	13.8%
Total capital ratio	14.7%	15.0%
Leverage ratio	9.3%	9.5%

- Capital ratios well above regulatory capital requirements (8.2% CET1 capital, 10.1% T1, 12.6% total capital)
- CET1 capital includes full-year profits of FY 2020 and H1 2021
  - EUR 20.6m for proposed 35 ct per share dividend payment in Dec-21 fully deducted from CET1 capital ratio (c. 38 bps)
- Extraordinary General Meeting in Dec-21 relating to dividend decision and authorization for profit participation rights/AT1
- Application of standardized approach resulting in relatively limited impact of Basel IV implementation in 2023
- Leverage ratio of 9.5% well above banking sector averages

Development of CET1 capital ratio (fully loaded)



Q&A

Photovoltaic project financed by ProCredit Bulgaria

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ProCredit – A unique approach to banking

Summary

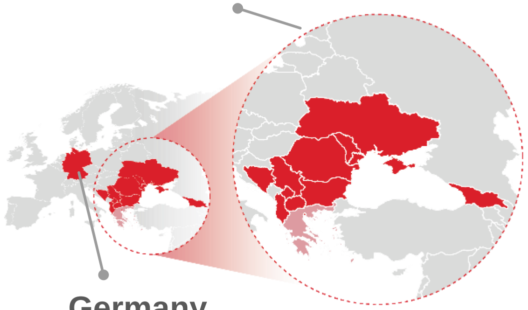
- A profitable, development-oriented commercial group of banks with a focus on South Eastern Europe and Eastern Europe
- Headquartered in Frankfurt and supervised by the German Federal Financial Supervisory Authority (BaFin) and Deutsche Bundesbank
- Mission of promoting sustainable development with an ethical corporate culture and long-term business relationships
- Track record of high quality loan portfolio
- Profitable every year since creation as a banking group in 2003
- Listed on the Frankfurt Stock Exchange since December 2016

Key figures 9M 2021 and FY 2020

	9M 2021	FY 2020
Total assets	EUR 7,885m	EUR 7,329m
Customer loan portfolio	EUR 5,803m	EUR 5,254m
Deposit/loan	91%	93%
Number of employees	3,153	3,261
Profit of the period	EUR 62.0m	EUR 41.4m
RoE	10.1%	5.3%
CET1 ratio (fully loaded)	13.8%	13.3%
Rating (Fitch)	BBB (stable)(1)	
MSCI ESG rating: AA		

Geographical distribution

South Eastern Europe and Eastern Europe
(ca. 92% of gross loan portfolio)

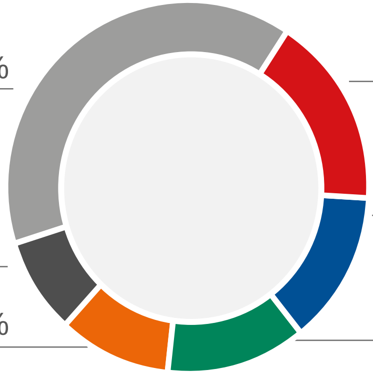


Germany
(ca. 1% of gross loan portfolio)

South America
(ca. 7% of gross loan portfolio)

Notes: (1) Last affirmed on March 29 2021

Reputable development-oriented shareholder base

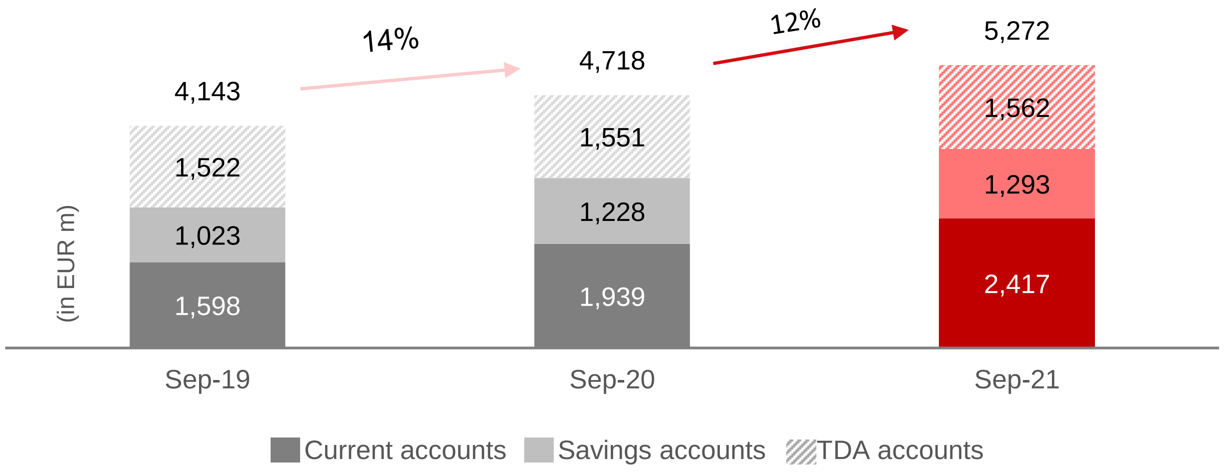


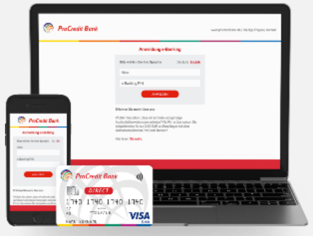
Note: Shareholder structure according to the voting right notifications and voluntary disclosure of voting rights as published on our website www.procredit-holding.com

Good deposit development through digital banking channels

- ▶ YOY increase of EUR 554m (+12%)
  - Achieved mostly through growth in business clients, also private client deposits increasing visibly (+ EUR 254m)
  - Increased share of sight deposits and FlexSave (up 2.9pp YoY to 69%)
  - Positive impact on interest expenses and net interest margin
- ▶ Growing appeal of digital approach ('shift to digital')
  - YTD deposit growth driven entirely by sight and FlexSave deposits from businesses and private individuals
  - Over-the-counter transactions essentially eliminated from ProCredit network

Deposits by product



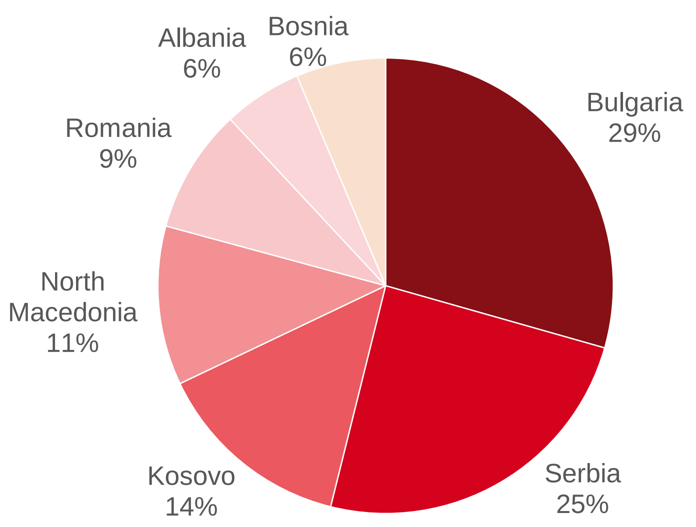


Overview of quarterly financial development

In EUR m		Q3-2020	Q4-2020	Q1-2021	Q2-2021	Q3-2021
Income statement	Net interest income	50.8	50.8	49.3	53.9	58.2
	Net fee and commission income	12.1	12.7	12.0	12.1	13.0
	Other operating income (net)	0.6	0.7	1.6	0.5	4.0
	Operating income	63.5	64.2	62.8	66.5	75.2
	Personnel expenses	20.7	22.4	21.0	21.1	22.0
	Administrative expenses	21.6	24.1	19.8	21.4	22.4
	Loss allowance	5.4	7.5	3.6	-0.9	0.5
	Tax expenses	4.1	2.2	2.9	4.1	4.6
	Profit after tax	11.7	8.0	15.6	20.7	25.7
Key performance indicators	Change in customer loan portfolio	3.0%	0.9%	3.0%	4.5%	2.6%
	Cost-income ratio	66.7%	72.4%	64.8%	64.0%	59.0%
	Return on Average Equity	5.9%	4.1%	7.9%	10.2%	12.3%
	CET1 ratio (fully loaded)	14.1%	13.3%	13.2%	13.7%	13.8%
Additional indicators	Net interest margin	2.9%	2.8%	2.7%	2.9%	3.0%
	Net write-off ratio	0.0%	0.2%	0.0%	0.2%	0.1%
	Credit impaired loans (Stage 3)	2.3%	2.6%	2.7%	2.5%	2.6%
	Coverage of Credit impaired portfolio (Stage 3)	98.5%	91.4%	88.9%	90.8%	87.3%
	Book value per share (EUR)	13.3	13.2	13.7	13.9	14.5

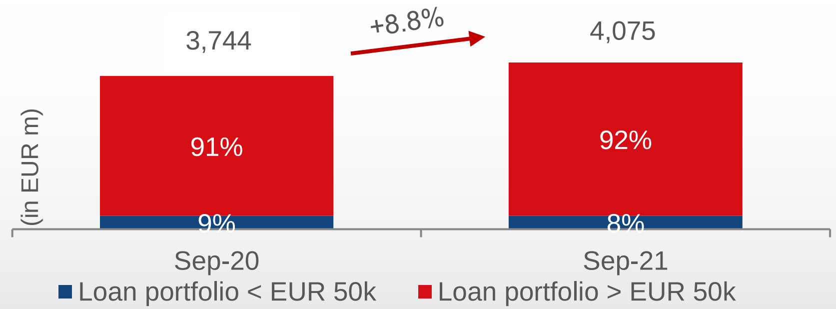
Segment South Eastern Europe

Regional loan portfolio breakdown



Total: EUR 4,075m (70% of gross loan portfolio)

Loan portfolio growth (by exposure)



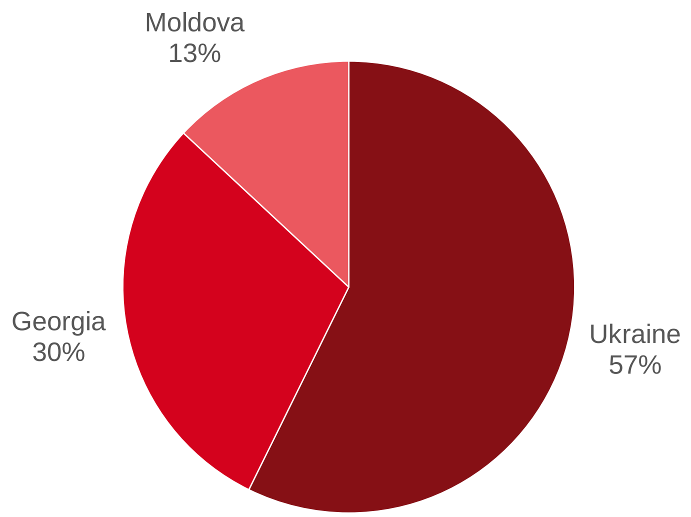
Key financial data

(in EUR m)	9M 2020	9M 2021
Net interest income	86.2	**95.2**
Net fee and commission income	24.0	**23.3**
Other operating income (net)	-0.1	**1.8**
Operating income	110.1	**120.3**
Personnel expenses	27.7	**28.2**
Admininistrative expenses	45.2	**46.9**
Loss allowance	9.7	**4.2**
Tax expenses	3.0	**4.2**
Profit after tax	24.5	**37.0**

Change in customer loan portfolio	11.4%	**7.2%**
Deposits to loans ratio	90.6%	**92.5%**
Net interest margin	2.4%	**2.4%**
Cost-income ratio	66.2%	**62.4%**
Return on Average Equity	6.2%	**8.6%**

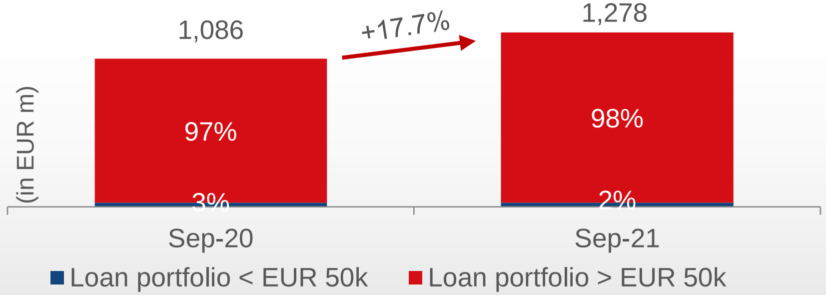
Segment Eastern Europe

Regional loan portfolio breakdown



Total: EUR 1,278m (22% of gross loan portfolio)

Loan portfolio growth (by exposure)



Key financial data

(in EUR m)	9M 2020	9M 2021
Net interest income	47.8	**51.0**
Net fee and commission income	6.4	**5.5**
Other operating income (net)	4.3	**3.8**
Operating income	58.5	**60.3**
Personnel expenses	9.3	**9.5**
Admininistrative expenses	15.7	**17.4**
Loss allowance	8.0	**-0.8**
Tax expenses	4.1	**5.8**
Profit after tax	21.4	**28.4**

Change in customer loan portfolio	-0.4%	**18.4%**
Deposits to loans ratio	82.9%	**80.7%**
Net interest margin	4.2%	**4.3%**
Cost-income ratio	42.7%	**44.6%**
Return on Average Equity	12.6%	**17.6%**

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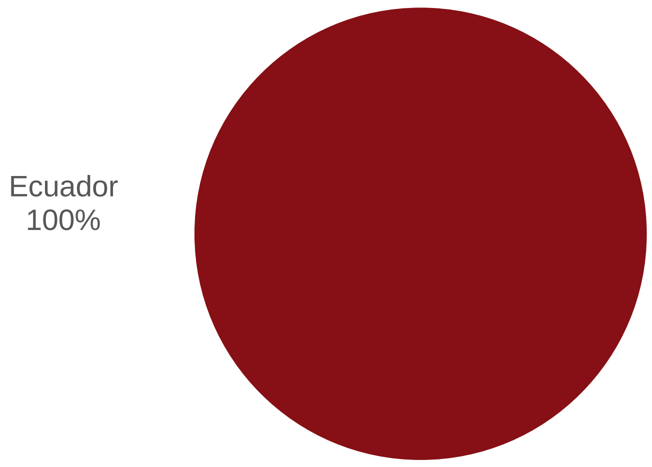
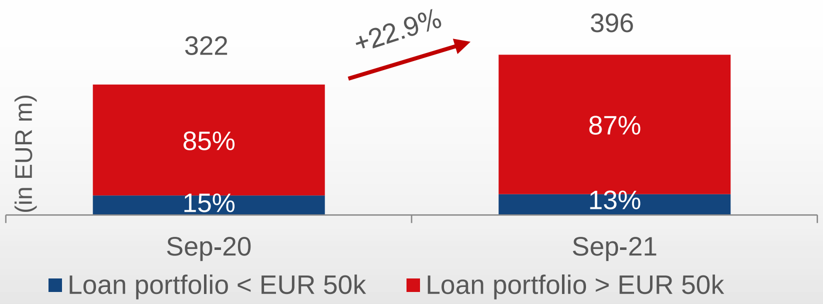
Segment South America

Regional loan portfolio breakdown



Total: EUR 396m (7% of gross loan portfolio)

Loan portfolio growth (by exposure)

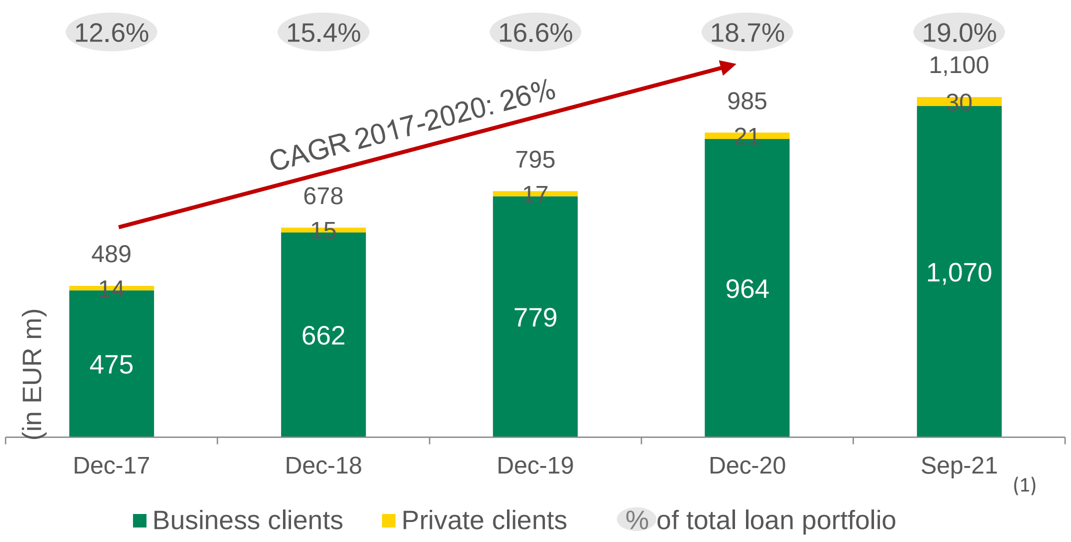


Key financial data

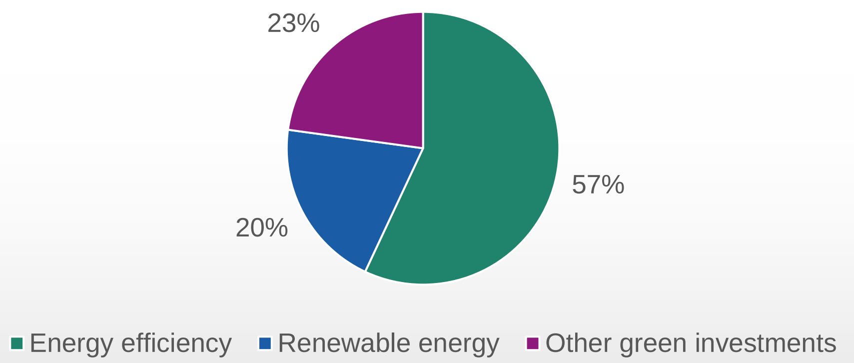
(in EUR m)	9M 2020	9M 2021
Net interest income	13.8	**14.2**
Net fee and commission income	-0.3	**-0.3**
Other operating income (net)	-0.5	**-0.9**
Operating income	13.1	**12.9**
Personnel expenses	4.3	**4.2**
Admininistrative expenses	7.9	**8.1**
Loss allowance	3.0	**-0.1**
Tax expenses	0.1	**0.6**
Profit after tax	-2.3	**0.1**
Change in customer loan portfolio	11.5%	**23.1%**
Deposits to loans ratio	49.1%	**58.7%**
Net interest margin	4.9%	**4.3%**
Cost-income ratio	93.8%	**95.1%**
Return on Average Equity	-6.3%	**0.4%**

Development of green loan portfolio

Green loan portfolio growth



Structure of green loan portfolio

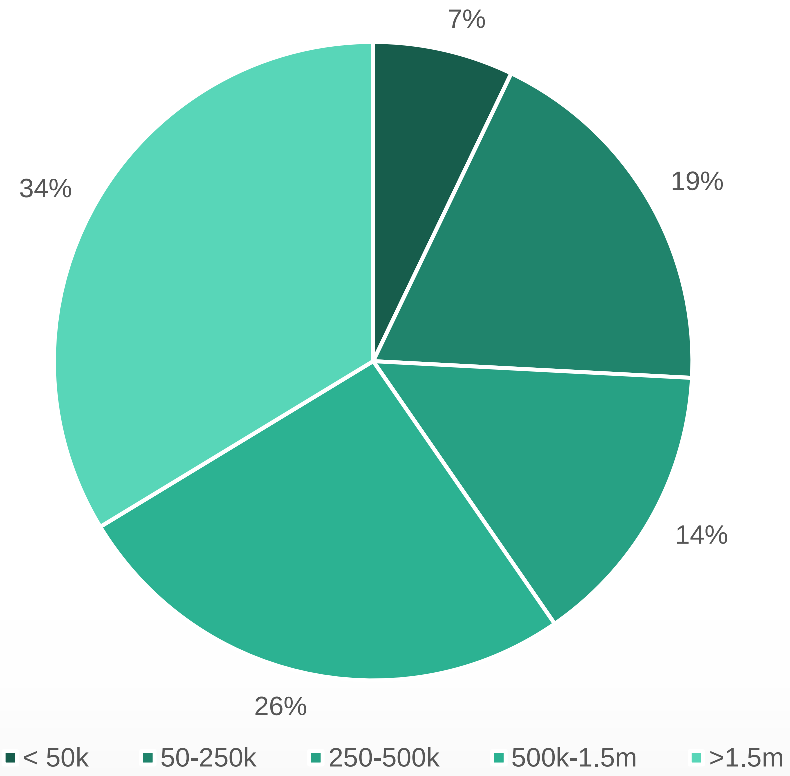


- Green loan portfolio amounting to EUR 1.1bn, representing 19.0% of total loan portfolio
  - YTD growth of EUR 115m/11.7%
- Includes financing of investments in:
  - Energy efficiency
  - Renewable energies
  - Other environmentally-friendly activities
- Attractive investment opportunities in energy efficiency, e.g. buildings' efficiency measures and other investments to enhance sustainability also with agricultural clients; further unlocking portfolio growth and diversification

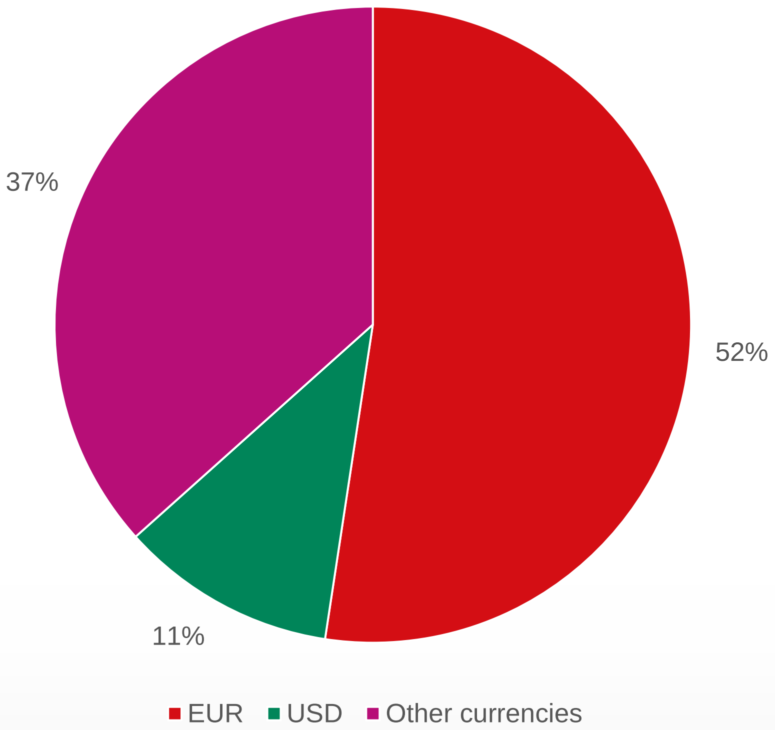
Notes: Data from previous years is adjusted to the current scope of continued operations; data for 2018, 2019 and 2020 is presented as gross loan portfolio, previous year data is presented as outstanding principal

Structure of the loan portfolio by exposure and currency

Loan portfolio by exposure

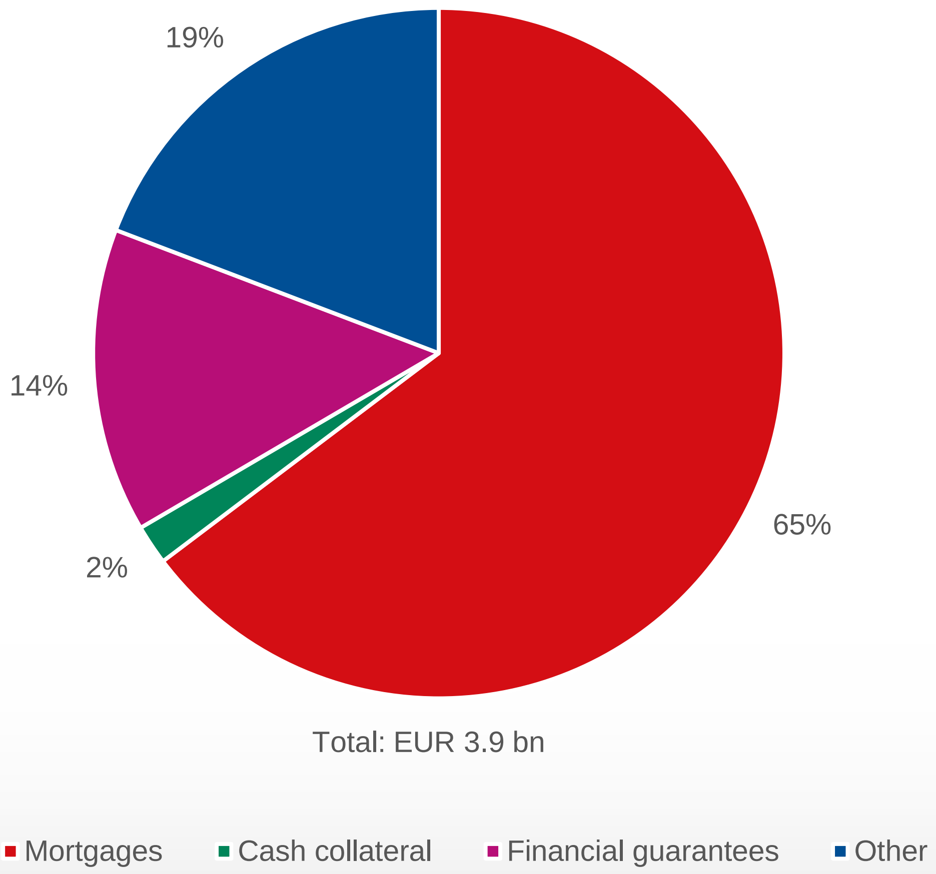


Loan portfolio by currency



Structure of collateral

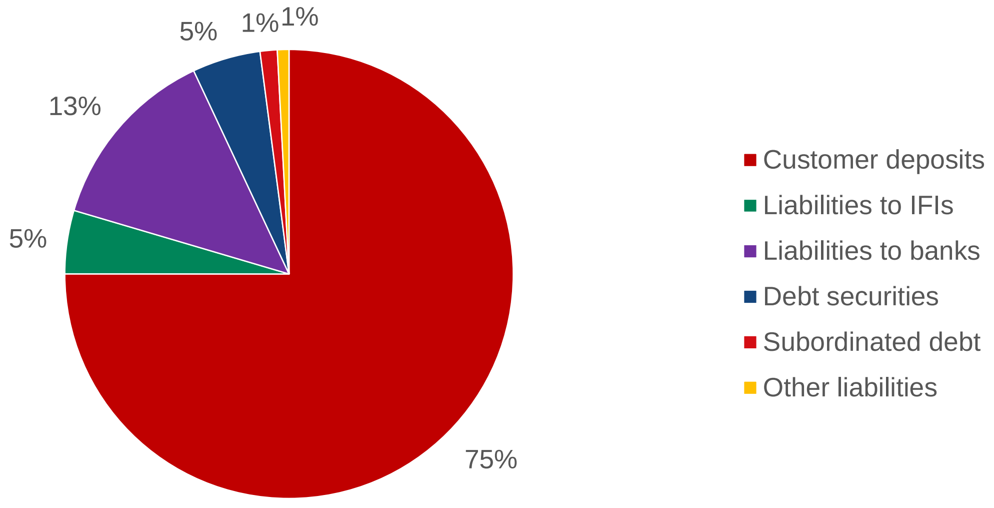
Collateral by type



- Majority of collateral consists of mortgages
- Growing share of financial guarantees mainly as a result of InnovFin and other guarantee programmes provided by the European Investment Fund
- Clear, strict requirements regarding types of acceptable collateral, legal aspects of collateral and insurance of collateral items
- Standardised collateral valuation methodology
- Regular monitoring of the value of all collateral and a clear collateral revaluation process, including use of external independent experts
- Verification of external appraisals, yearly update of market standards and regular monitoring of activities carried out by specialist staff members

Funding and rating

Funding sources overview



Total liabilities: EUR 7.0bn

- ▶ Highly diversified funding structure and counterparties
- ▶ Customer deposits main funding source, accounting for 75%, supplemented by long-term funding from IFIs and institutional investors

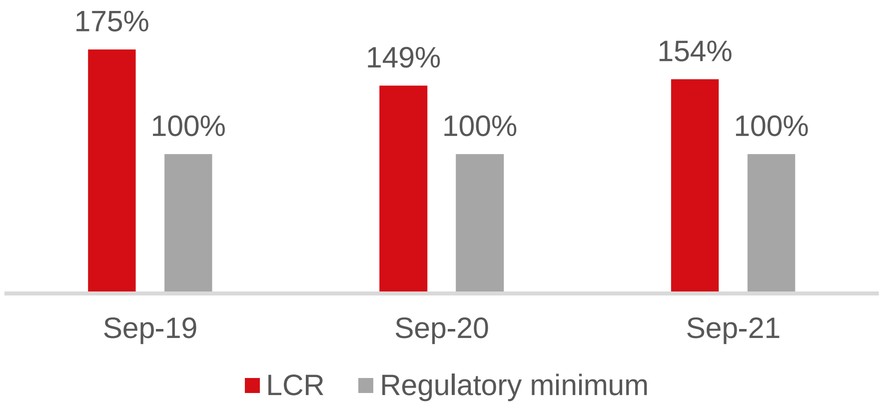
Deposit-to-loan ratio development

Rating:

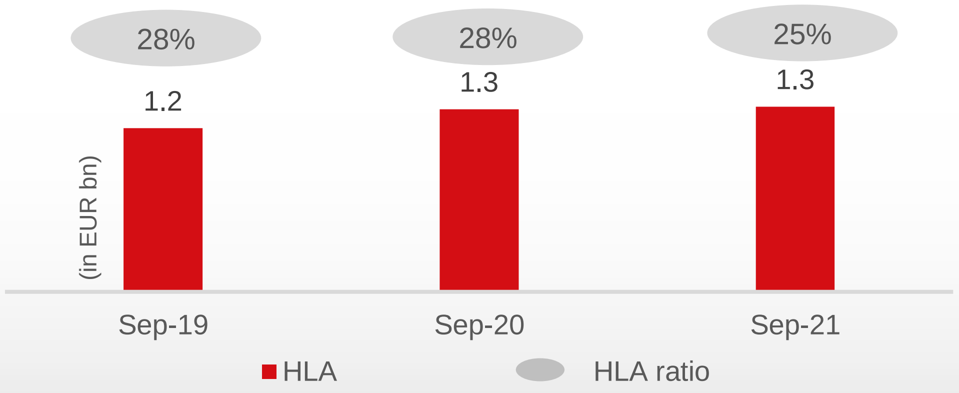
- ▶ ProCredit Holding and ProCredit Bank in Germany: BBB (stable) by Fitch, last affirmed in Mar-21
- ▶ Most of ProCredit banks' ratings re-affirmed with "stable" outlook amid current economic downturn

Liquidity update

Liquidity coverage ratio



Highly liquid assets (HLA) and HLA ratio



- ▶ LCR of 154% and NSFR of 141% (Aug-21) remain comfortably above the respective regulatory minimum
- ▶ Stable level of HLAs, with increase in Q3-21 primarily driven by strong deposit portfolio growth, partially being seasonal

ProCredit HOLDING

Balance sheet

in EUR m	Dec-20	Sep-21
Assets		
Cash and central bank balances	1,405	1,392
Loans and advances to banks	237	247
Investment securities	336	361
Loans and advances to customers	5,254	5,803
Loss allowance for loans to customers	-123	-130
Derivative financial assets	1	3
Property, plant and equipment	141	137
Other assets	78	73
Total assets	**7,329**	**7,885**
Liabilities		
Liabilities to banks	1,236	1,265
Liabilities to customers	4,899	5,272
Derivative financial instruments	4	0
Debt securities	267	346
Other liabilities	59	58
Subordinated debt	85	87
Total liabilities	**6,550**	**7,029**
Equity		
Subscribed capital	294	294
Capital reserve	147	147
Retained earnings	447	499
Translation reserve	-112	-87
Revaluation reserve	3	3
Equity attributable to ProCredit shareholders	**780**	**856**
Total equity	**780**	**856**
Total equity and liabilities	**7,329**	**7,885**

Income statement by segment

01.01.- 30.09.2021 (in EUR m)	Germany	Eastern Europe	South Eastern Europe	South America	Consolidation	Group
Interest and similar income	18	81	117	25	-16	227
of which inter-segment	15	0	0	0	0	0
Interest and similar expenses	17	30	22	11	-16	65
of which inter-segment	1	4	6	4	0	0
Net interest income	**1.0**	**51**	**95**	**14**	**0**	**161**
Fee and commission income	10	11	40	1	-8	53
of which inter-segment	7	0	0	0	0	0
Fee and commission expenses	1	5	16	1	-8	16
of which inter-segment	0	3	4	0	0	0
Net fee and commission income	**9**	**6**	**23**	**0**	**0**	**37**
Result from foreign exchange transactions	0	4	8	0	0	12
Result from derivative financial instruments	0	0	0	0	0	0
Result on derecognition of financial assets measured at amortised cost	0	0	0	0	0	0
Net other operating income	51	0	-6	-1	-50	-6
of which inter-segment	47	1	1	0	0	0
Operating income	**61**	**60**	**120**	**13**	**-50**	**205**
Personnel expenses	22	9	28	4	0	64
Administrative expenses	24	17	47	8	-32	64
of which inter-segment	5	8	16	3	0	0
Loss allowance	0	-1	4	0	0	3
Profit before tax	15	34	41	1	-17	74
Income tax expenses	1	6	4	1	0	12
Profit of the period	**14**	**28**	**37**	**0**	**-17**	**62**

Explanatory note on performance indicators and ratios

The ProCredit group uses an integrated system of indicators to monitor and manage the implementation and further development of the group's business and risk strategy:

- The growth of the customer loan portfolio(1) is a key indicator of the success of new business and also provides reference points for the future earning capacity
- The cost-income ratio(2) is a relative indicator that provides insight into our efficient use of resources
- Return on equity (RoE)(3) is the most important indicator in terms of profitability; strong emphasis is placed on maintaining a sustainable RoE in conjunction with an appropriate risk profile
- The Common Equity Tier 1 capital ratio (CET 1)(4) is regarded as a key indicator for compliance with regulatory and internal capital requirements. It also serves as a benchmark for solvency and as basis for strategic decisions

The group also considers the following additional indicators:

- The ratio of customer deposits to the customer loan portfolio(5) reflects the ability to fund lending business through customer deposits
- The net interest margin(6) is an important indicator of profitability and measures the average interest earnings
- The share of credit-impaired loans(7) is the most significant indicator to assess portfolio quality
- The ratio of loss allowances to credit-impaired loans(8) gives insight into loss allowances in lending relative to the total volume of credit-impaired loans
- The cost of risk(9) indicates the credit risk expenses relative to portfolio size in a given period
- The net write-off (10) ratio shows how much loan portfolio is written off (net of recoveries) relative to portfolio size in a given period
- The green customer loan portfolio includes financing for investments in energy efficiency, renewable energies or other environmentally friendly technologies. By expanding the green loan portfolio, an important contribution to sustainability goals is made, as presented in the Impact Report

(1) Our customer loan portfolio as of the balance sheet date of the current period relative to our customer loan portfolio as of 31 December of the previous year. Our customer loan portfolio corresponds to loans and advances to customers before loss allowances
(2) Our personnel and administrative expenses relative to operating income (excl. expenses for loss allowances)
(3) Profit attributable to ProCredit shareholders, divided by the average equity held by the ProCredit shareholders (annualised for quarterly figures)
(4) Ratio of our CET1 capital to risk-weighted assets
(5) Our customer loan portfolio relative to customer deposits as of the balance sheet date
(6) Our net interest income relative to the average total assets in the reporting period (annualised for quarterly figures)
(7) Credit-impaired loans relative to the customer loan portfolio as of the respective balance sheet date
(8) Loss allowances in lending relative to credit-impaired loans as of the balance sheet date
(9) Loss allowance expenses relative to average customer loan portfolio (annualised for quarterly figures)
(10) Gross write offs net of recoveries relative to average customer loan portfolio (annualised for quarterly figures)

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Financial calendar (continuously updated on IR Website)

Date	Place	Event information
22.-24.11.2021	virtual	Deutsche Börse, Deutsches Eigenkapitalforum 2021
08.12.2021	virtual	Extraordinary General Meeting

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