



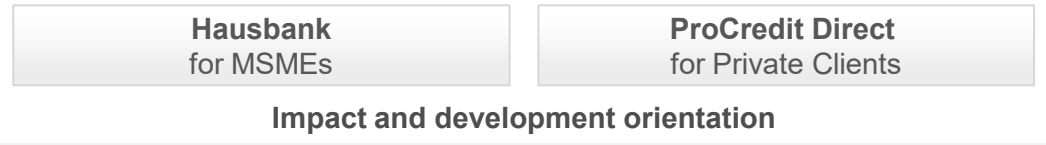
**An impact-oriented group of commercial banks
for MSMEs and private clients in South Eastern and Eastern Europe**

Company presentation, May 2024

Key elements of the ProCredit approach

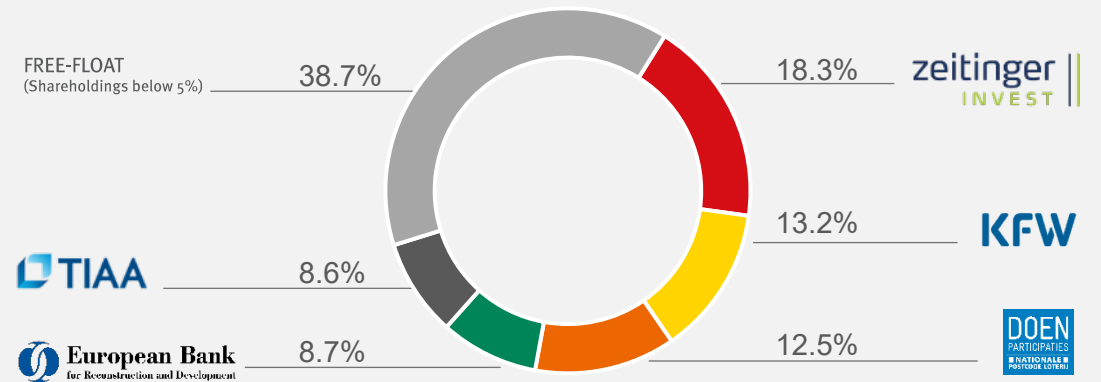
- ▶ An **impact-oriented** group of commercial banks for **MSMEs and private clients in South Eastern and Eastern Europe**. Headquartered in Frankfurt and supervised by BaFin and Bundesbank
- ▶ “**Hausbank**” for MSMEs and “**ProCredit Direct**” for Private Clients
- ▶ **Track record of strong organic business growth**, consistently growing market share without costly integration
- ▶ **High-quality loan portfolio** based on prudent risk management and long-term business relationships
- ▶ **Skilled, loyal staff** and **scalable technology** platform with no legacy systems
- ▶ **Profitable every year** since creation as a banking group. FY-23 profit of EUR 113m, representing the **highest group result** since stock exchange listing
- ▶ Listed on the Frankfurt Stock Exchange with **strong ESG positioning**

ProCredit at a glance



ProCredit banks 12	Loan portfolio EUR 6.4bn	Asset growth (20-23) 10.0% p.a.
CET1 ratio 14.3% (fully loaded)	Rating (Fitch) BBB (stable)	RoE (FY-23) 12.2%

Development-oriented shareholder base



“ As a development-oriented commercial banking group, we strive to balance financial sustainability with comprehensive positive impact of our business on the economies, environment and societies of our countries of operation ”

Broader sense of responsibility

responsibility towards the societies in which we operate

ethical behaviour

cultivate professionalism and integrity among staff

respect to all fellow human beings

social justice

protecting the environment

fostering democracy and free speech

Positive contribution to ESG transition in our countries

Social impact

Environmental impact



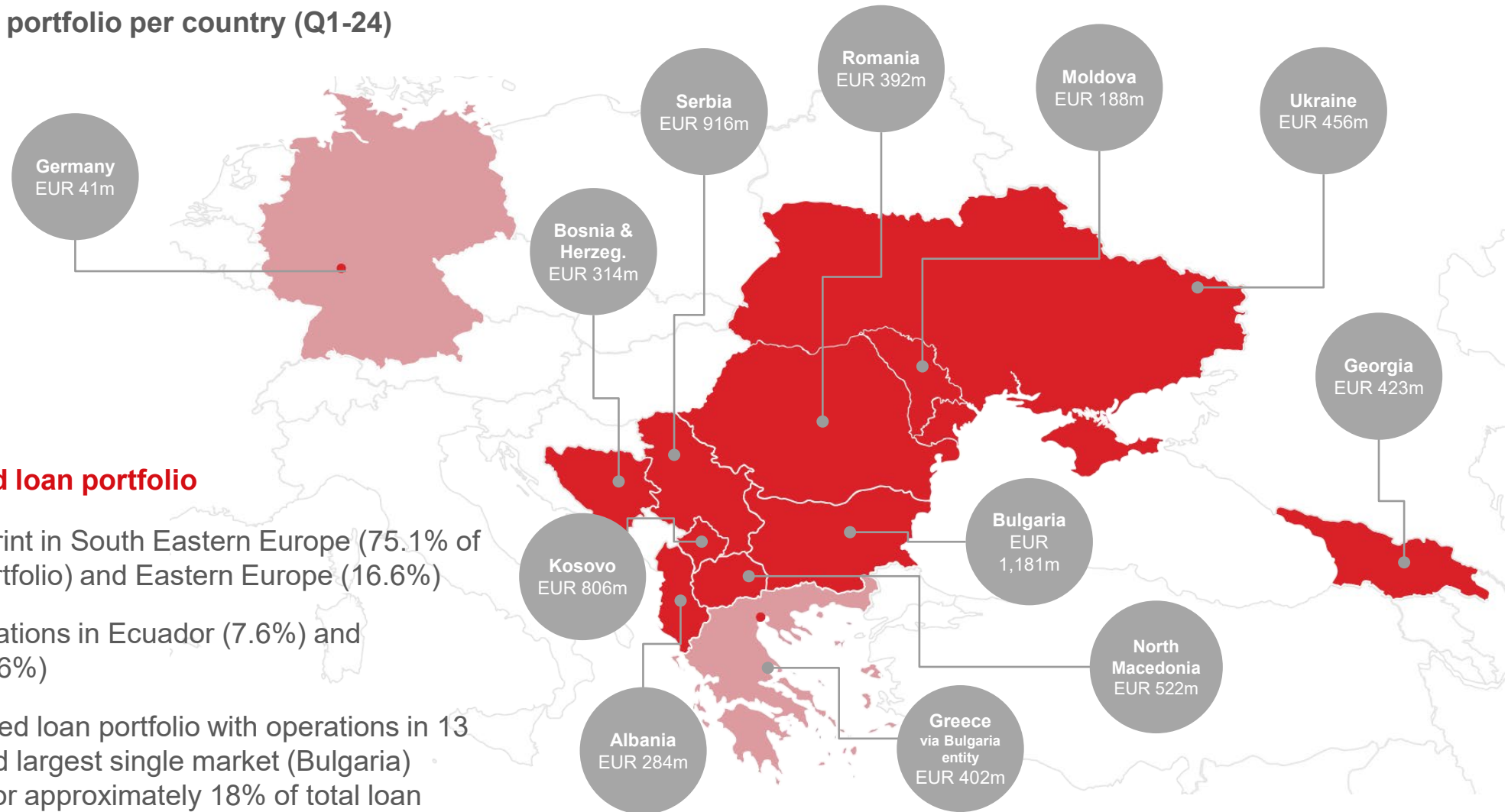
KPIs

Jobs Creation
Investment Loans
Gender Equity

Green lending
Net zero

Strong regional footprint across South Eastern and Eastern Europe

Customer loan portfolio per country (Q1-24)

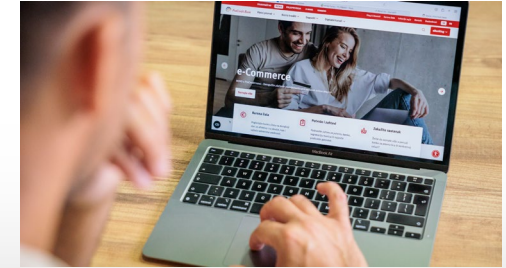


Well diversified loan portfolio

- ▶ Strong footprint in South Eastern Europe (75.1% of total loan portfolio) and Eastern Europe (16.6%)
- ▶ Further operations in Ecuador (7.6%) and Germany (0.6%)
- ▶ Well diversified loan portfolio with operations in 13 countries and largest single market (Bulgaria) accounting for approximately 18% of total loan portfolio

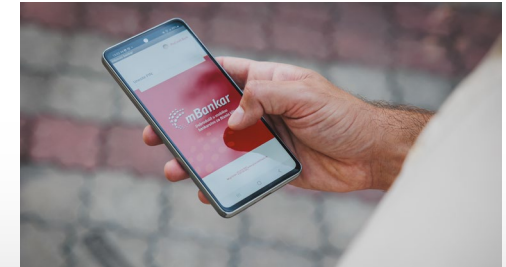
Target private clients

- ▶ **Strong position** with middle income and higher earners; associated with SME owners
- ▶ Going forward, also targeting the **broader population** of our markets of operation
- ▶ Clients looking for **modern, transparent and reliable** banking services



Our target picture: digital customer journey with a ‘human touch’

- ▶ Positioning as an **attractive full-service bank** for retail clients with all-in digital offer
- ▶ Universal bank for PI customers with strong focus on **social responsibility** and **price transparency**
- ▶ Comprehensive service offering highly focused on **superior customer experience**



Solid starting position: well-established direct banking service

€3.1bn

private clients' deposits,
+14.6% p.a.
in 2021 – 2023

~190k

total # of active
private clients

~500%

deposit-to-loan
ratio



Targeting increased medium-term growth

~2.5x

target # clients
multiplier

~2.0 – 2.5x

target loan portfolio
multiplier

Transparency. Efficiency. Scalability.

Target MSME clients

- ▶ **Growing, stable businesses:** SMEs and micro enterprises
- ▶ Forward-looking MSMEs investing in **innovation** and **green technology**
- ▶ MSMEs which **bank fully with ProCredit:** e.g. loans, cards, transactions, deposits



Our approach

- ▶ Comprehensive loan and electronic account facilities
- ▶ **Business Client Advisers’** focus: client and risk
- ▶ **Trustful long-term relationships** and true understanding of clients’ needs and risks



Strong MSME market positions

routinely ranked amongst the most important banks for MSME clients

90%

of loan portfolio to MSMEs

~70k

total # of MSME clients

2.6%

credit impaired loans, significantly better than market, reflecting strong customer relationships

20.0%

share of green loan portfolio in total loan portfolio

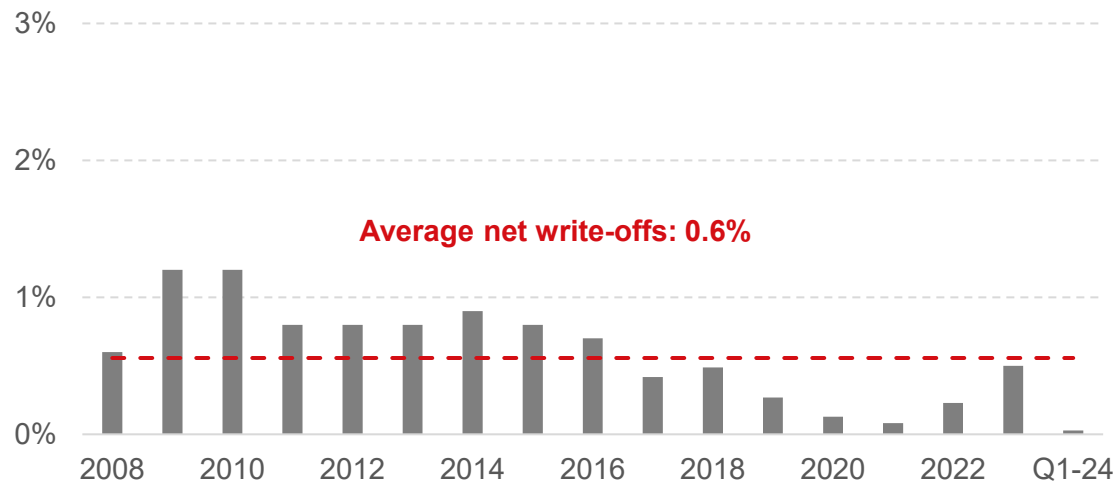
Growth. Impact. Low credit risk.

High quality loan portfolio built around

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

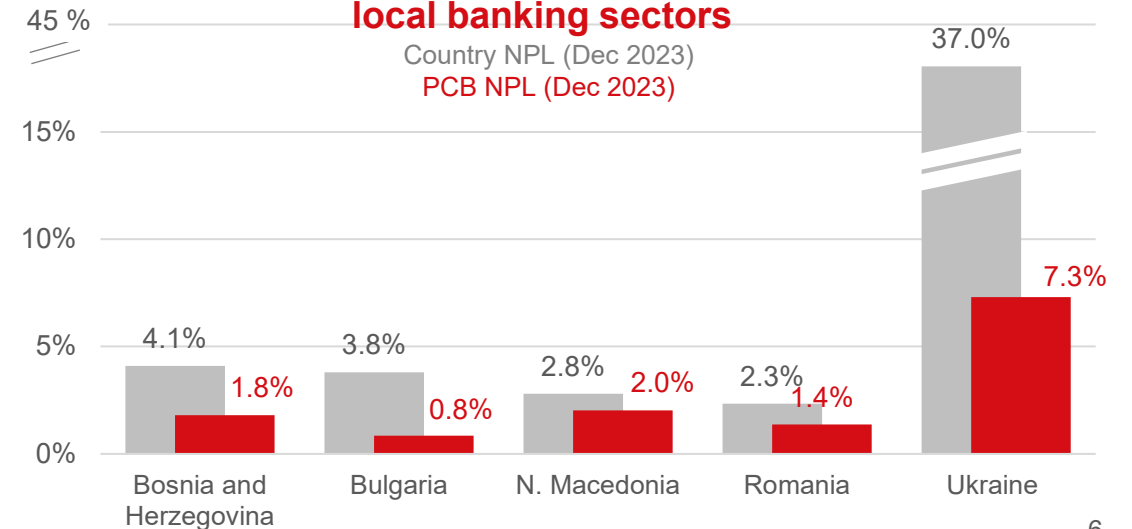


Consistently low net write-offs



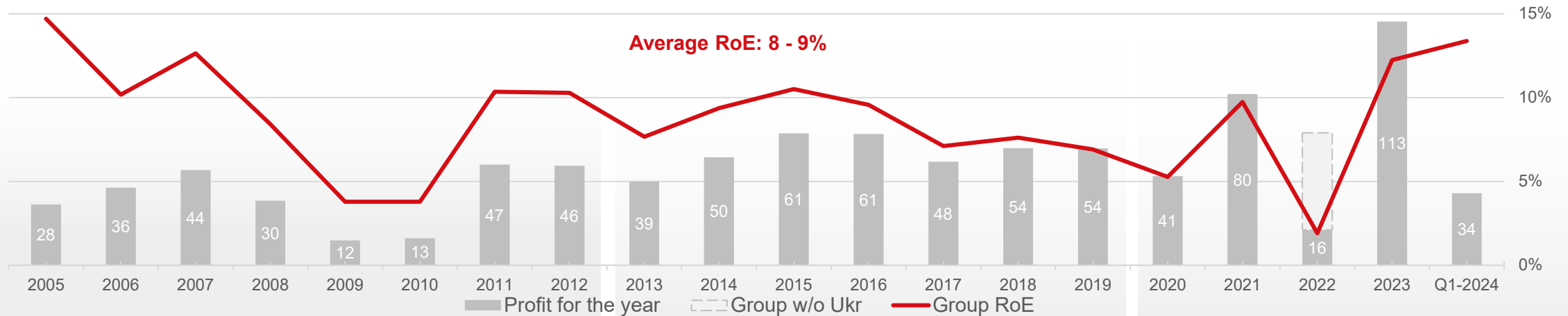
Notes: See page 31 of this presentation

Non-performing loans of ProCredit significantly below local banking sectors



Track record of profitability through the economic cycle

Long-term financial stability and attractive profitability



Foundation and expansion:

- ▶ First bank founded in Bosnia in 1998; rapid expansion in Eastern Europe, South America and Africa offering loans to very small, small and medium enterprises
- ▶ Foundation of ProCredit Holding
- ▶ First green loans for energy efficiency and renewable energy investments in 2006
- ▶ Start of positioning as “Hausbank” for SMEs in 2008
- ▶ Managed financial crisis of 2008 – 2010 with positive results

Strategic refocussing & restructuring:

- ▶ Sharpening of group profile in terms of regional focus on SEE/EE and SME finance
- ▶ Divestment of operations in Africa and Latin America; strong reduction of staff and branches in remaining markets by ~80%
- ▶ Green finance and Direct Banking approach fully implemented
- ▶ Listing of ProCredit Holding on the Frankfurt Stock Exchange in 2016

Hausbank for SMEs and ProCredit Direct for private clients:

- ▶ Strong performance in pandemic 2020/21; FY-22 positive, in spite of heavy impact from war in Ukraine
- ▶ Strong FY-23 RoE of 12.2% and communication of updated business strategy with targeted transformation into universal bank for MSMEs and private clients
- ▶ Increased medium-term RoE outlook of 13-14%

Impact at ProCredit



**Intact and strong
GDP growth outlook
for SEE/EE of 3.8%**

(p.a. in 2025-29 vs.
1.3% for Euro area)



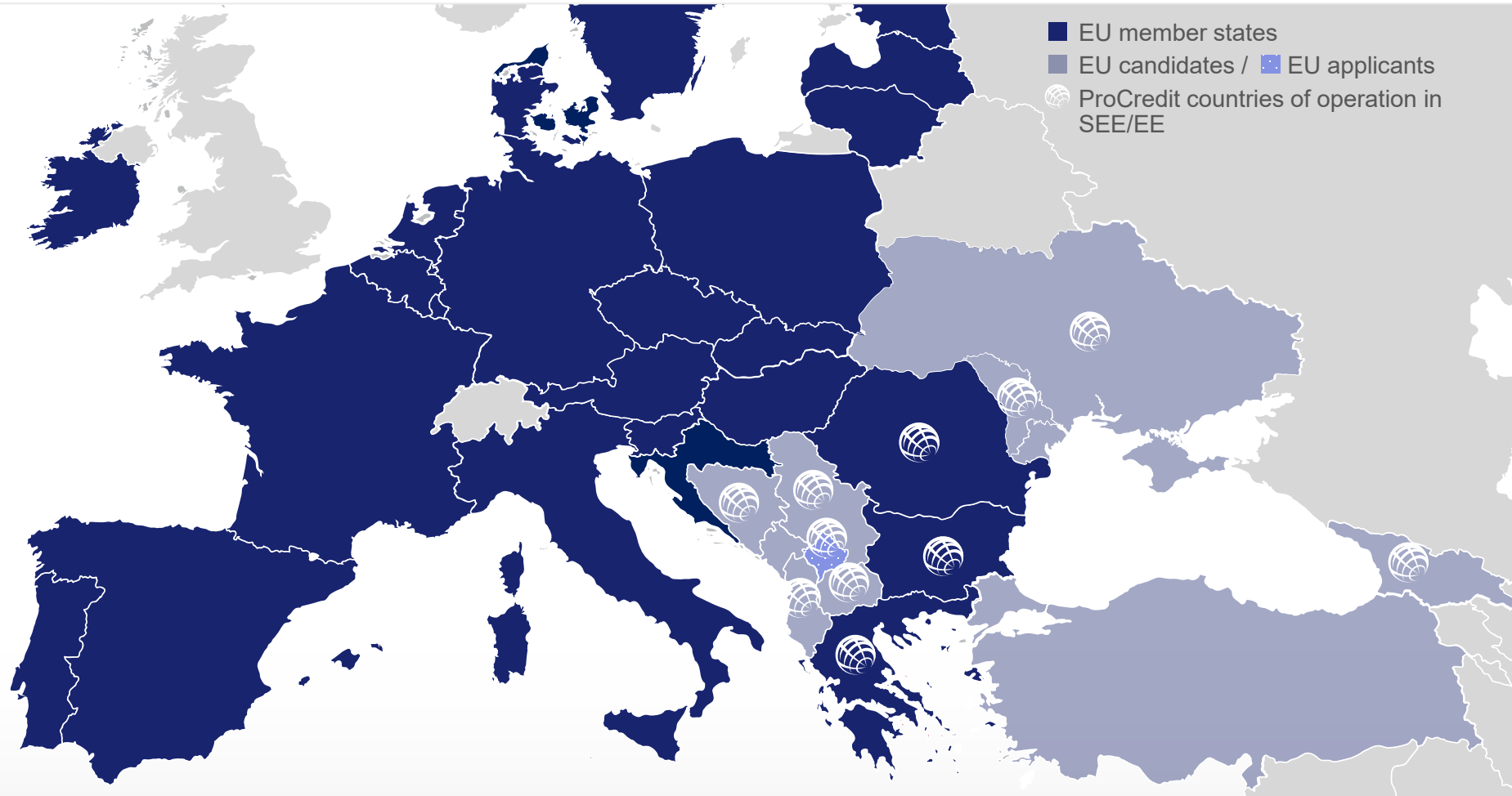
**Continued EU
accession**

(currently 8 countries
status as candidates for
EU membership in
SEE/EE)



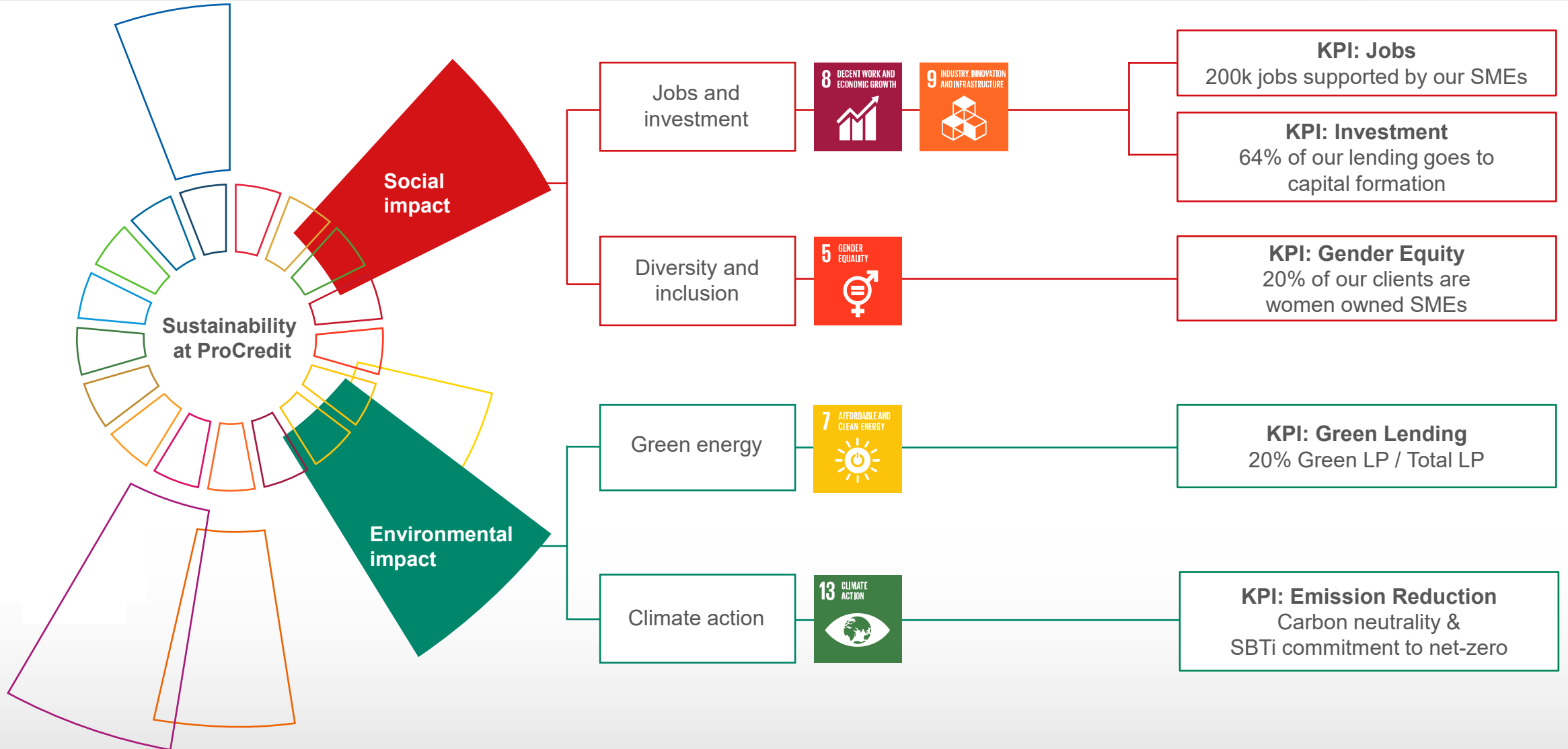
**>€100bn IFI
investment into
SEE/EE**

(EIB and EBRD,
cumulative until 2022)



ProCredit is focused on an **attractive and highly relevant region** from all relevant perspectives – in terms of **economic relevance and growth, political significance and impact potential**


Impact orientation firmly integrated in the business model




2023 sustainability highlights and developments

INTERNAL ENVIRONMENTAL INDICATORS

 **61%**
electric and hybrid plug-in cars in car fleet

 **7.4%**
decrease in energy consumption per employee


6 premises certified by EDGE

 **7.8%**
decrease in indoor water consumption per employee

GREEN LENDING


9,439
total number of green loans

EUR 1,268.3m
total green loan portfolio

 **20.4%**
of green loans in total portfolio

 **191,9 ktCO₂**
emissions avoided through RE projects

CLIENTS


total number of business loan clients

32,244

 **23%**
of clients are from the agriculture sector

13% 
of clients are from the production and manufacturing sectors

JOBS SUPPORTED THROUGH OUR BUSINESS CLIENTS



193,344
total employment (estimated number)

 **42%**
female employment

 **7%**
youth employment

EMPLOYEES



total number of employees

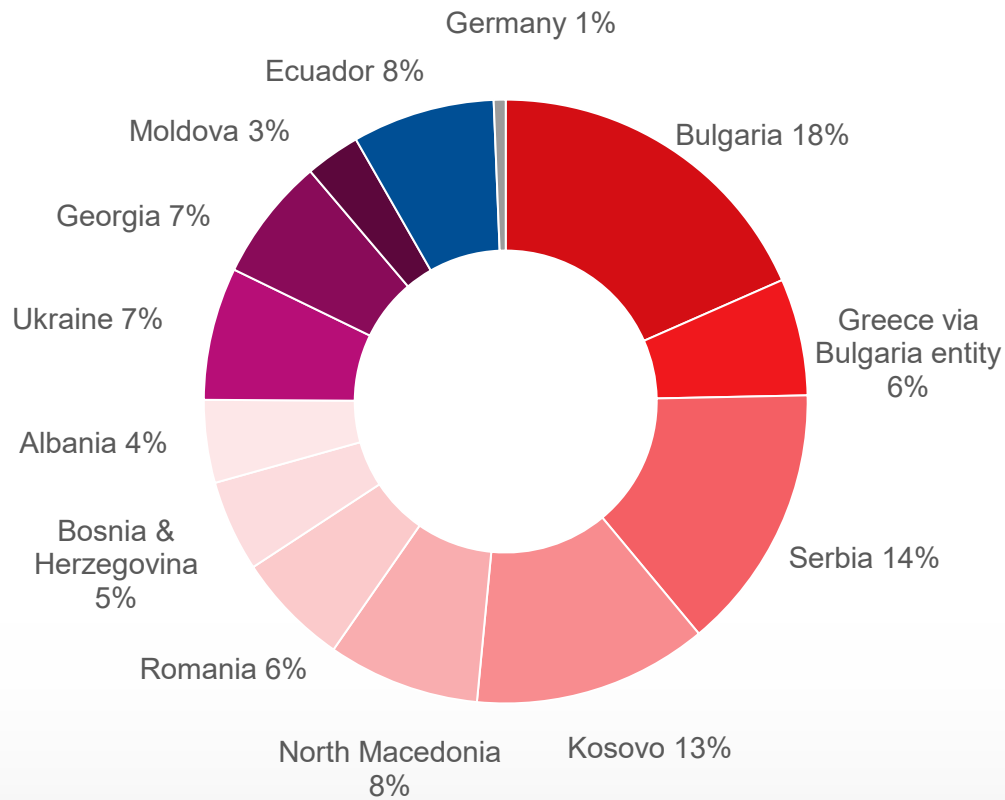
54%
female representation in middle management

 **114**
hours of training per employee

 annual investment in employee training
EUR 9.4m

Loan portfolio and deposits

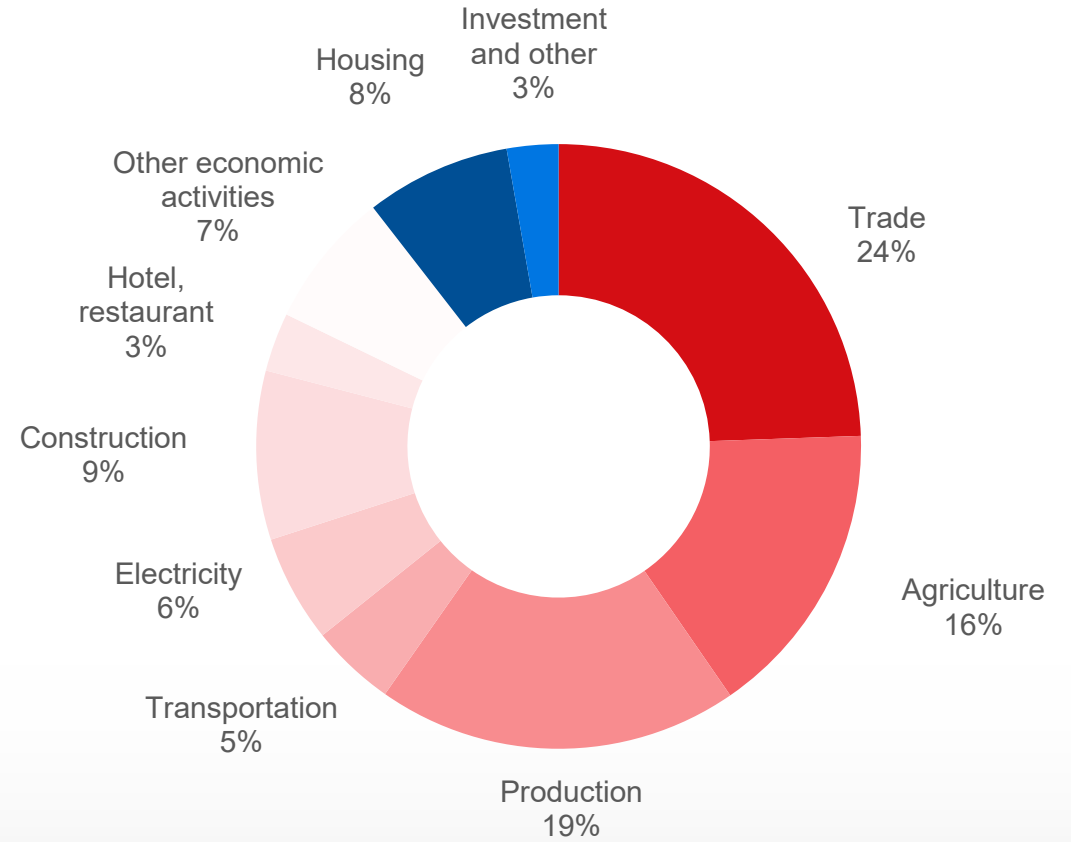
Loan portfolio by geographical segments



■ Total South Eastern Europe: 75%

■ Total Eastern Europe: 17%

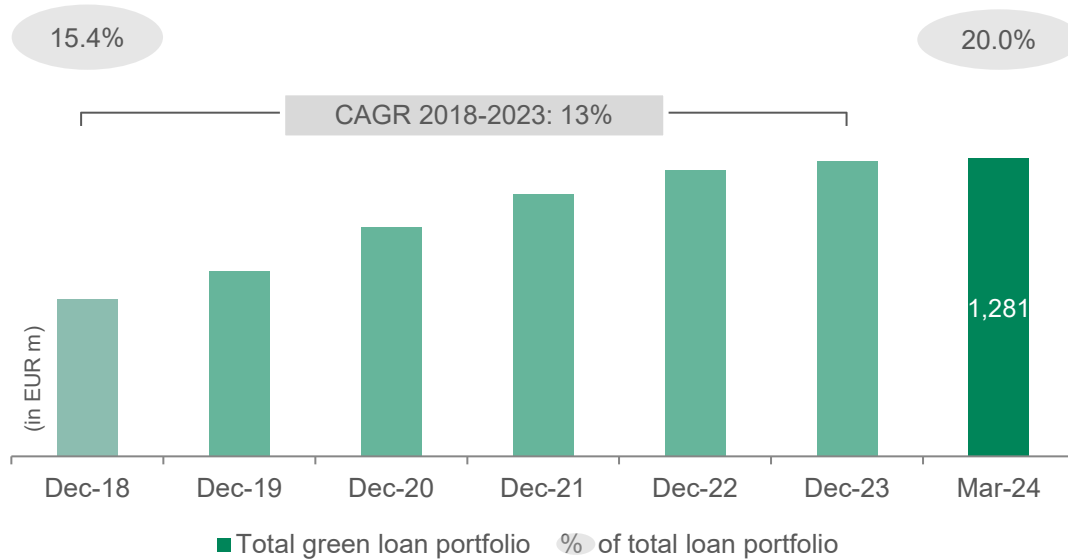
Loan portfolio by sector



■ Total Business Loans: 89%

■ Total Private Loans: 11%

Strong growth of green loan portfolio, attractive risk parameters



2006

year of first green loans granted for energy efficiency and renewable energy investments

46%

of green loan portfolio relating to investments in energy efficiency

1.9%

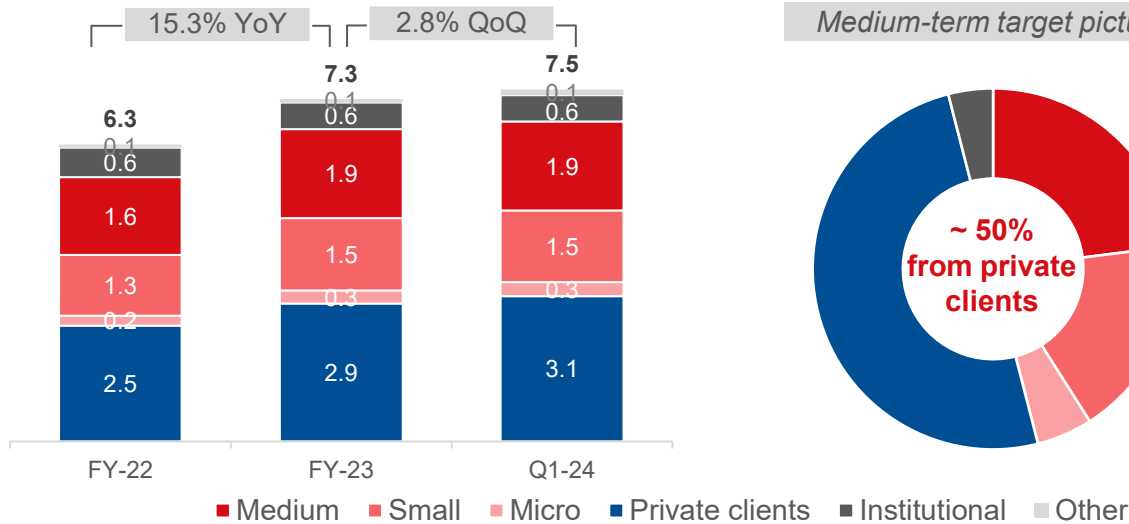
credit impaired loans in green loan portfolio, 0.7pp lower than overall portfolio

>50%

renewable energy contribution to total loan portfolio growth in 2023

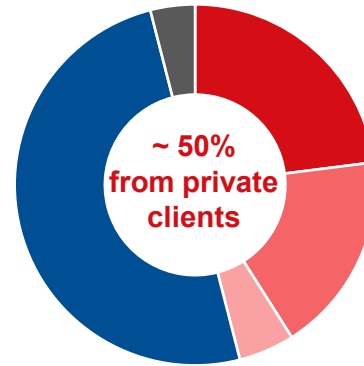
Strong and granular deposit base on group and bank level

Strong deposit growth to be continued ...



... particularly driven by private clients

Medium-term target picture

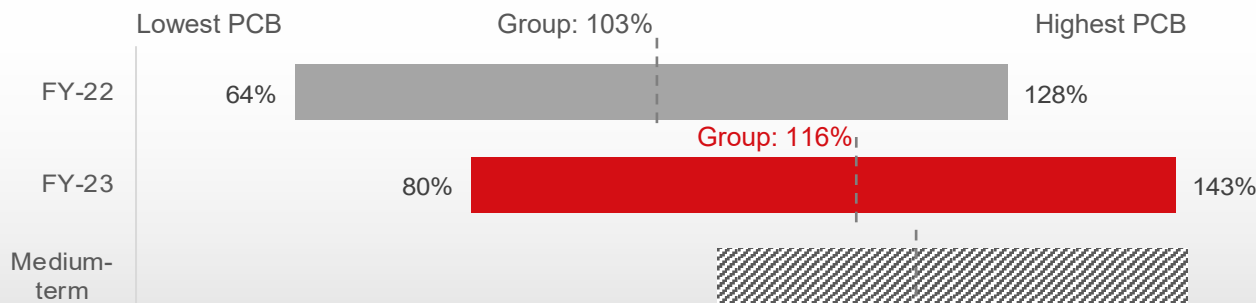


Close to € 1.0bn deposit growth in FY-23, ~50% by private clients

Medium-term target deposit structure highly granular with ~ 50% from private clients

Targeted loan growth of banks **self-funded**, with medium-term local deposit-to-loan ratios of ~120% in all banks

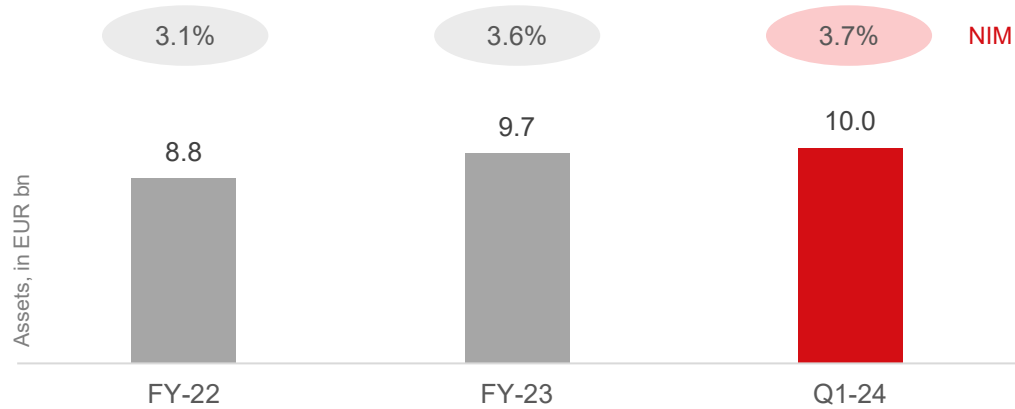
Enhanced bank level deposit-to-loan ratios



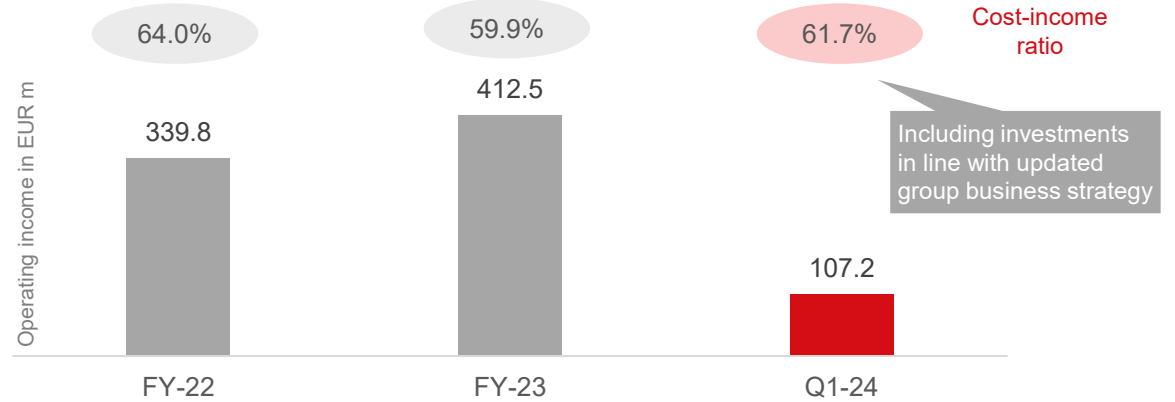
Investment management for efficient use of excess liquidity – aiming for positive effect on margins and RWA

Financials and outlook

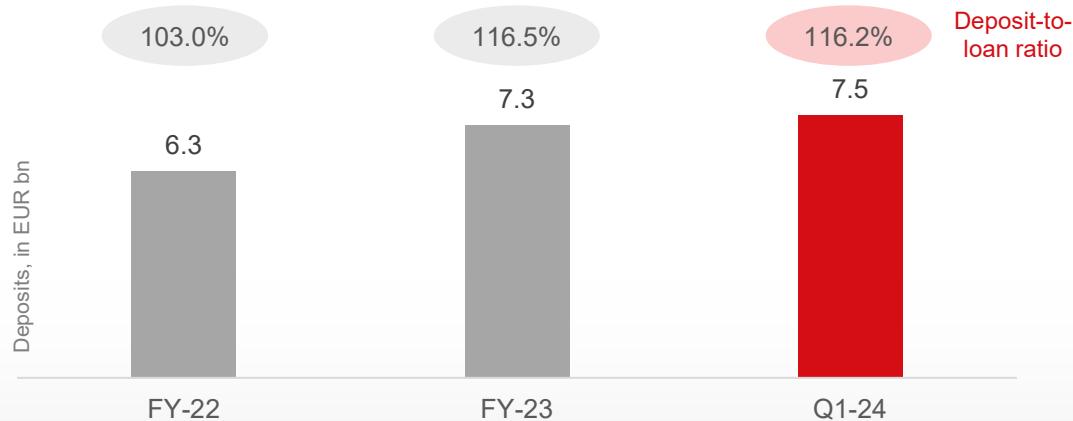
Continuous asset growth and stabilising NIM development ...



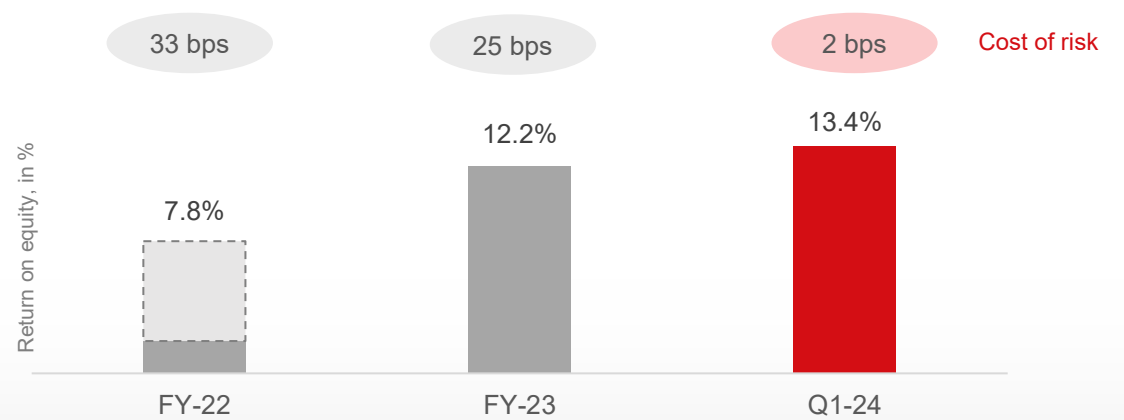
Strong expansion of operating income ...



... paired with strong deposit growth and good deposit-to-loan ratio

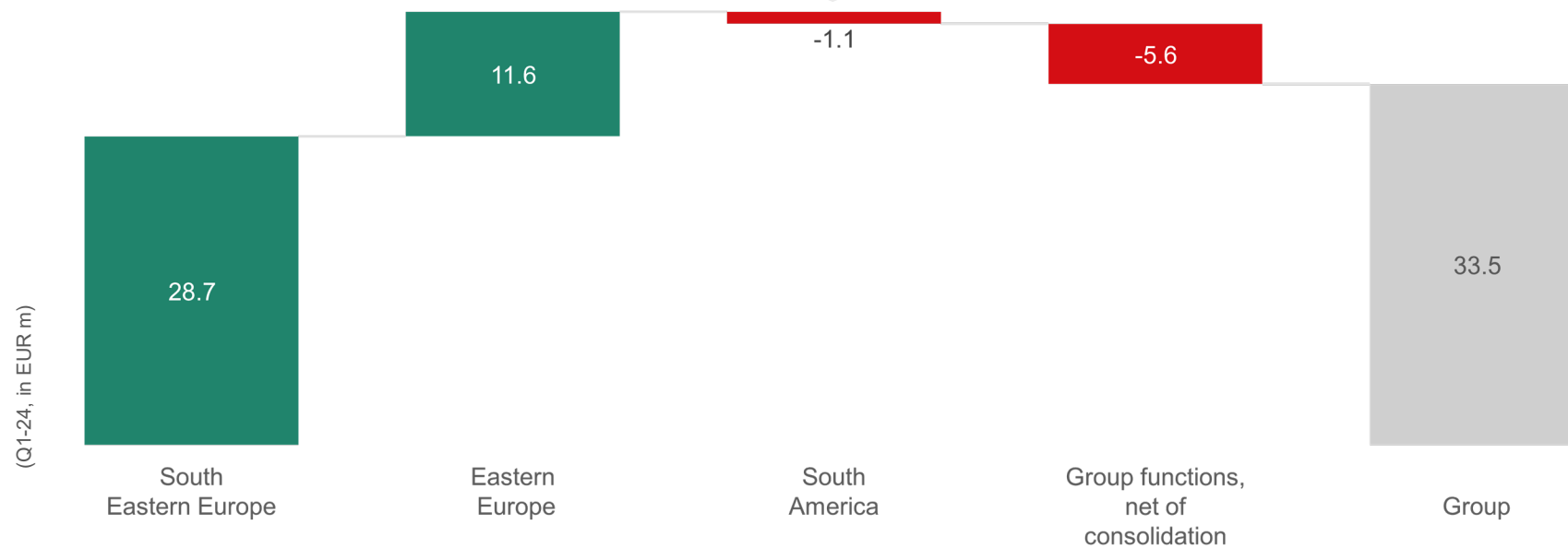


... and low risk costs driving strongly increased return on equity



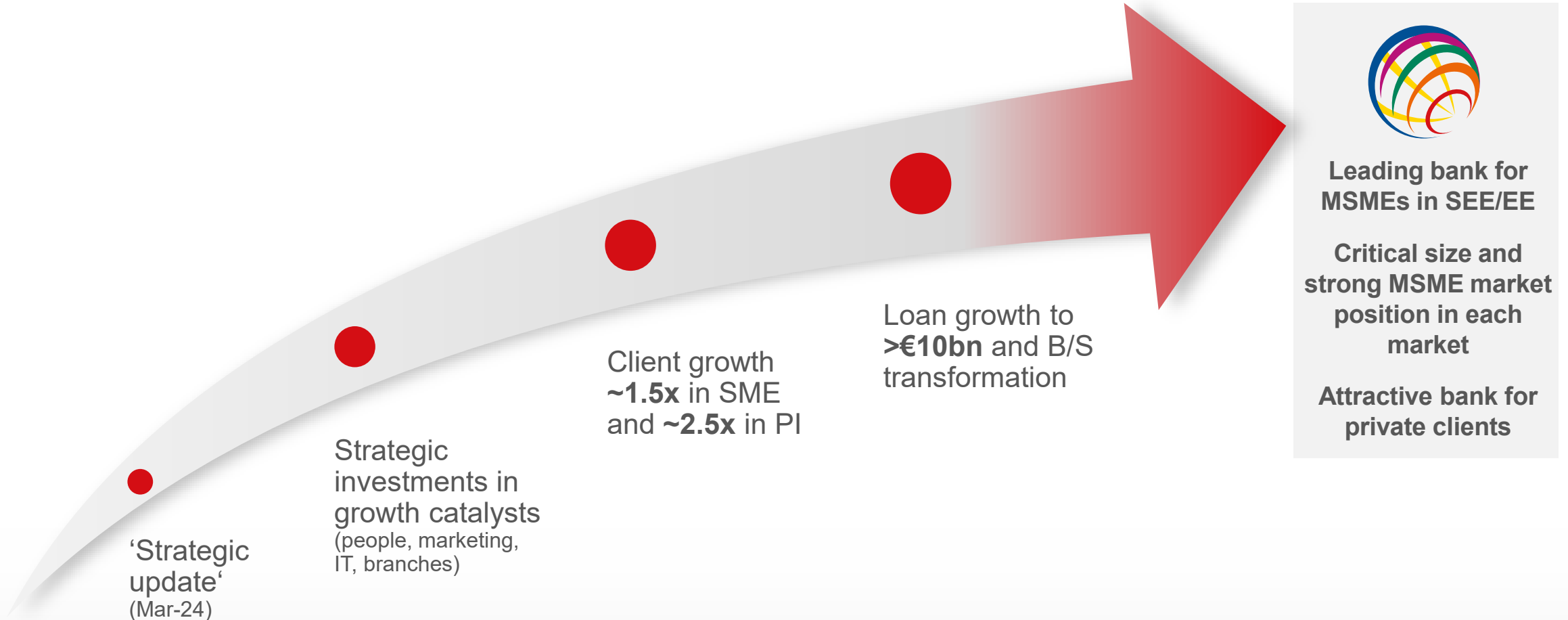
Contribution of regional segments to group net income

Group functions, e.g. risk management, reporting, capital management, IT, liquidity management, training and development
Includes ProCredit Holding, Quipu, ProCredit Academy Fürth, PCB Germany (EUR 41m loan portfolio; EUR 294m deposits)



Customer loan portfolio (EUR m)	4,816	1,068	489	–	6,414
Change in customer loan portfolio	4.1%	-0.7%	1.6%	–	3.0%
Cost-income ratio	55.1%	45.6%	123.5%	–	61.7%
Allocated equity (EUR m)	710	232	49	–	1,021
Return on equity	16.3%	20.6%	-9.3%	–	13.4%

Notes: See page 31 of this presentation

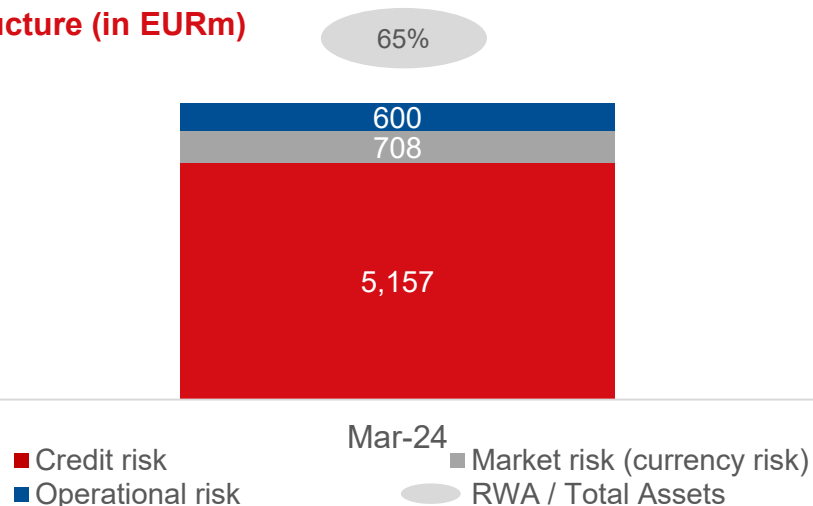


Increased group **footprint**, amplifying the group's positive **impact** & strengthened group **resilience** through a balanced approach and **self-funded** local bank growth

Capital structure

in EURm	Mar-24
CET1 capital	923
Additional Tier 1 capital	0
Tier 1 capital	923
Tier 2 capital	93
Total capital	1,017
CET1 ratio	14.3%
Total capital ratio	15.7%
Leverage ratio	9.0%

RWA structure (in EURm)



Capital:

- ▶ Capital ratios well above regulatory capital requirements of 9.3% CET1, 11.5% Tier 1, 14.3% Total capital
- ▶ Dividend distribution proposed in 2024 from FY-23 result (1/3 payout ratio), final decision taken at 2024 AGM on 04 June 2024
- ▶ Successful placement of green Tier 2 subordinated bonds which increased the group's total capital ratio from 15.7% to pro-forma 17.7%

Leverage:

- ▶ Leverage ratio of 9.0% well above banking sector averages
- ▶ Comfortable level as further key indicator of prudent group capitalisation

RWA:

- ▶ Standardized approach for RWA calculation
- ▶ RWA mainly driven by credit risk
- ▶ Application of standardized approach resulting in relatively limited impact of Basel IV implementation in 2025

ProCredit Holding AG successfully placed EUR 125m Green Tier 2 Bonds

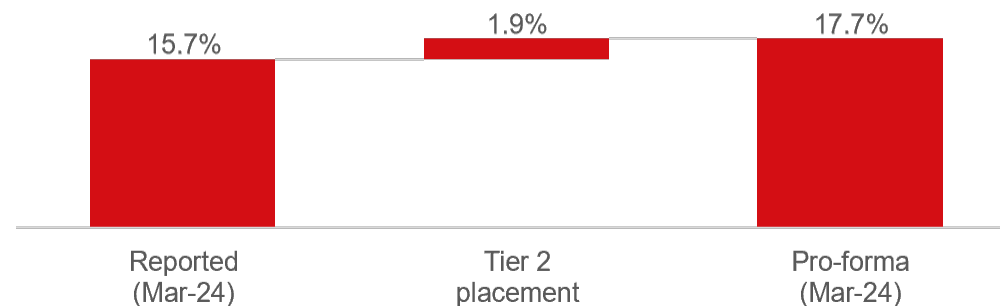
Summary of transaction:

- ▶ On 25-Apr-24, ProCredit Holding successfully placed green Tier 2 subordinated bonds
- ▶ Strong demand enabled ProCredit Holding to increase the originally expected placement volume from EUR 100m to EUR 125m
- ▶ The bonds were placed with >20 international and domestic institutional investors
- ▶ Investor demand for the bonds was geographically diverse, with Luxembourg (28%), the UK (28%), France (12%) and the US (12%) accounting for the largest volumes
- ▶ The transaction was concluded under the ProCredit Group Green Bond Framework, on which Sustainalytics has provided a second party opinion
- ▶ As a result of the transaction, the group's total capital ratio increased by ~2pp to a level of 17.7% (pro-forma as of Mar-24)

Main statistics:

ISIN	DE000A383C84
Issue date	25.04.2024
Rating issuer / issue	BBB / BB- (Fitch)
Volume	EUR 125m
Coupon / spread	9.5% / 6.63%
Tenor	10.25NC5.25
Listing	Euro MTF, Luxembourg Stock Exchange

Pro-forma total capital ratio (TCR):



FY 2024 outlook

▶ Growth of the loan portfolio	Around 10% (FX adjusted)
▶ Return on equity (RoE)	10% – 12% (based on up to 40bps cost of risk)
▶ Cost-income ratio (CIR)	Around 63% (with margin of +/- 1 ppt)
▶ CET1 ratio, leverage ratio, dividend	> 13.0% CET1 ratio, c. 9% leverage ratio, 1/3 dividend payout ratio

Medium-term outlook

In the medium-term, the group intends to grow its **loan portfolio to a level of > €10bn** and achieve a **share of green loans of at least 25%**. **Return on equity** is expected to reach a level of **around 13 – 14%**, based on over the cycle risk costs of 30 – 35 basis points. Cost-income ratio is expected to improve to a level of **around 57%**, excluding one-off effects.

Assumptions and risk factors

Risk factors that apply to the FY 2024 and medium-term outlook are included in the appendix of this presentation. The medium-term RoE outlook does not any consider upside potential in Ukraine: **Around +1.5 ppt on medium-term RoE.**

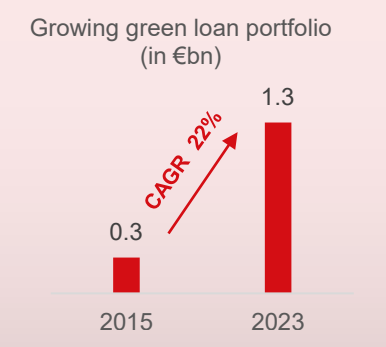
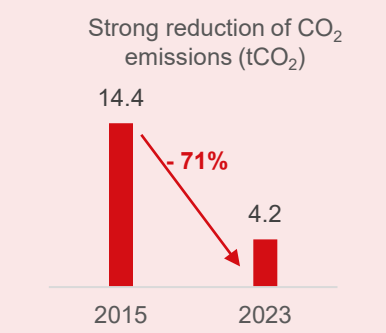
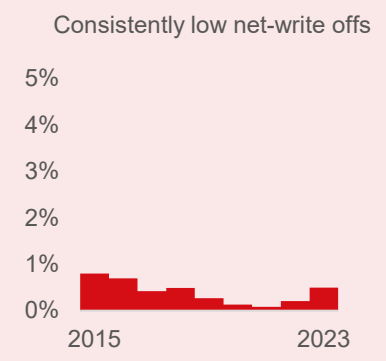
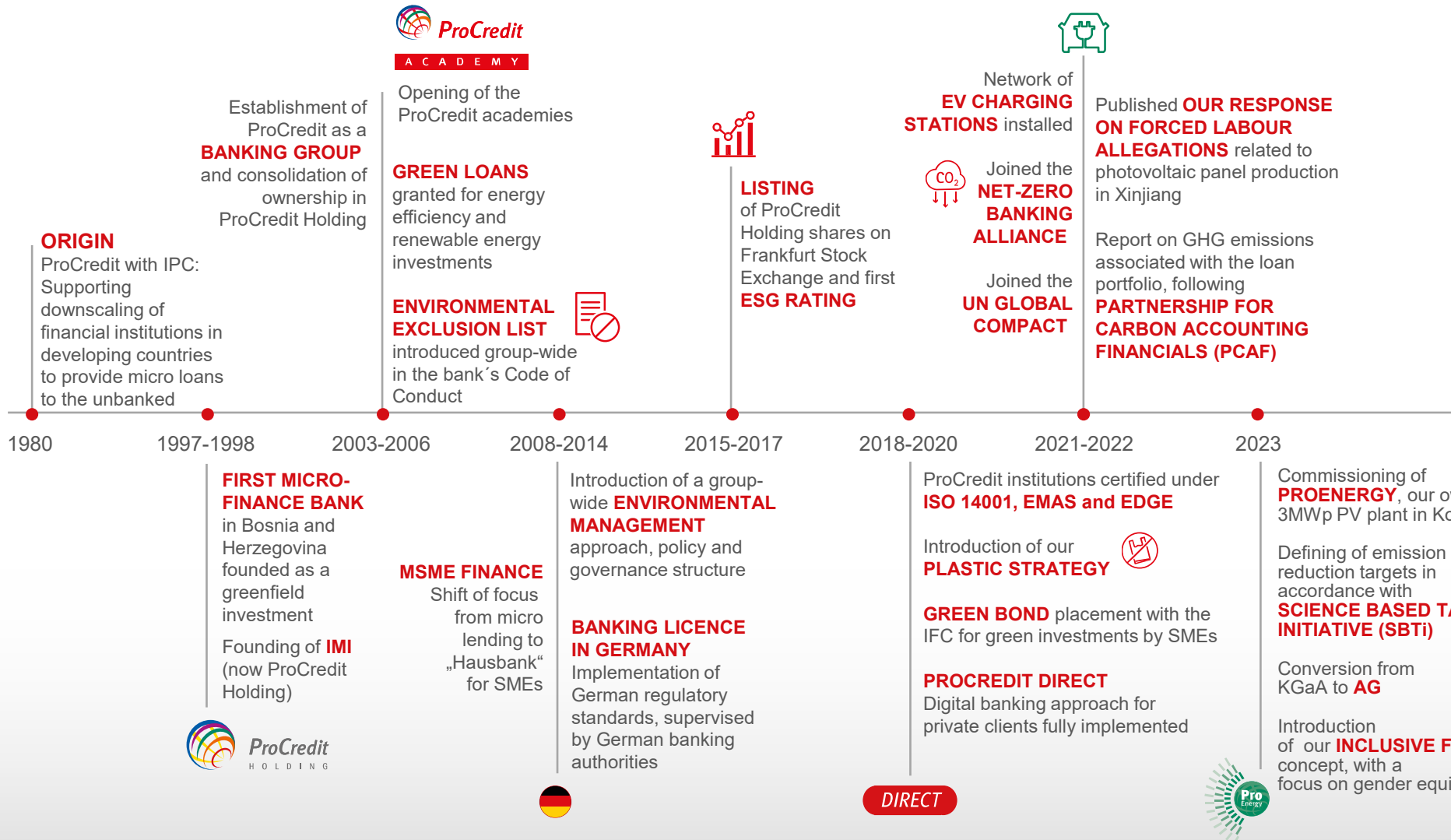


Appendix

Summary of key financial indicators

In EUR m		FY-22	FY-23	Q1-23	Q1-24	Y-o-Y
Income statement	Net interest income	264.6	337.2	75.4	90.1	14.6
	Net fee and commission income	54.7	57.5	14.0	14.1	0.1
	Other operating income (net)	20.5	17.8	4.3	3.0	-1.3
	Operating income	339.8	412.5	93.7	107.2	13.4
	Personnel expenses	101.7	120.6	27.6	32.2	4.6
	Administrative expenses	115.7	126.3	28.3	33.9	5.6
	Loss allowance	104.6	15.5	1.9	0.3	-1.6
	Tax expenses	1.3	36.6	6.5	7.2	0.7
	Profit after tax	16.5	113.4	29.5	33.5	4.1
Key performance indicators	Change in customer loan portfolio	3.1%	1.9%	-0.8%	3.0%	3.8 pp
	Cost-income ratio	64.0%	59.9%	59.7%	61.7%	2.1 pp
	Return on equity	1.9%	12.2%	13.3%	13.4%	0.1 pp
	CET1 ratio (fully loaded)	13.5%	14.3%	14.1%	14.3%	0.2 pp
Additional indicators	Net interest margin	3.1%	3.6%	3.4%	3.7%	0.2 pp
	Net write-off ratio	0.2%	0.5%	0.2%	0.0%	-0.2 pp
	Credit impaired loans (Stage 3)	3.3%	2.7%	3.2%	2.6%	-0.6 pp
	Cost of risk	174 bps	25 bps	12 bps	2 bps	-11 bp
	Stage 3 loans coverage ratio	61.8%	57.6%	62.3%	57.8%	-4.5 pp
	Book value per share (EUR)	14.8	16.7	15.3	17.3	2.0
	Deposit-to-loan ratio	103.0%	116.5%	104.3%	116.2%	11.9 pp

Strong impact track record over the decades



We set SBTi targets to achieve net zero for scope 3 emissions from our business loan portfolio in line with Paris Agreement

By 2027 clients representing 28% of the scope 3 emissions will have committed themselves to reach net-zero by 2050

Engage and support our clients in decarbonising their businesses:

1. Support in the measurement of their CO₂ emissions
2. Setting their targets for reduction according to the SBTi standards
3. Support their green transition through our green loans

By 2040 clients representing 100% of the scope 3 emissions will have committed themselves to reach net-zero

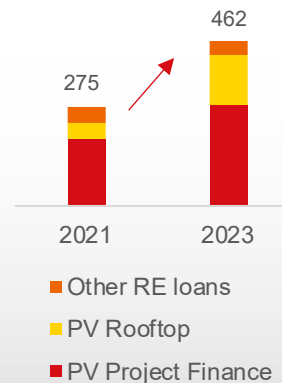
ProCredit is pioneering decarbonisation with SME clients

- Measuring at scale and accurately direct emissions from SMEs is both a huge challenge but fundamentally important if we want the private sector to decarbonize
- Given our large number of MSMEs clients (~70k) and our focus on the topic, we are uniquely positioned to set the industry standards on how to achieve this

ProCredit is the long-term partner for SMEs in its markets of operations

Growing rooftop PV loan portfolio to support decarbonization in SEE & EE

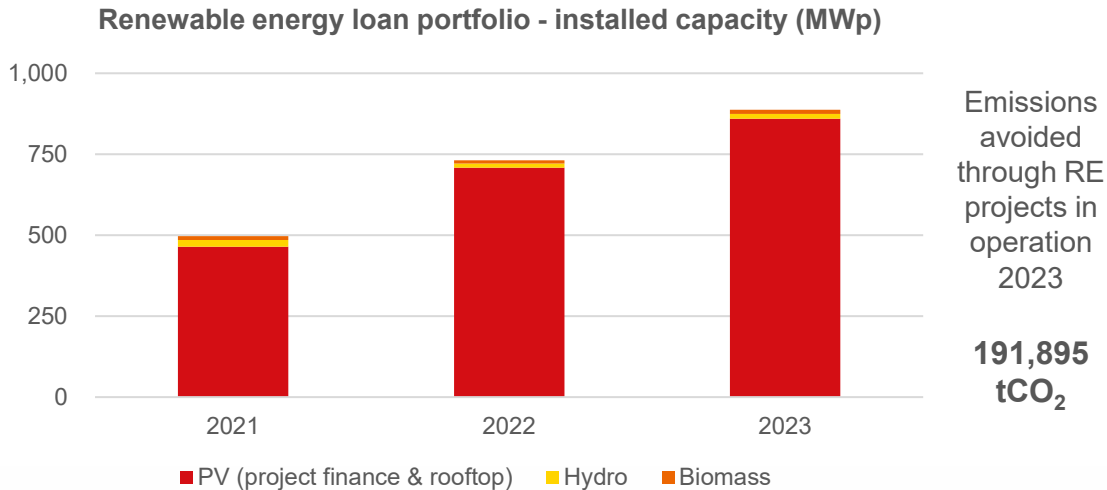
Renewable energy loan portfolio (in €m)



Financed installation of 0.5MW rooftop solar panels to cover all its own electricity needs

No exposure to the fossil fuel industries, but a leader in renewable energy financing

887 MWp currently financed, aiming to reach 1 GWp this year



Specialized focus on the small-scale segment (1 to 10 MW power plans) in solar to cover the financing gap in the “missing middle”.

North Macedonia is still highly dependent on energy production from coal: Less than 1 % of total electricity is generated by PV power plants in the country.

Case study: Solar one Štip, North Macedonia

Solar one

- 4 PV plants near Štip
- Total capacity of 4.18 MWp
- Started operating in 2023
- Energy is supplied to open market
- Investment increases production from renewable energy by 5.7 GWh per year
- PV panels supplied by regional company
- ProCredit Bank provided large part of necessary capital



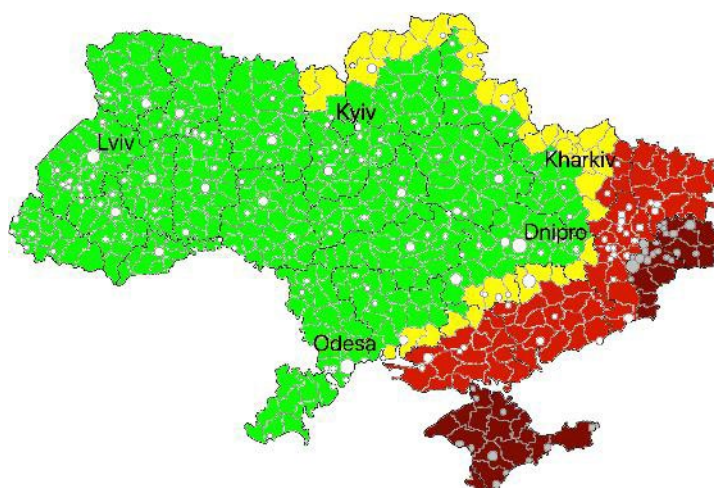
Development since 2021, before Russian invasion in 2022

(in EUR m)	FY-21	FY-22	FY-23
Selected financial indicators			
Loan portfolio	757	582	497
% of group	12.8%	9.5%	8.0%
% of portfolio in red zone	n/a	10.1%	4.0%
Loss allowance	0.3	86.7	5.5
Profit after tax	23.7	-51.8	17.7
RoE	19.9%	-55.5%	28.0%

Quarterly KPI update

	Q4-23	Q1-24
Staff information		
Number of staff	334	346
Change qoq %	0.6%	4.0%
Loan portfolio and quality		
Loan portfolio (EURm)	497	456
% of group	8.0%	7.1%
Share of Stage-3	7.3%	6.8%
Coverage ratio Stage-3	82.4%	85.3%

Regional risk classification



Risk zone by business location	% of PCB Ukraine loan portfolio	% of PCH group loan portfolio
Dark Red	0.0%	0.0%
Red	4.3%	0.3%
Yellow	9.3%	0.7%
Green	86.4%	6.1%

- **Dark red:** Regions occupied by Russian forces since 2014
- **Very high risk:** Districts in warzone or under occupation
- **High risk:** A buffer zone from war zone / under occupation regions
- **Low risk:** Districts with relatively lower risk to be affected

Note: Loans to private clients included in green category

Income statement (EURm)

Net interest income	16.9	16.0
Net fee and commission income	1.3	0.8
Loss allowance	-0.6	1.5
Profit after tax	1.3	6.9

Key metrics

Cost-income ratio	32.4%	32.7%
RoE	28.0%	37.6%
Deposit to loan ratio	143%	163%
Local capital buffer	> 4pp	> 5pp

Experienced management collaborating at Holding and local level

Hubert Spechtenhauser (Chairman)



- ▶ Corporate Office
- ▶ Group Communications
- ▶ Legal

Eriola Bibolli



- ▶ Group Credit Risk Management
- ▶ Group and PCH Risk Control
- ▶ Group Financial Risk Management
- ▶ Group Operational Risk Management

Christoph Beeck



- ▶ Group and PCH Human Resources
- ▶ Fraud Prevention and Compliance and Group and PCH AML
- ▶ Group and PCH Internal Audit
- ▶ Administration and Translation

Christian Edgardo Dagrosa



- ▶ Accounting and Taxes
- ▶ Supervisory Reporting and Capital Planning
- ▶ Group Funding and Treasury
- ▶ Controlling
- ▶ Reporting and Data Management
- ▶ Investor Relations
- ▶ Data System Projects

Dr Gian Marco Felice



- ▶ Group Environmental Management and Impact Reporting
- ▶ Group and PCH IT
- ▶ Business Support and Development

Georgios Chatzis



Local ProCredit banks

32 key management members

Collective training...

- ▶ Central training in Fürth
- ▶ English as lingua franca
- ▶ Regular specialist events and regional meetings

...as catalyst for a shared vision and teamwork...

- ▶ Common set of values
- ▶ Closely-knit network
- ▶ Rapid diffusion of best practices

...supported by clear framework

- ▶ Strict common operating standards and policy guidelines
- ▶ Strong, standardised MIS reporting
- ▶ Holding management with supervisory board seats at local banks involved in strategic business processes

On average **13 years** of experience with ProCredit

General note

Return on equity, net interest margin, cost of risk and net write-off ratio are consistently annualised for all interim (quarterly and half-year) figures

Slide 1

The Fitch Issuer Default Rating of BBB has been last re-affirmed on 15 May 2024

The shareholder structure shown is according to the voting right notifications, and voluntary disclosure of voting rights as published on our website www.procredit-holding.com

Slide 6

NPL figures for banking sectors are derived from respective central or national banks as per Dec-23

Slide 7

RoE since 2005 as disclosed in “Bundesanzeiger” (German Federal Gazette)
Figures and ratios for Dec-13 relate to the disclosures in the consolidated financial statements as of 2013

Dec-22 result negatively impacted by significant loan loss provisions in Ukraine due to the war against Ukraine.

Consolidated result and RoE: EUR 16.5m; 1.9%

Result and RoE excl. PCB Ukraine: EUR 68.5m; 7.8%

Slide 9

GDP growth based on IMF World Economic Outlook as of April 2024. For SEE/EE the figure shown is based on the median of the countries of operation in SEE/EE the ProCredit group is active in.

IFI investment into SEE/EE based on disclosed publicly available information.

Slide 14

Green loan portfolio figures from previous periods have been adjusted according to the current scope of continuing operations

Slide 17

RoE and cost of risk displayed for ‘Group excluding Ukraine’, i.e. excluding the negative contribution from Ukraine for FY-22

Slide 18

Return on equity on this slide based on average allocated segment equity

Slide 22

Assumptions and scenarios for ProCredit bank Ukraine largely unchanged. In the post-war reconstruction scenario, the indicative medium-term upside potential on group RoE is estimated at ~1.5 ppt.

The potential expansion of the war to further areas of Ukraine and the continued suspension of the Black Sea Grain Initiative represent significant risk factors for our guidance and could be reflected in increased cost of risk.

Additional risk factors include negative economic impacts related to major disruptions in our countries of operation, intensified supply-chain and energy-sector disruptions, adverse changes in our funding markets, significant changes in foreign trade or monetary policy, a deterioration in interest rate margins particularly in countries with rate ceilings (Bosnia and Herzegovina, Ecuador and Kosovo), increasing inflationary pressures, pronounced exchange rate fluctuations and the conflict in the Middle East.

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