



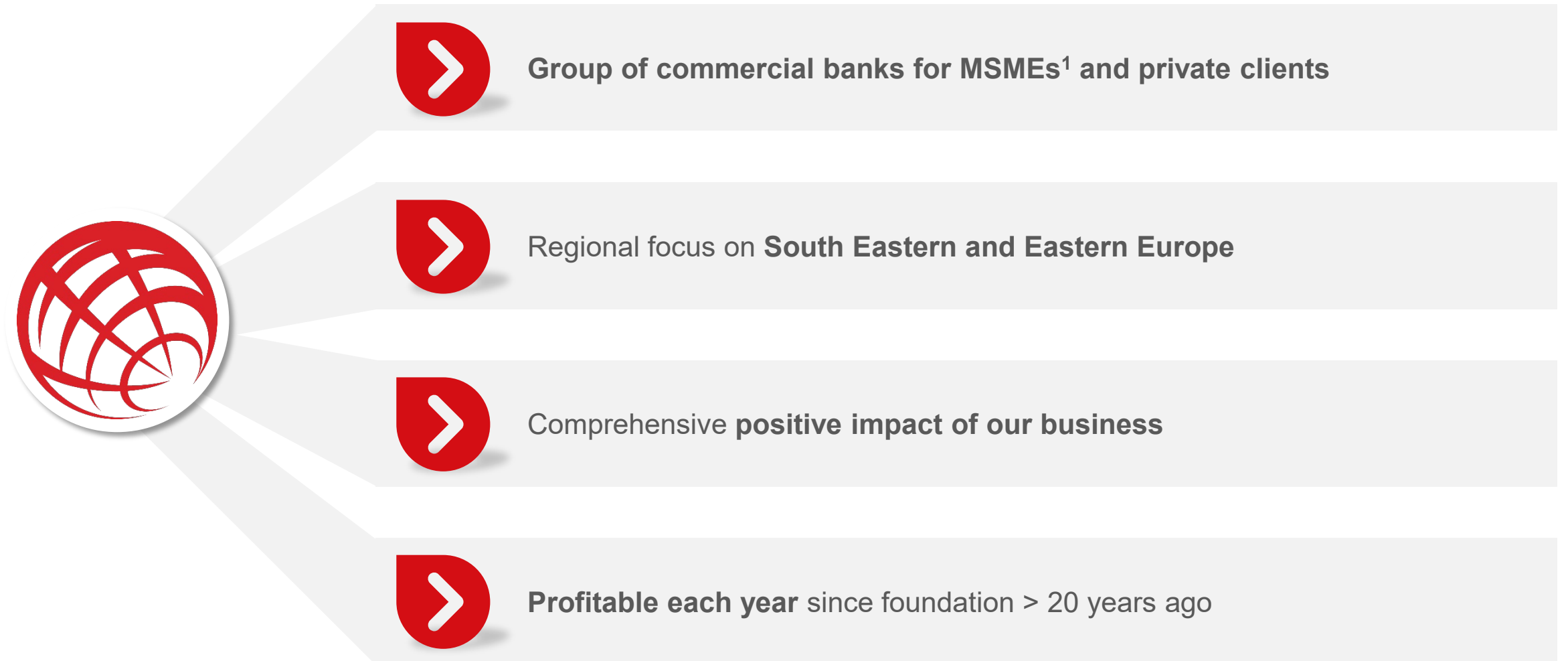
**An impact-oriented group of commercial banks  
for MSMEs and private clients in South Eastern and Eastern Europe**

**Company presentation, August 2024**



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





1) Micro, small and medium-sized enterprises

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

*ProCredit active  
in 13 countries*

*Serving  
>250k 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

**ProCredit  
customer-centric  
approach:**

rigorous client  
selection

+

high service quality

+

long-term  
relationships



**Strict customer focus**

Hausbank approach

Cater all main client demands

True understanding of clients'  
needs and risks

**Prudent credit risk**

Central role of Business  
Client Advisers

Responsible lending

Good portfolio quality

**Strong digital channels**

Evolving client demands

Superior customer experience

Efficient internal operations



Our key strength is our ~4,000 people

Carefully selected,  
well-trained  
and loyal staff

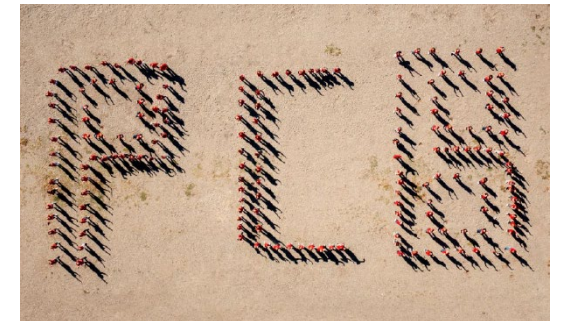
## Develop staff capacities in own academies

Clear salary  
structures and  
career options

Share best  
practices and  
become  
one team

Professional  
development in banking  
and humanities

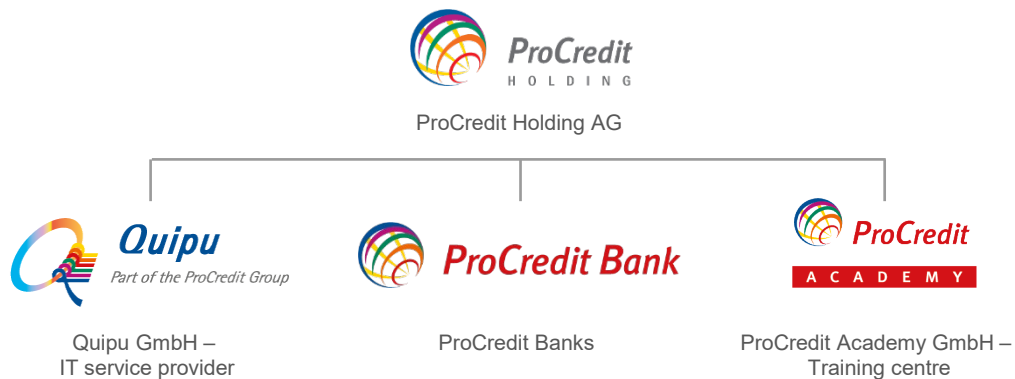
Strong commitment to the  
business and impact orientation  
of the group





Headquartered in Frankfurt, supervised by BaFin and Bundesbank, listed on the Frankfurt Stock Exchange

## Structure of the group



## Strong positioning for increased scale ✓

**13**  
countries  
of operation

**>250k**  
clients

**~€10bn**  
balance sheet

## Simple asset and liability structure ✓

**€6.7bn**  
loan portfolio

**~20%**  
share of  
green loans

**€7.5bn**  
deposits

## Good profitability and capitalization, attractive payout ✓

**11.6%**  
RoE in H1-24

**14.3%**  
CET1 ratio  
(fully loaded)

**1/3**  
dividend payout  
ratio policy



## Micro, Small and Medium business clients



Growing, stable businesses

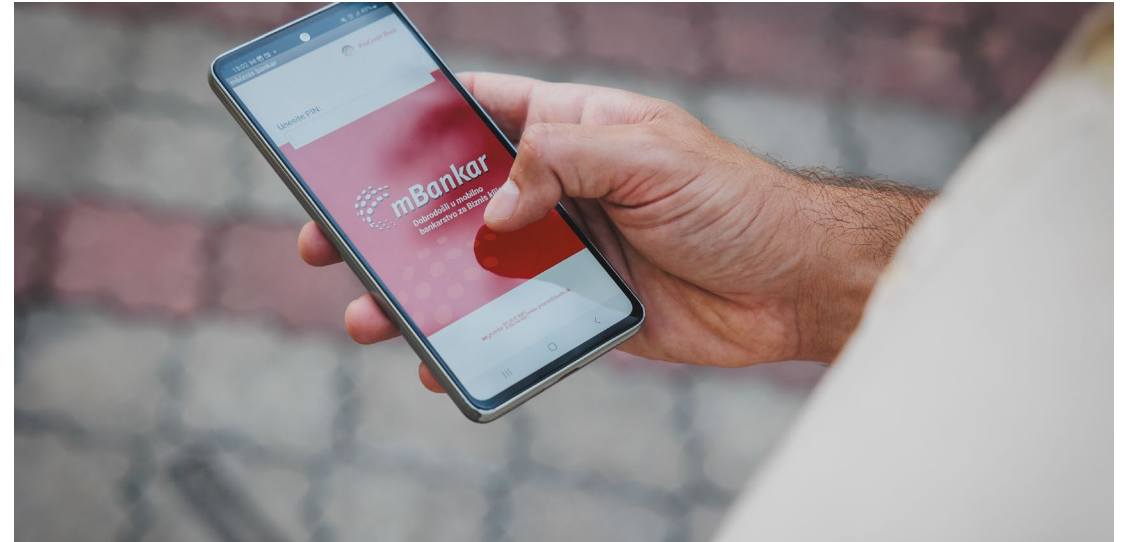
**~90%**  
of loan portfolio



Investing in job creation and economic development

**~70k**  
# MSME clients

## Private clients



Modern, transparent & reliable banking services

**~10%**  
of loan portfolio

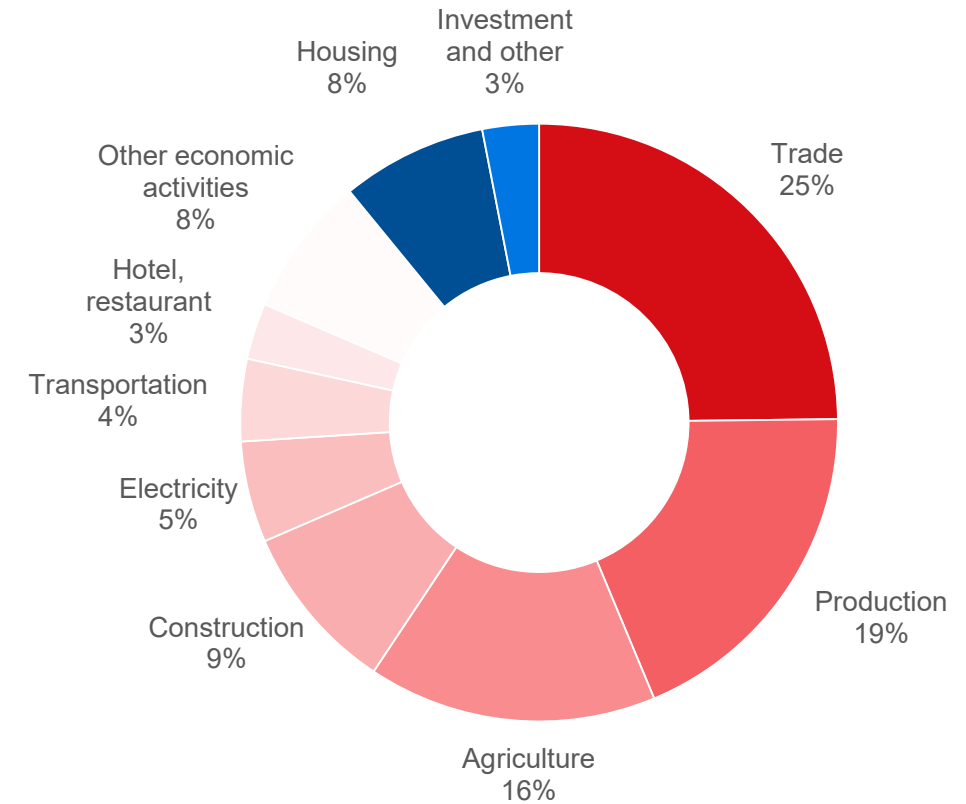
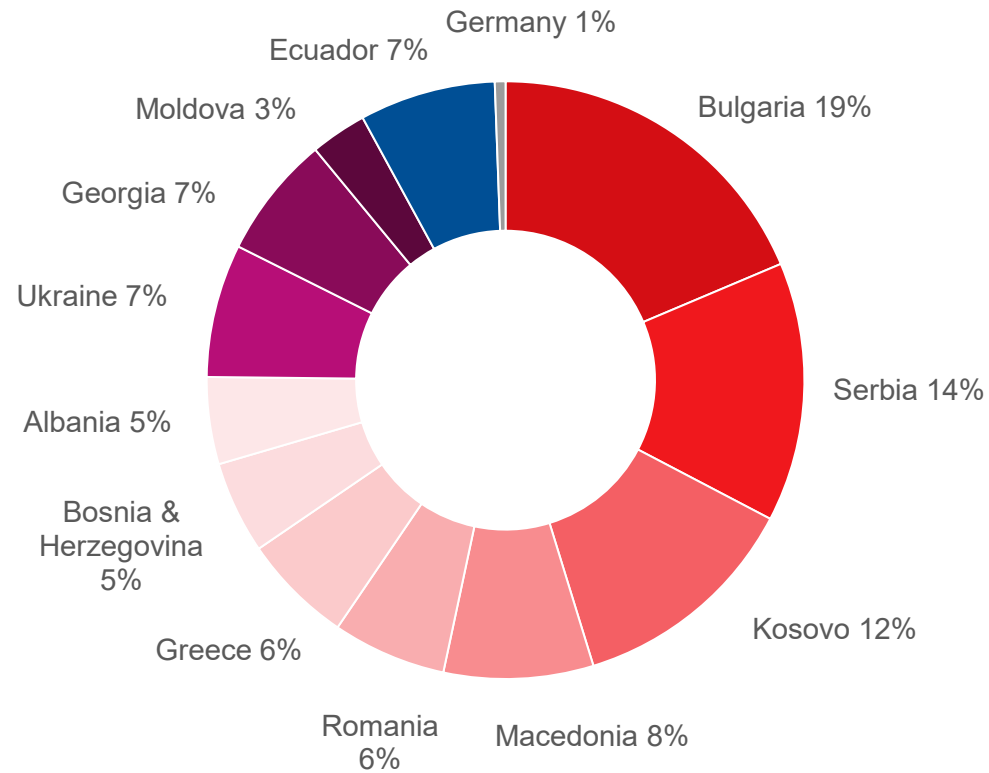


Digital customer journey with a 'human touch'

**~200k**  
# of active private clients

## Loan portfolio by geographical segments

## Loan portfolio by sector



■ Total South Eastern Europe: 75%

■ Total Eastern Europe: 17%

■ Total Business Loans: 89%

■ Total Private Loans: 11%

# Where do we want to go



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



Strategic investments in **growth catalysts** (people, IT, marketing, branches)





**Substantially grow # clients:** MSMEs +50% and private clients +150%



**> €10bn loan portfolio** of which at least **25% green loans**



**Return on equity** to reach **~13 – 14%**<sup>1</sup>

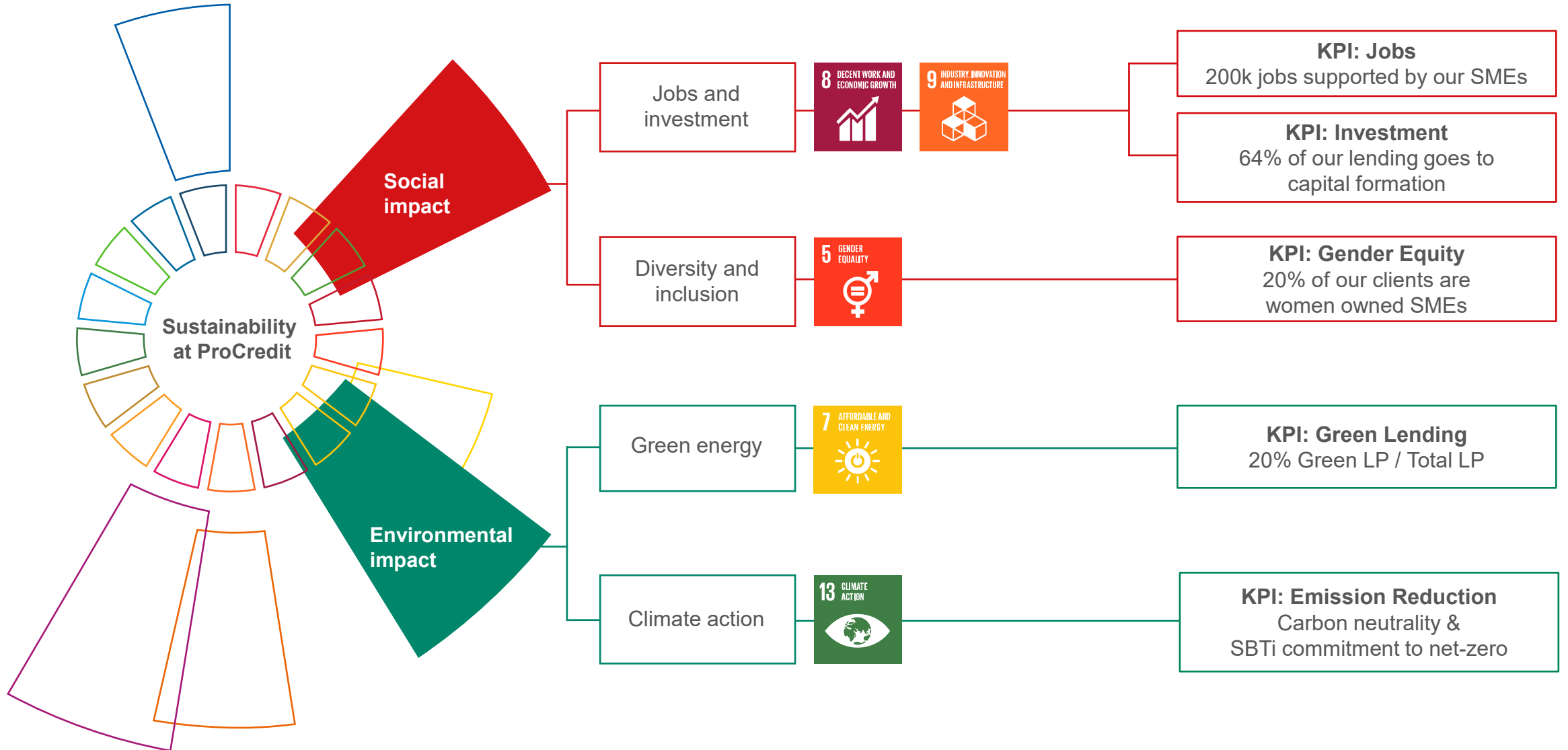


**Offer attractive dividends** in line with dividend policy (1/3 dividend payout ratio)

1) Without consideration of upside potential in Ukraine of around +1.5ppt on group RoE


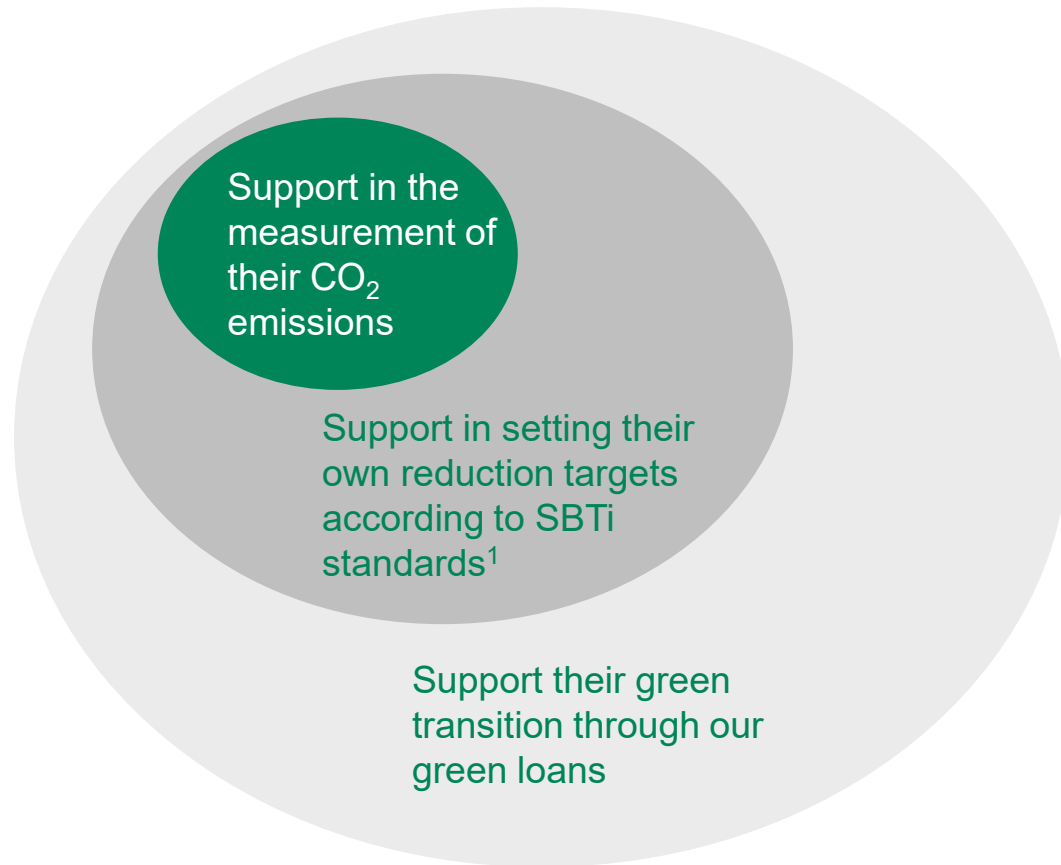
# Appendix

# Measuring sustainability at ProCredit





We are pioneering decarbonisation with MSME clients in our markets of operations



**13 CLIMATE ACTION**

**KPI: Emission Reduction**  
Carbon neutrality &  
SBTi commitment to net-zero

**Until 2027**

Engage with clients responsible for **28% of the scope 3 emissions** to commit to **net-zero by 2050**

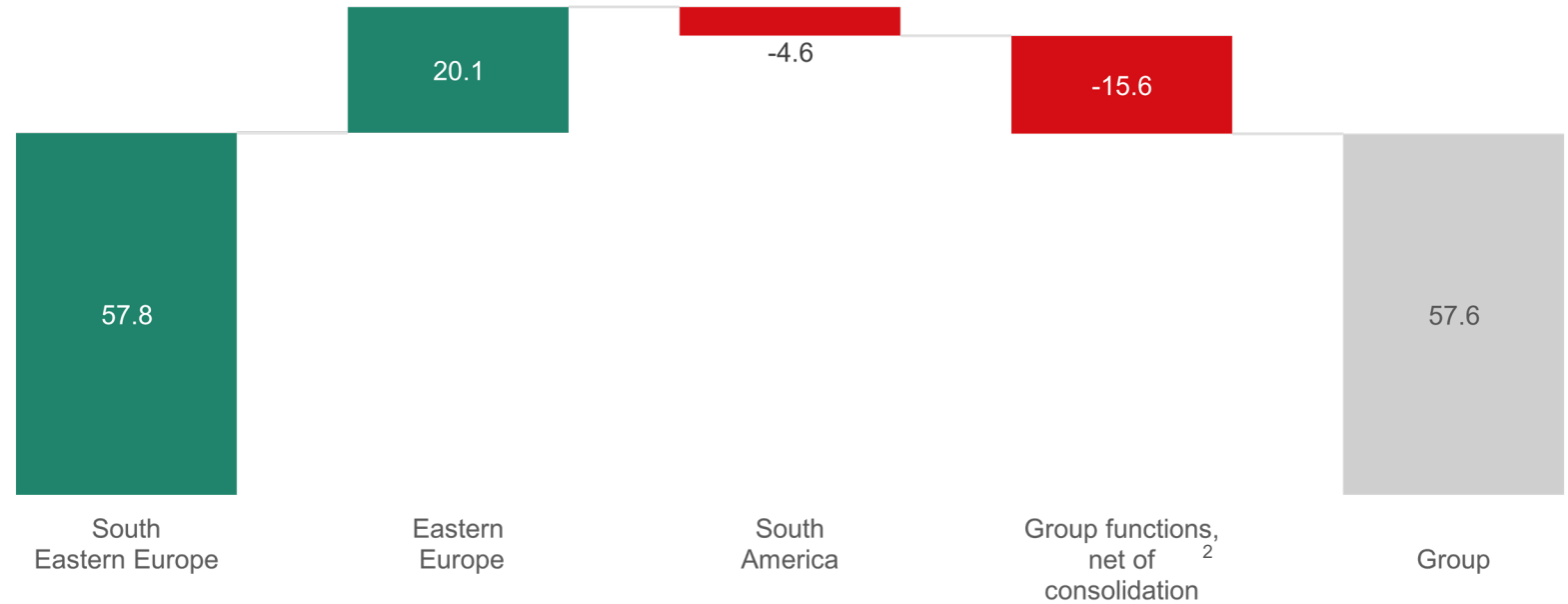
**Until 2040**

Engage with clients responsible for **100% of the scope 3 emissions** to commit to **net-zero by 2050**

In EUR m		FY-22	FY-23	H1-23	H1-24	Y-o-Y
Income statement	Net interest income	264.6	337.2	155.7	180.6	24.9
	Net fee and commission income	54.7	57.5	28.9	29.3	0.5
	Other operating income (net)	20.5	17.8	7.2	9.8	2.6
	Operating income	339.8	412.5	191.8	219.7	27.9
	Personnel expenses	101.7	120.6	56.4	69.3	12.9
	Administrative expenses	115.7	126.3	58.1	71.5	13.4
	Loss allowance	104.6	15.5	0.5	5.7	5.2
	Tax expenses	1.3	36.6	12.7	15.6	3.0
	Profit after tax	16.5	113.4	64.1	57.6	-6.5
Key performance indicators	Change in customer loan portfolio	3.1%	1.9%	0.8%	6.9%	6.1 pp
	Cost-income ratio	64.0%	59.9%	59.7%	64.1%	4.4 pp
	Return on equity	1.9%	12.2%	14.2%	11.6%	-2.6 pp
	CET1 ratio (fully loaded)	13.5%	14.3%	14.2%	14.3%	0.2 pp
Additional indicators	Net interest margin	3.1%	3.6%	3.5%	3.6%	0.2 pp
	Net write-off ratio	0.2%	0.5%	0.1%	0.2%	0.1 pp
	Credit impaired loans (Stage 3)	3.3%	2.7%	3.2%	2.5%	-0.7 pp
	Cost of risk	174 bps	25 bps	2 bps	18 bps	16 bp
	Stage 3 loans coverage ratio	61.8%	57.6%	62.4%	55.6%	-6.7 pp
	Book value per share (EUR)	14.8	16.7	15.9	17.1	1.1
	Deposit-to-loan ratio	103.0%	116.5%	104.9%	113.4%	8.5 pp

# Net income contribution by segment

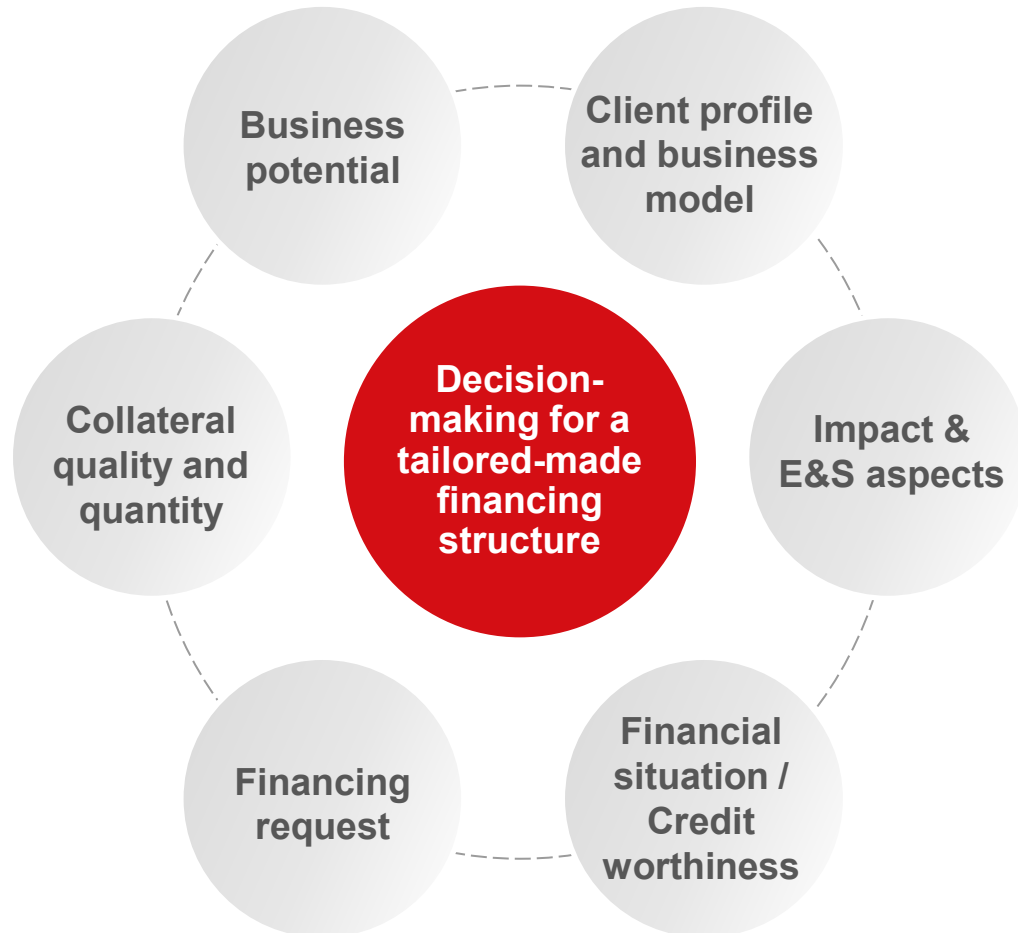
H1 2024, in EURm



Customer loan portfolio (EURm)	5,003	1,124	490	–	<b>6,656</b>
Change in customer loan portfolio	8.1%	4.6%	1.7%	–	<b>6.9%</b>
Cost-income ratio	55.1%	48.2%	134.9%	–	<b>64.1%</b>
Allocated equity (EURm)	709	235	46	–	<b>1,004</b>
Return on equity <sup>1</sup>	16.4%	17.7%	-19.6%	–	<b>11.6%</b>



360° integrated view on business client situation in all cases

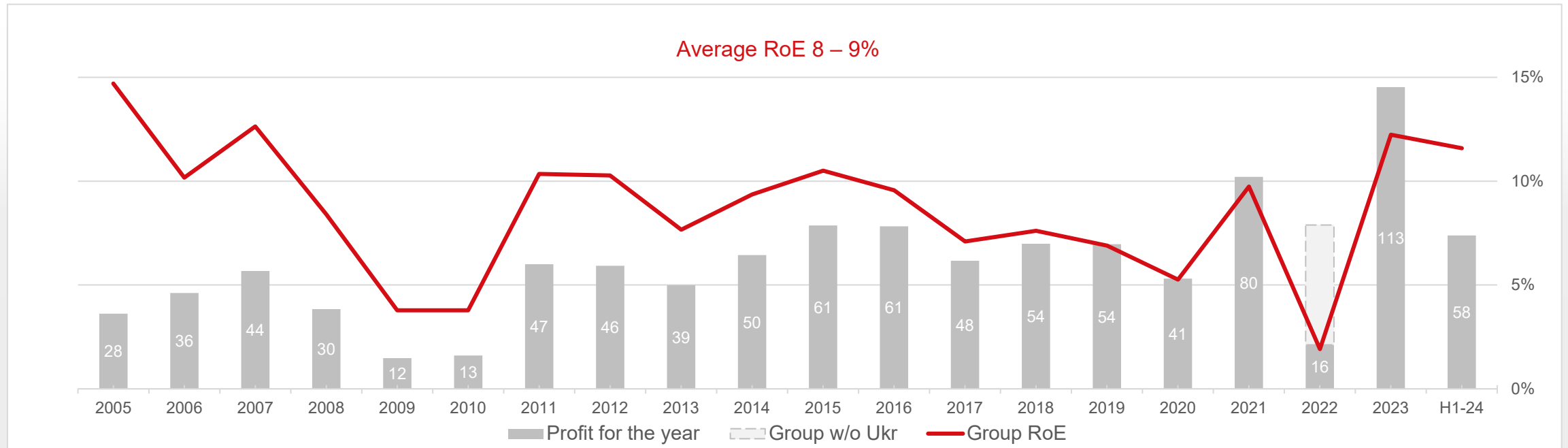


▶ High quality loan portfolio with low NPLs

▶ Consistently low provision costs imprinted in the business model

▶ Significantly leveraging the group's positive impact

## Long-term financial stability and attractive profitability



First bank founded in Bosnia in 1998

Away from micro-finance and divestment of operations in Africa and Latin America

Focused positioning on SMEs in SEE and EE; group digitalisation

New era of ProCredit: transformation into universal bank for MSMEs and private clients

## Hubert Spechtenhauser (Chairman)

- ▶ Corporate Office
- ▶ Group Communications
- ▶ Legal



## Eriola Bibolli

- ▶ Business Development



## Christian Edgardo Dagrosa

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



## Christoph Beeck

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



## Dr Gian Marco Felice

- ▶ Group Sustainability
- ▶ Group and PCH IT



## Georgios Chatzis

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



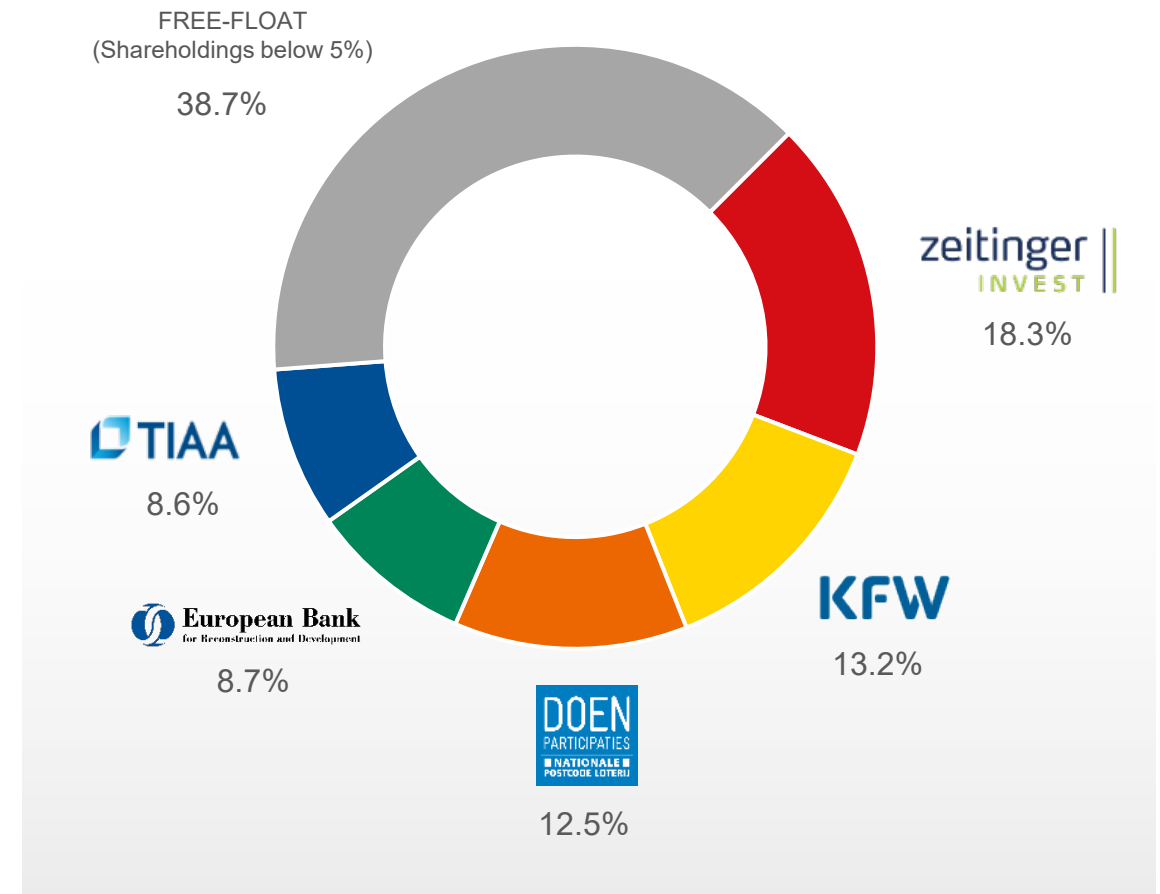
## Selected milestones

- ▶ 2016: Listing of ProCredit shares on the **Frankfurt Stock Exchange**
- ▶ 2018: **€60m capital increase**
- ▶ 2021: **First Capital Markets Day**
- ▶ 2023: Successful **conversion of legal form** into a stock corporation (AG, from KGaA)
- ▶ 2024: **Second Capital Markets Day** – updated strategy

## Ratings

- ▶ FitchRatings: BBB (stable)
- ▶ ISS ESG Corporate rating: Prime; B-; Decile Rank: 2
- ▶ MSCI ESG Rating: A

## Shareholder structure of ProCredit Holding AG



## Slides 3, 7 and 9

Greece via ProCredit Bulgaria entity

## Slide 11

Compared to FY-23; Based on over the cycle risk costs of 30 – 35 basis points and a cost-income ratio of around 57% excluding one-off effects

The group considers amongst others the following risk factors to its short- and medium-term guidance:

- A potential further escalation of the war in Ukraine represents a significant risk factor 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) to the extent that higher funding costs cannot be fully passed on to customers due to the rate ceilings, an increase in inflation rates and pronounced exchange rate fluctuations.

## Slide 13

Data as of December 2023

## Slide 14

1) The engagement approach is under development

## Slide 16

1) Based on average allocated segment equity; 2) Group functions, e.g. risk management, reporting, capital management, IT, liquidity management, training and development. Includes ProCredit Holding, Quipu, ProCredit Academy Fürth, PCB Germany

## Slide 18

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 20

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](http://www.procredit-holding.com)



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