Hubert Spechtenhauser, Chairman of the Management Board
Christian Dagrosa, CFO and member of the Management Board

# 9M / Q3 2024 results

Frankfurt am Main, November 2024

ProCredit HOLDING

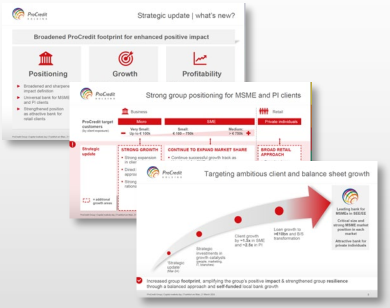


# Balance sheet transformation underway

## 9M delivering on strategic priorities laid out at Capital Markets Day

### Strong foundation laid in the past two years

- **Profitable in 2022** despite war in Ukraine, **2023 best year ever**
- **Capital strengthened** by multiple RWA-efficiency measures, retained earnings and green T2 bond
- **Effective deposit strategy** conducive to higher deposit-to-loan ratio
- **New strategy** communicated at Capital Markets Day in Mar-24, positioning ProCredit as **Universal Bank for MSME and private clients**




### 9M 2024: significant step on our growth trajectory

**Strong growth metrics in 9M-24** ✓

- **9.0%** loan growth
- **7.8%** deposit growth
- **7.4%** # clients growth

**Smaller segments and banks contributing strongly** ✓

- **>60%** of loan growth in lower-volume segments
- **5 banks** with loan growth of 10% or more
- **~15%** average loan growth of smaller banks

**Granular private client deposits as main driver** ✓

- **10.4%** growth of private client deposits
- **~60%** share of private clients in overall deposit growth
- **8.3%** # private clients growth

# Highlights 9M 2024

## Strong growth alongside high level of strategic investments

**Strong business growth in line with strategic priorities for increased scale**

- **Loans grow by EUR 557m,** significant growth momentum across all banks outside Ukraine and Ecuador
- **Deposits grow by EUR 566m** resulting in **deposit-to-loan ratio of 115%**
- **Number of customers grows by 7.4%**, with continued marked increase in number of private clients and MSMEs

**Good level of profitability as increased operating income and low risk cost balance high level of investments**

- **Profit of EUR 84.8m**, corresponding to **11.3% RoE**
- **Operating income up 9.8%** yoy mainly due to increased NII (up 11% yoy)
- **Low level of risk cost of 8 basis points** reflecting good loan portfolio quality and partial release of management overlays
- **C/I ratio elevated at 65.7%** driven by accelerated investments in growth catalysts

**FY 2024 outlook updated and dividend intentions confirmed; group well on track for medium-term ambitions**

- **FY 2024 guidance updated on selected key metrics** (loan growth, C/I ratio and RoE); RoE expected at around 10% reflecting inter alia assumption of increase of FY 2024 tax rate for Ukrainian banks to 50% and headwind from Ecuadorian subsidiary
- **Dividend distribution intended in 2025 from FY-24 result** with 1/3 payout ratio in line with group dividend policy, final decision as usually taken ahead of 2025 AGM
- **Medium-term outlook of around 13-14% RoE** reflecting ambitious growth targets towards a > €10bn loan portfolio and measures to consolidate margins and leverage scaling effects; does not consider any upside potential in Ukraine of around +1.5 ppt on medium-term RoE

**9.0%**
loan growth
(9M-23: 1.9%)

**7.8%**
deposit growth
(9M-23: 10.3%)

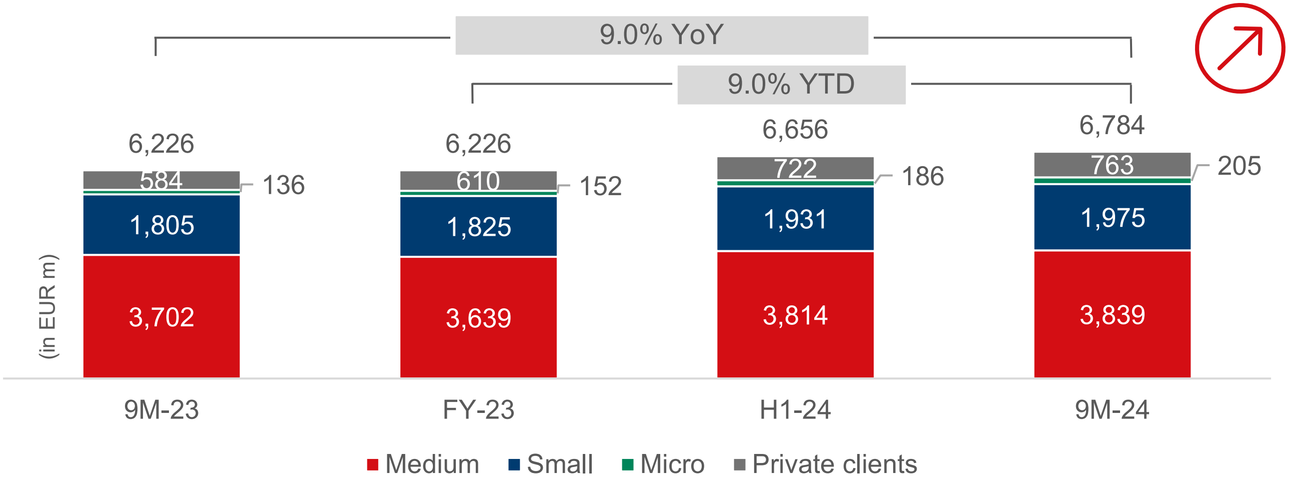
**11.3%**
return on equity
(9M-23: 13.6%)

**9.8%**
yoy increase in operating income

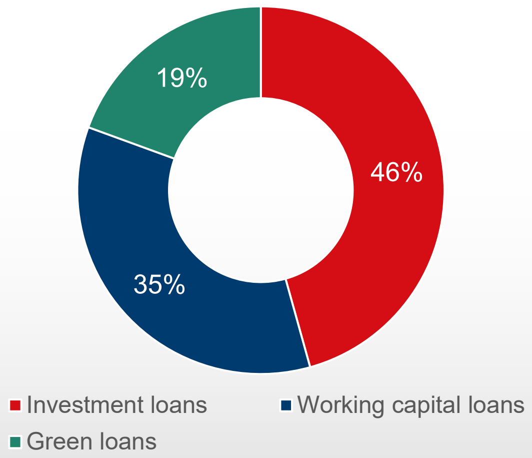
**14.1%**
CET1 ratio
(fully-loaded)

# Strong portfolio growth driven by all customers segments

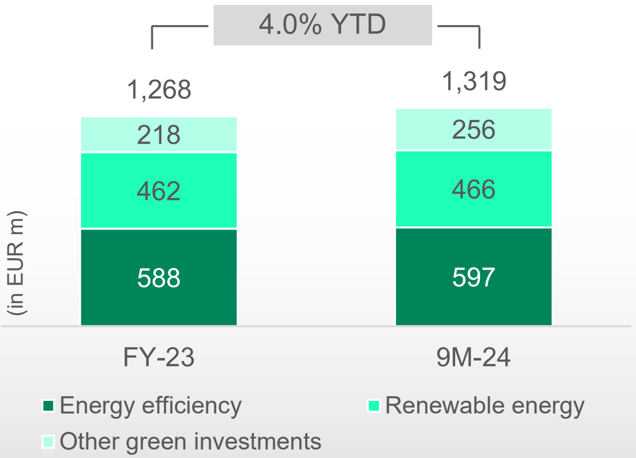
## Loan portfolio growth




## Loan portfolio by loan type



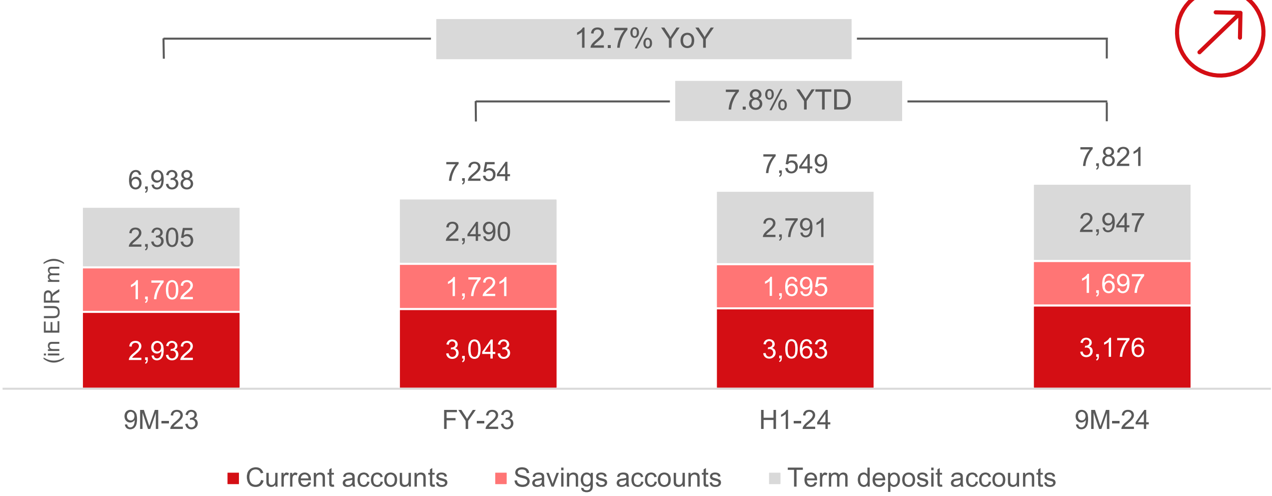

## Green loan portfolio



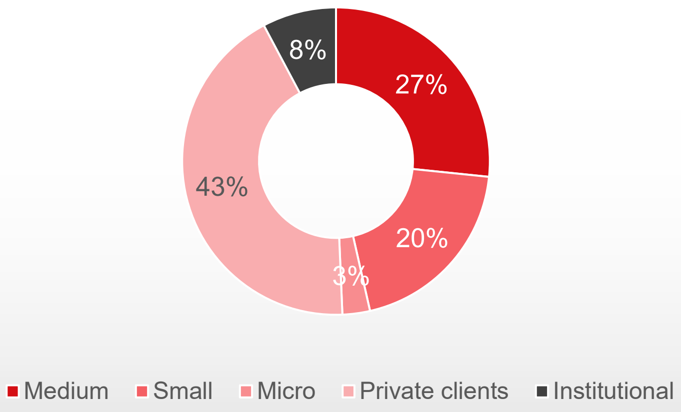

- Customer loans increase by EUR 557m or 9.0%, underscoring goals of updated group strategy for strong and granular growth
  - >60% of growth from lower-volume segments (Micro, Small and Private Clients) with higher average interest rates, good deposit-reciprocity and lower capital intensity
  - Strong growth rates particularly in Private Clients (+25%) and Micro (+35%)
  - Growth rates of on average 15% in smaller banks providing highest scaling potential
  - Loan portfolio reduces by an aggregate EUR 50m in Ukraine and Ecuador
- Green loan portfolio at EUR 1.3bn, representing close to 20% of total loan portfolio

# Strong deposit development through digital banking channels

## Deposit growth




## Deposits by client and key metrics



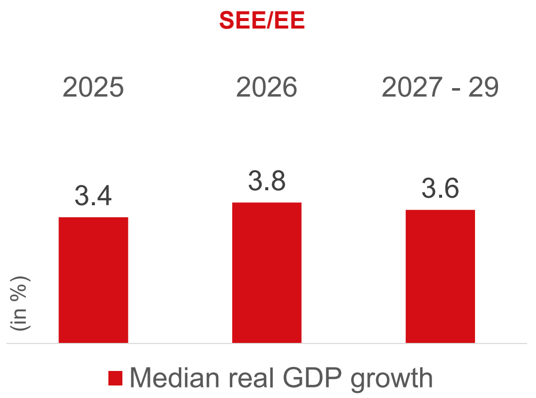

**43%**
share of deposits from private clients, up 1.6pp yoy

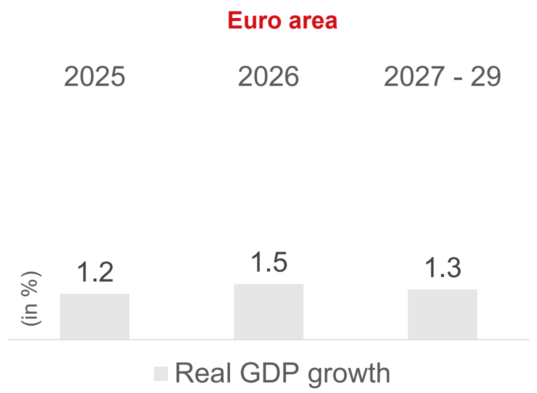
**115%**
deposit / loan ratio, up 3.8 ppt yoy

- Customer deposits grow by EUR 566m or 7.8%
  - Private client deposits grow strongly by more than 10% (~60% of total deposit growth), demonstrating good progress of ProCredit's direct banking strategy
  - Growth continues to be driven by term deposit accounts, as appetite for interest-bearing accounts remains high
- Strategic management of deposit/loan ratio and deposit base
  - Deposit-to-loan ratio up 3.8 percentage points yoy
  - Result of good positioning: increased and further diversified deposit base as strategic priority to further support margin development in the coming years
  - Strong deposit growth enabling YOY reduction of approx. EUR 150m in expensive non-customer funds as deposits grow by almost EUR 900m in one year

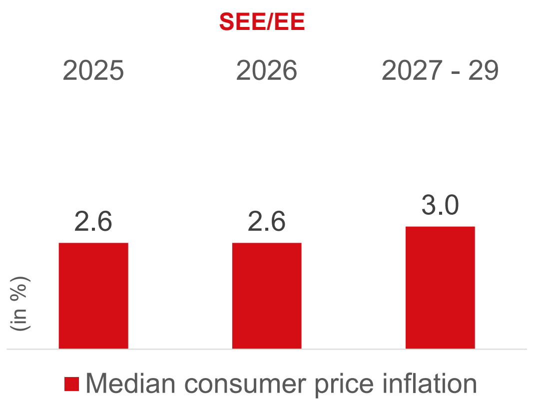
# Strategic positioning on SEE/EE, with positive expected GDP development and increased international focus on the region

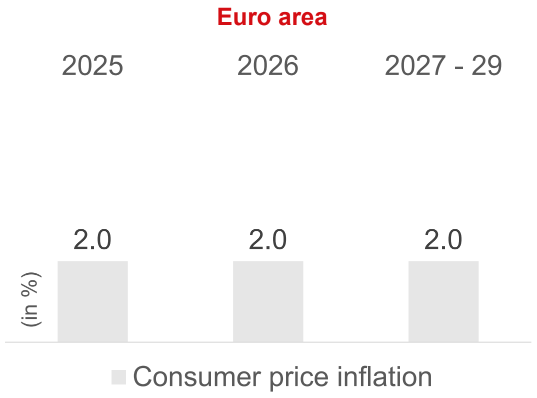
## GDP outlook for SEE/EE remains intact, well above Euro area




## Inflation well decreased




## Macroeconomic environment / key current themes

| | |
|---|---|
| GDP growth outlook | • Recent update of GDP growth estimates by IMF with slightly decreased outlook for Euro area (1.2% in ’25e vs 1.5% before)<br>• Resilience of the SEE/EE region demonstrated by intact mid-term GDP growth outlook of around 3.5 – 4.0% p.a.<br>• Risk factors to macro environment incl. Ukraine war and middle east conflict |
| Regional focus on SEE/EE | • Increased momentum regarding EU accession; currently 8 of ProCredit countries of operation with status as candidates or potential candidates for EU membership<br>• Continued high level of investment appetite and FDI inflows |
| War on Ukraine | • Still ongoing with significant human and economic losses, potential impact of US elections outcome on Ukraine<br>• Ukraine GDP outlook of 2.5% in ‘25e and 5.3% in ‘26e, however, subject to high risks as war continues |
| Situation in Ecuador | • Ecuador amongst countries with lowest GDP growth in the region (0.3% in ’24e) due to contractions in household consumption, government spending and investment<br>• Major current issues include energy crisis as result of drought |
| Inflation and interest rates | • Decrease in inflation levels with decline towards 2% level from ’25e expected; SEE/EE slightly higher depending on country<br>• ECB with lowered interest rates in Oct-24, FED in Nov-24; potential divergence between ECB/FED on rates development |

*Note: Inflation figures based on average period consumer prices*
*Source: IMF World Economic Outlook Oct-24*

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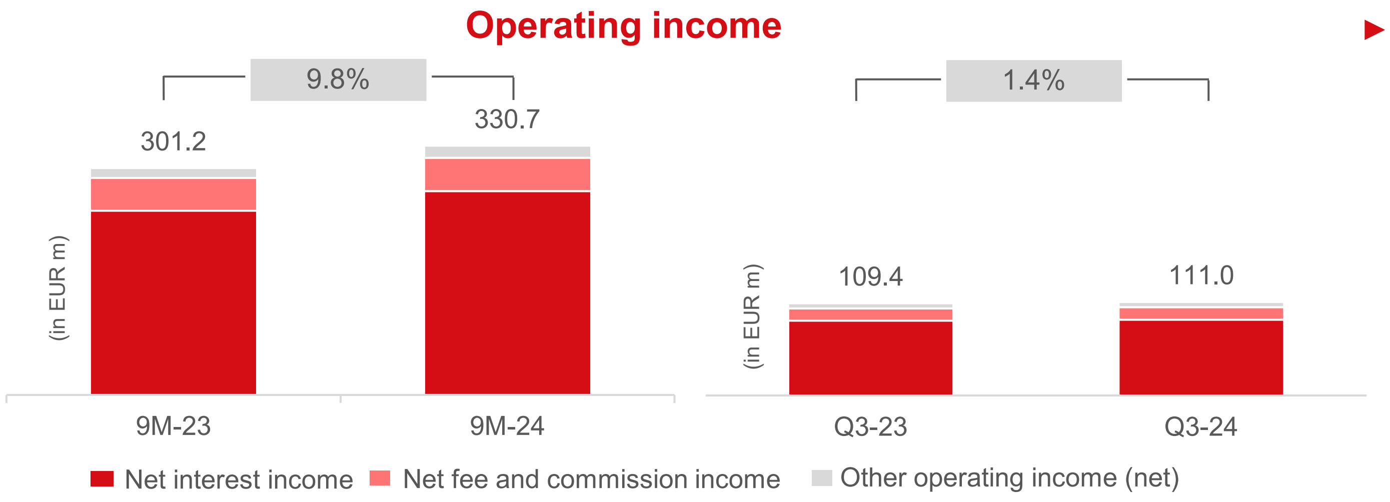
A. Highlights and business update

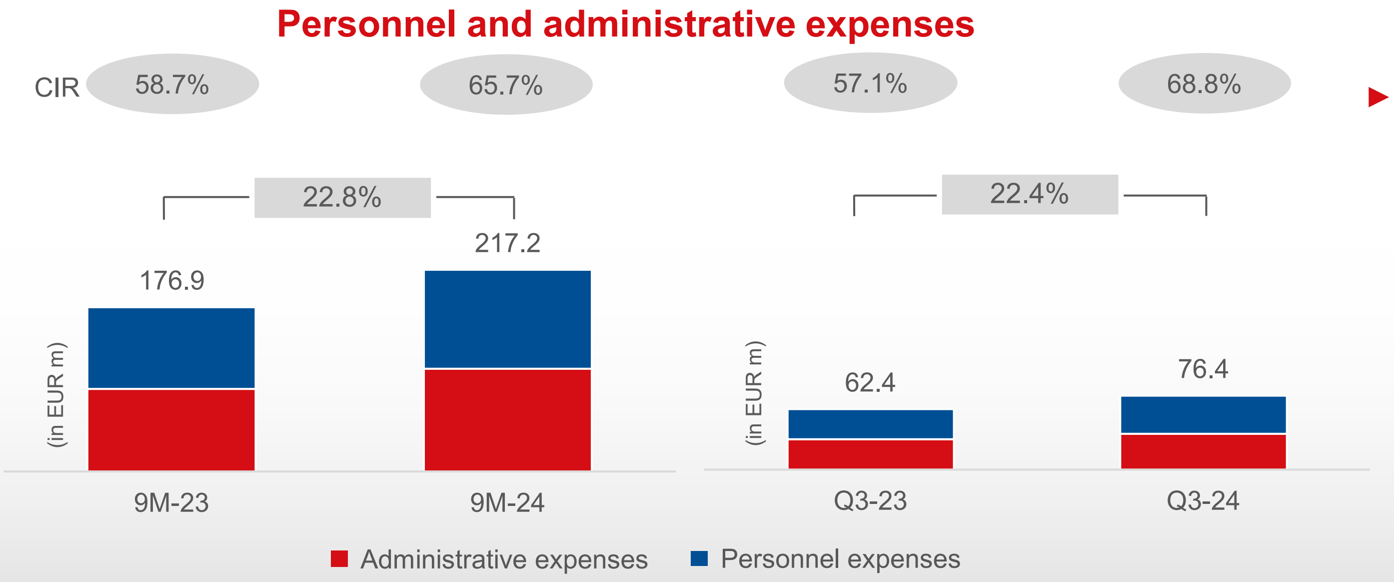
**B. Group results**

C. Regional performance

D. Outlook

## Operating income and expense overview

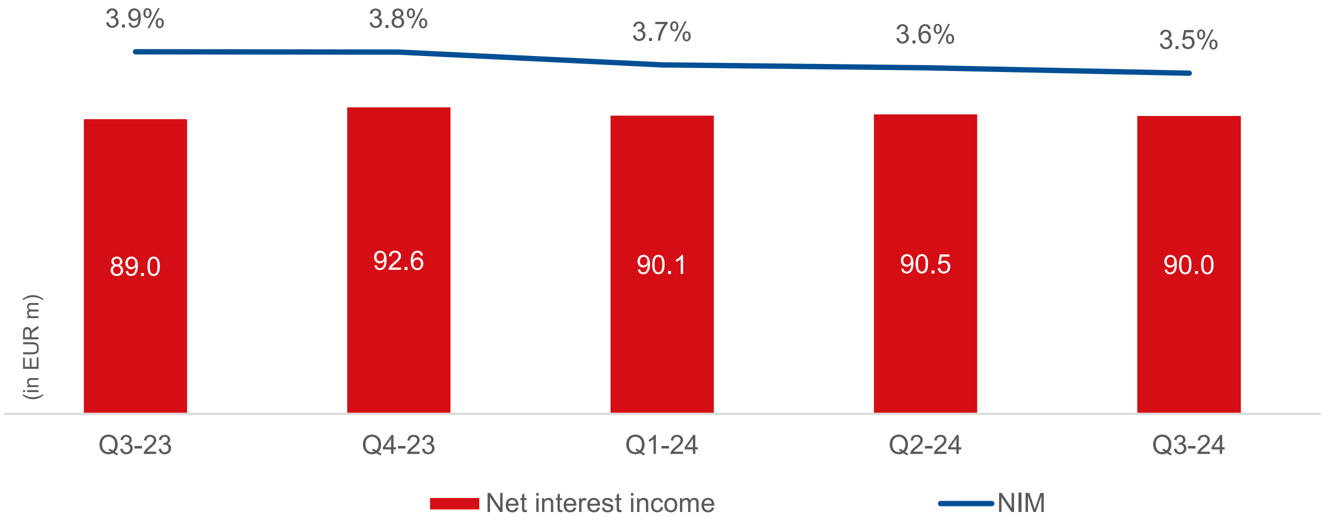


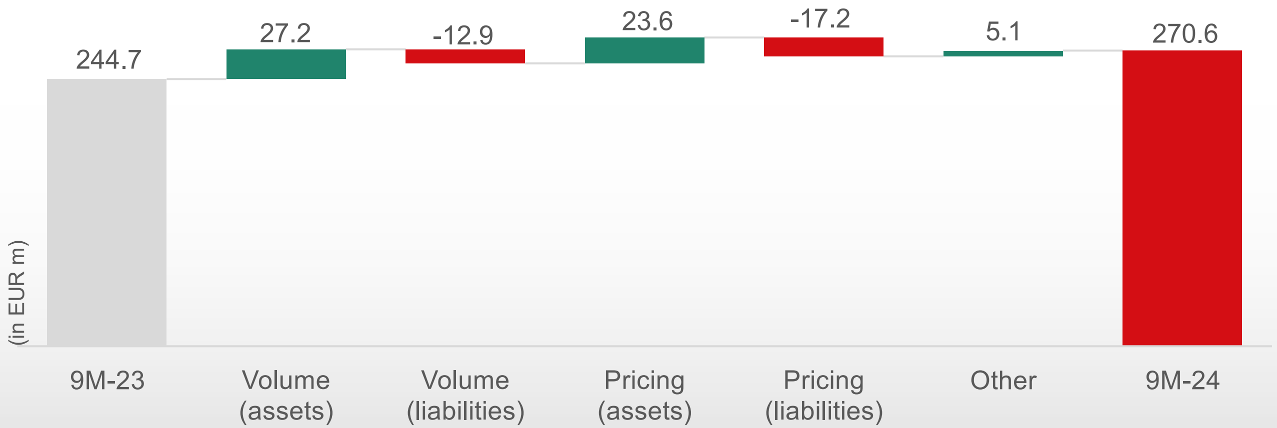

- Good increase in operating income yoy by EUR 29.5m or 9.8%, to EUR 330.7m
  - Continued positive trajectory of net interest income with yoy increase of 11%
  - Net fee income with slight improvement yoy
  - Income from fx transactions up 17%, with other operating income broadly stable
- Cost-income ratio at elevated level of 65.7%, as strategic investments and Tier 2 bond issuance result in the anticipated short-term reduction of cost-efficiency
  - Strategic investments reflected in higher costs for personnel, IT, marketing and depreciation
  - Continued strict underlying cost discipline

# Net interest income

## Quarterly development



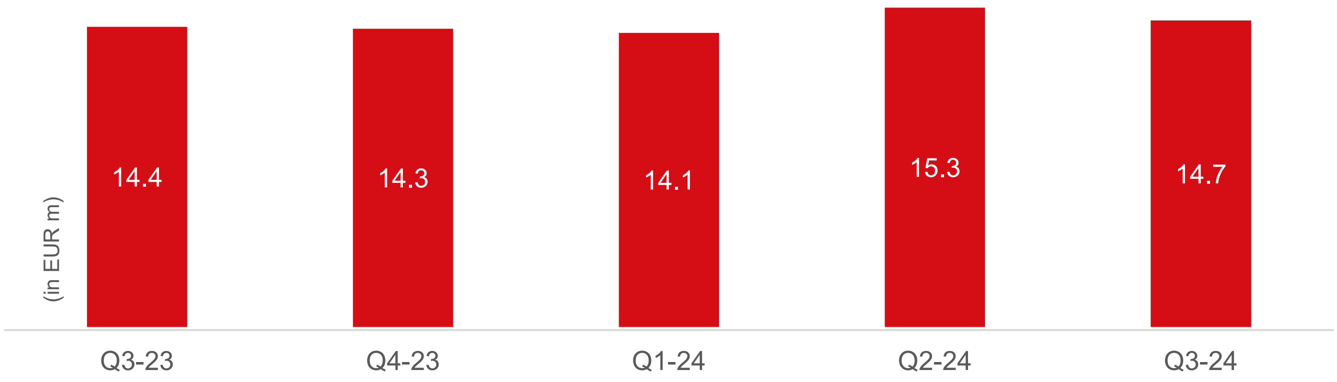

## Development yoy (9M-24 vs. 9M-23)



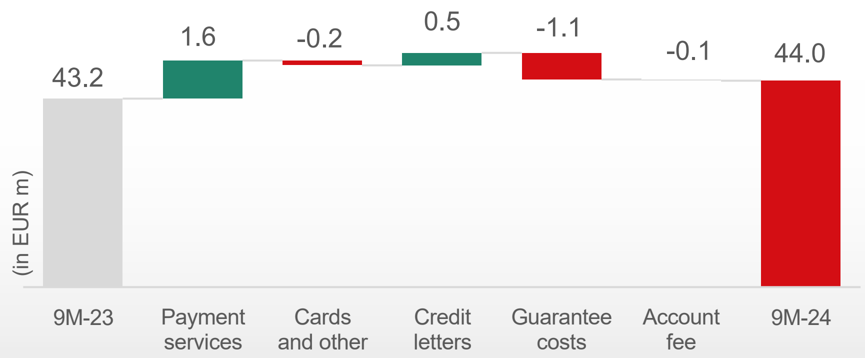

- Q3 NII at EUR 90m on level of previous quarters
  - Volume-driven increases in income from customer loans broadly offset by lower income from cash and cash equivalents due to declined policy rates
  - Interest expenses in Q3 on Q2 level if adjusted by impact of one additional month of interest accrual of T2 bond (approx. EUR 1m; EUR 125m bond issued in April)
  - Net interest margin at 3.54% in Q3, down 8 bps vs. Q2 due to growing balance sheet amid stable NII
- YTD, NII up EUR 25.9m or 11% yoy, driven above all by positive volume and pricing effects
  - Strong and continued loan growth momentum
  - NIM increased by 4bps in 9M vs. 9M of previous year

# Net fee and commission income

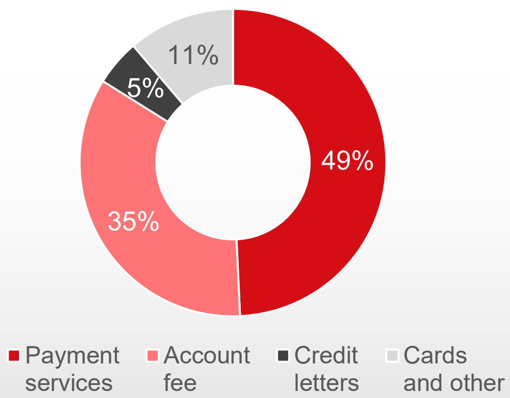
## Quarterly development




## Development yoy (9M-24 vs. 9M-23)



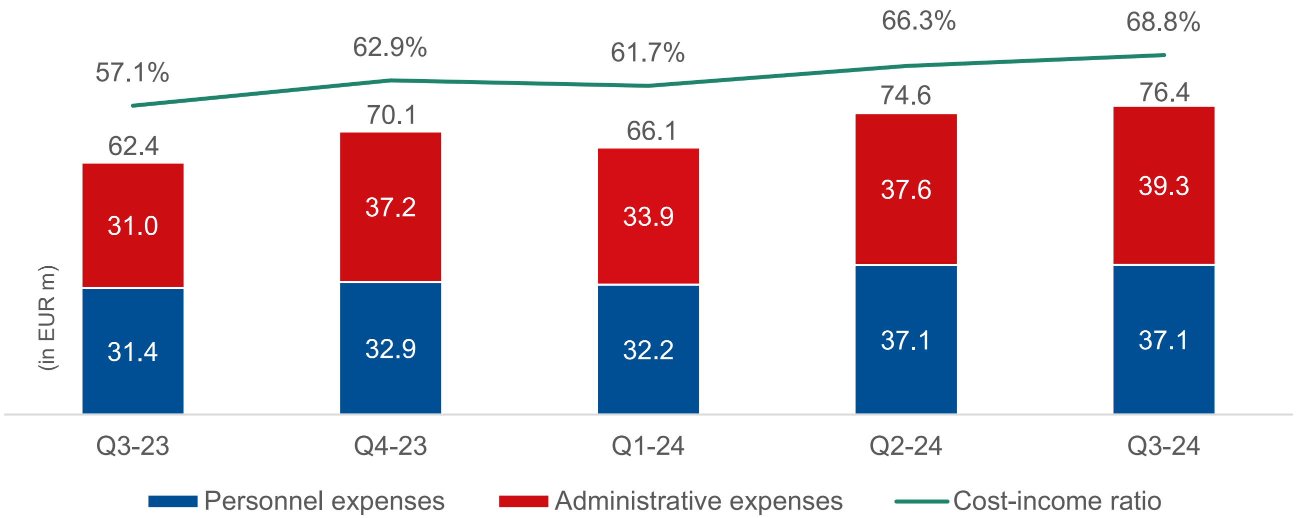

## Fee income split (9M-24)



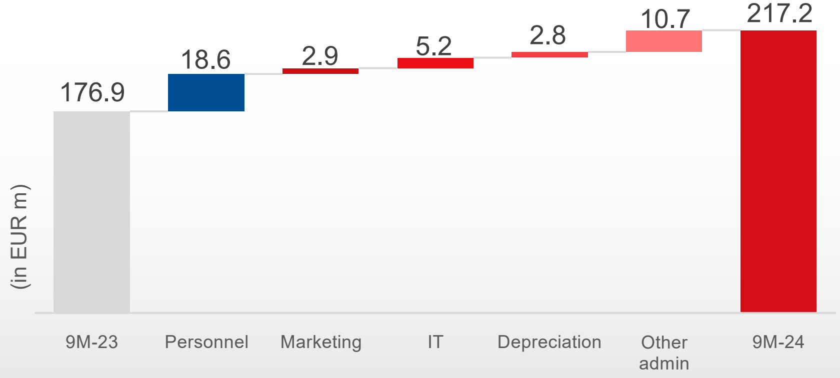

- Q3 net fee and commission income of EUR 14.7m
  - On level of previous year Q3
- YTD net fee and commission income up EUR 0.8m or 1.8% compared to previous year period
  - Income up EUR 5.7m or 8.8%, mainly due to good development in card and payment services
  - Expenses up EUR 4.9m, in part due to EUR 1.1m increase of fees from off-balance sheet items (incl. guarantee fees)

# Personnel and administrative expenses

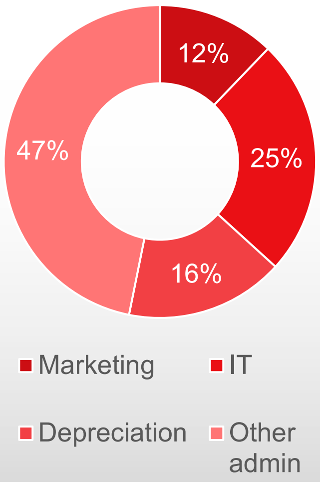
## Quarterly development




## Development yoy (9M-24 vs. 9M-23)




## Admin expense split (9M-24)

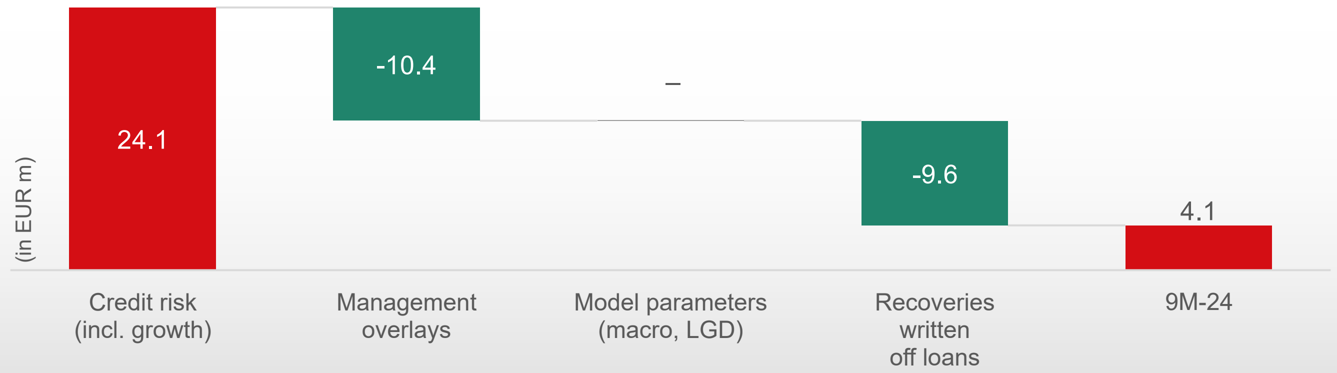



- Q3 personnel and administrative expenses of EUR 76.4m, up EUR 1.8m or 2.4% compared to Q2
  - Costs related to strategic investments increasingly levelling
  - Staff numbers up by ~130 or 3%, already achieved increase that was initially planned by year-end
  - Internal IT development cost broadly on Q2 level
  - Marginal increase in other expenses for marketing and branches
- 9M increase of EUR 40.3m yoy driven by strong investments in growth catalysts
  - Personnel expenses up EUR 18.6m mainly due to 13% increase in average number of staff (yoy up by > 500); average salaries up 4%
  - External IT costs +EUR 5.2m; marketing costs +EUR 2.9m; depreciation +EUR 2.8m

# Loss allowance

## Quarterly development

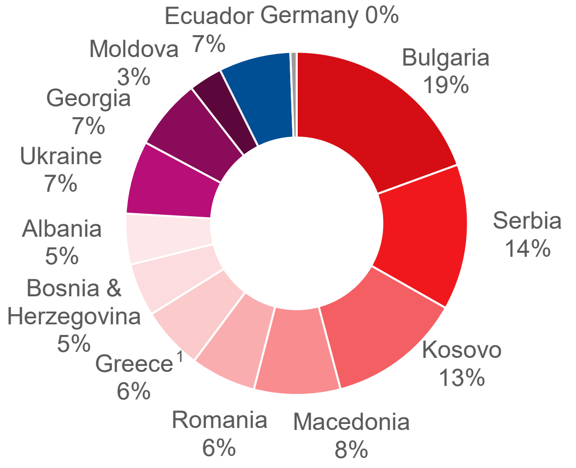

## Provisioning overview (9M-24)



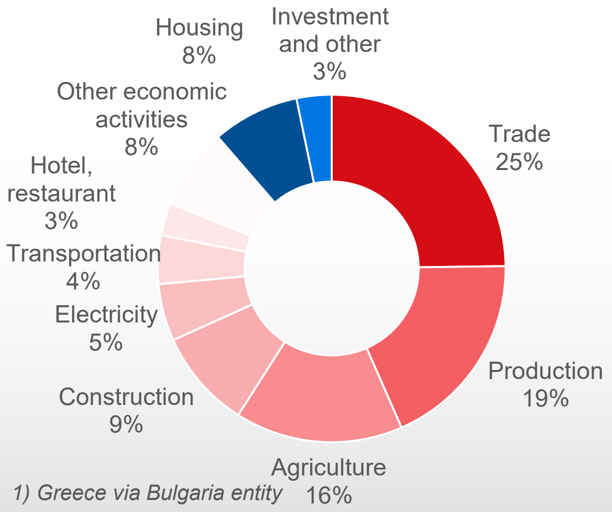

- Q3 loss allowance with net release of EUR 1.6m
  - Provisions from stage transfers more than offset by partially released management overlays
- 9M loss allowance of EUR 4.1m, or 8 bps cost of risk
  - Loss allowances for credit risk of EUR 24.1m driven by strong loan portfolio growth and stage transfers
  - Management overlays reduced by EUR 10.4m
  - No parameter updates conducted
  - Steady level of recoveries of written off loans of EUR 9.6m
- Overlay stock at level of EUR 51.6m
  - EUR 29.6m on the level of banks outside Ukraine
  - EUR 21.9m on the level of PCB Ukraine

# Loan portfolio quality

## Loan portfolio by geography




## Loan portfolio by sector

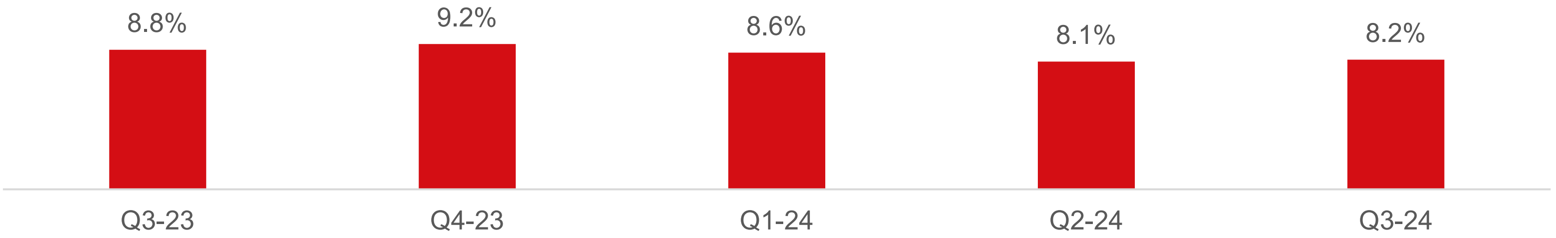



1) Greece via Bulgaria entity

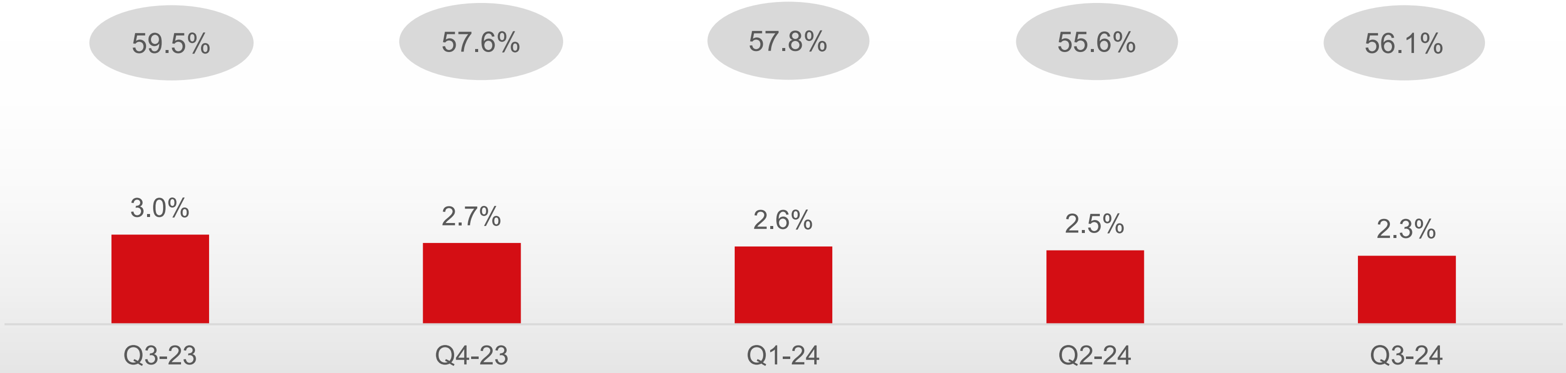
## Net-write offs (annualised)

| Q3-23 | Q4-23 | Q1-24 | Q2-24 | Q3-24 |
|---|---|---|---|---|
| 0.4% | 0.5% | 0.0% | 0.2% | 0.2% |

## Stage 2




## Stage 3 and coverage ratio

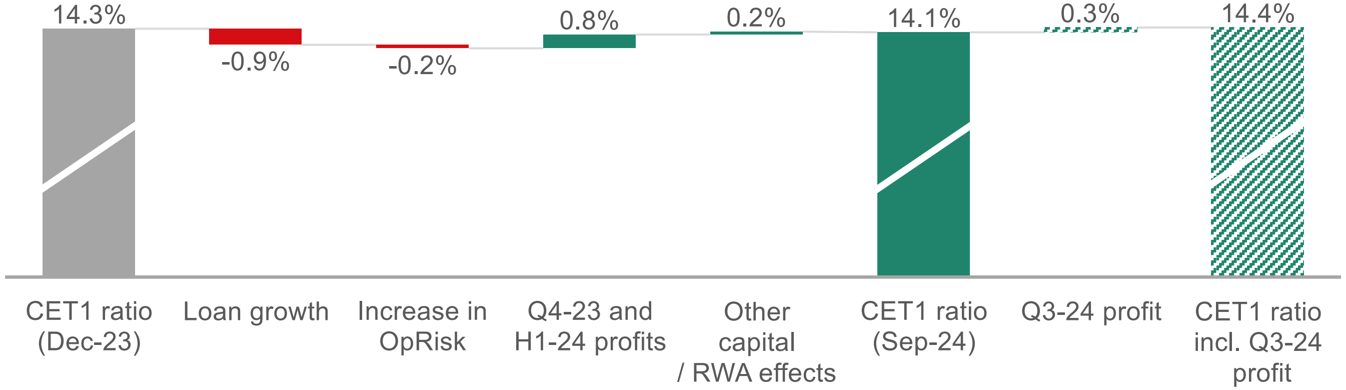


# Regulatory capital, risk-weighted assets, capital ratios

## Capitalisation overview

| in EUR m | Dec-23 | Sep-24 |
|---|---|---|
| CET1 capital | 885 | 926 |
| Additional Tier 1 capital | 0 | 0 |
| Tier 1 capital | 885 | 926 |
| Tier 2 capital | 95 | 214 |
| Total capital | 979 | 1.141 |
| | | |
| RWA total | 6,193 | 6,579 |
| RWA density (RWA / total assets) | 63.5% | 63.8% |
| | | |
| CET1 capital ratio (fully loaded) | 14.3% | 14.1% |
| Total capital ratio | 15.8% | 17.3% |
| Leverage ratio | 8.8% | 8.7% |

## Development of CET1 capital ratio (fully loaded)




- ► CET1 ratio at 14.1%, before recognition of Q3-24 result
  - ▪ Capital ratio well above regulatory capital requirements of 9.3% CET1, 11.5% Tier 1, 14.4% Total Capital ratio
  - ▪ Stable CET1 ratio despite strong loan growth and increase in operational risk attributable to annual recalibration
  - ▪ Attribution of Q3-24 profits (net of dividend accrual) results in 14.4% CET1 ratio
  - ▪ 1/3 dividend accrual for H1-24 profits already deducted
- ► TCR increased to 17.3% following the successful EUR 125m Green Tier 2 issuance in Q2-24
- ► Risk-weighted assets increases in credit risk mainly from organic business growth with MSMEs and private clients demonstrating the successful execution of the Group's strategy
- ► Leverage ratio of 8.7% well above banking sector averages

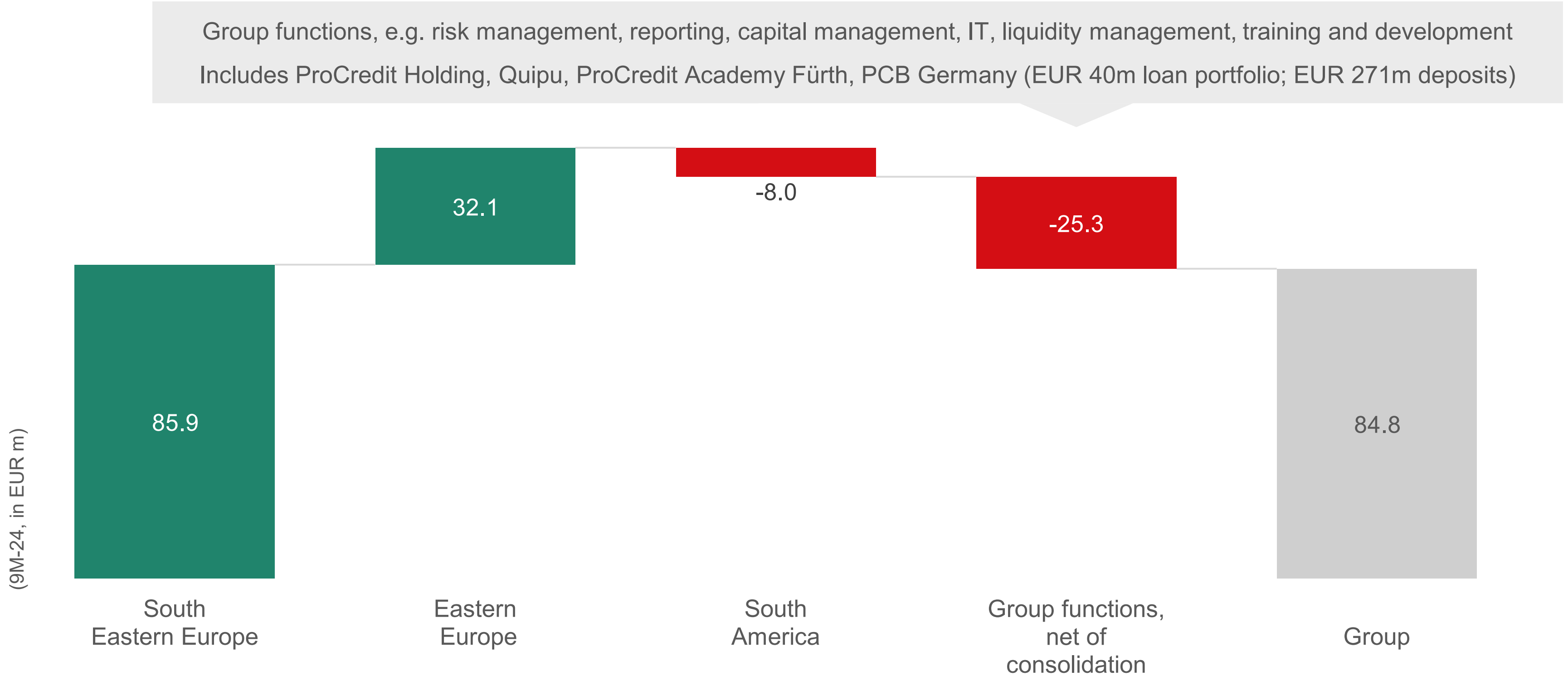
A. Highlights and business update

B. Group results

**C. Regional performance**

D. Outlook

# Contribution of regional segments to group net income



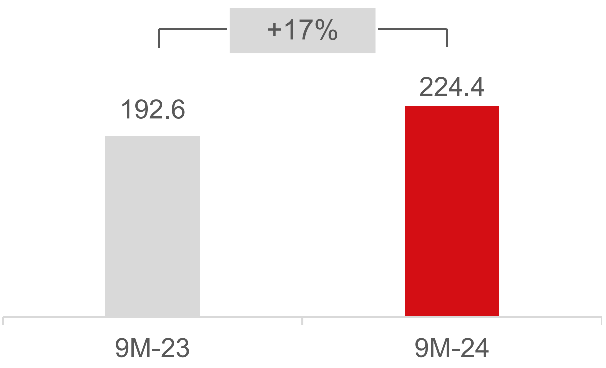

| | South Eastern Europe | Eastern Europe | South America | Group functions, net of consolidation | Group |
|---|---|---|---|---|---|
| Customer loan portfolio (EUR m) | 5,150 | 1,133 | 461 | – | **6,784** |
| Change in customer loan portfolio | 11.3% | 5.4% | -4.2% | – | **9.0%** |
| Cost-income ratio | 55.3% | 51.0% | 139.7% | – | **65.7%** |
| Allocated equity (EUR m) | 740 | 240 | 41 | – | **1,025** |
| Return on equity[1] | 15.9% | 18.7% | -23.7% | – | **11.3%** |

*1) Based on average allocated segment equity*

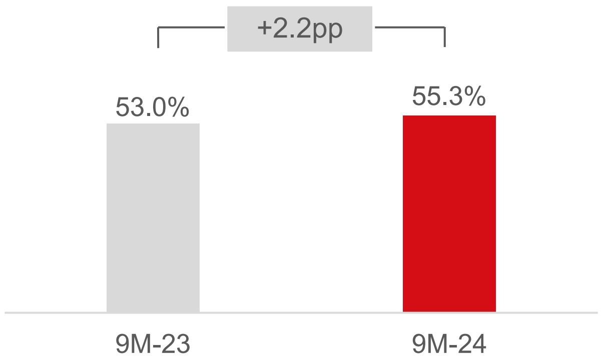
# Segment South Eastern Europe

## Segment key financials SEE

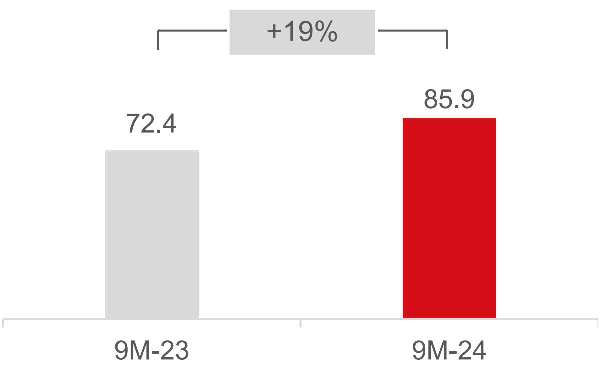
Operating income (€m)



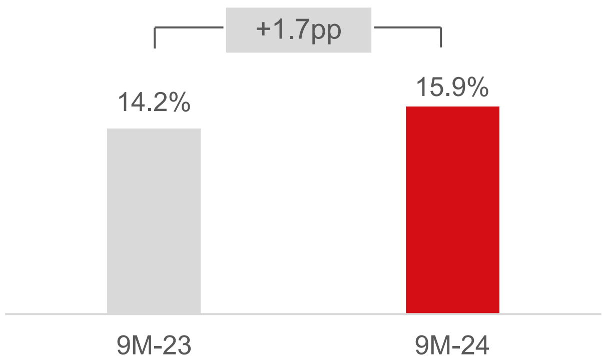

Cost-income ratio




Profit after tax (€m)




Return on equity




## Individual bank development (9M-24)

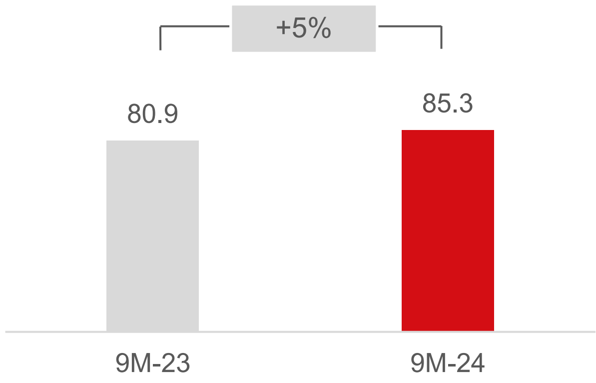
| Country | Profit after tax (€m) | Cost-income ratio | | Return on equity | |
|---|---|---|---|---|---|
| Bulgaria | 25.5 | 46.2% | → | 16.8% | ↗ |
| Kosovo | 23.0 | 48.5% | → | 25.0% | ↗ |
| Serbia | 18.5 | 53.1% | ↘ | 14.9% | → |
| North Macedonia | 10.8 | 51.7% | → | 16.5% | → |
| Bosnia & Herzegovina | 4.0 | 62.8% | ↘ | 11.2% | → |
| Romania | 2.7 | 83.5% | ↓ | 7.2% | ↓ |
| Albania | 1.4 | 87.8% | ↗ | 4.3% | → |

*↓ Increase yoy of >10pp on C/I Ratio and decrease of >5pp on RoE*
*↘ Increase yoy of 4-10pp on C/I Ratio and decrease 3-5pp on RoE*
*↑ Decrease yoy of >10pp on C/I Ratio and increase of >5pp on RoE*
*↗ Decrease yoy of 4-10pp on C/I Ratio and increase of 3-5pp on RoE*
*→ C/I Ratio +/- 4pp, RoE +/- 3pp*

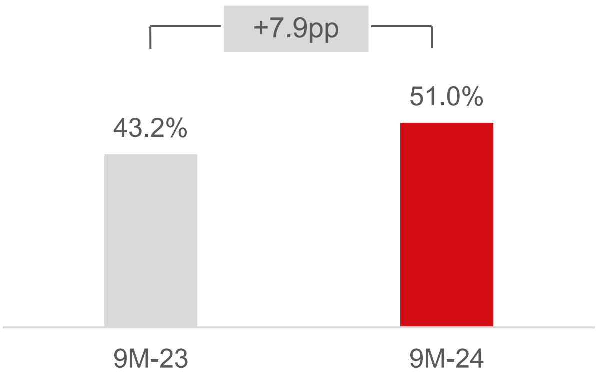
# Segment Eastern Europe

## Segment key financials EE

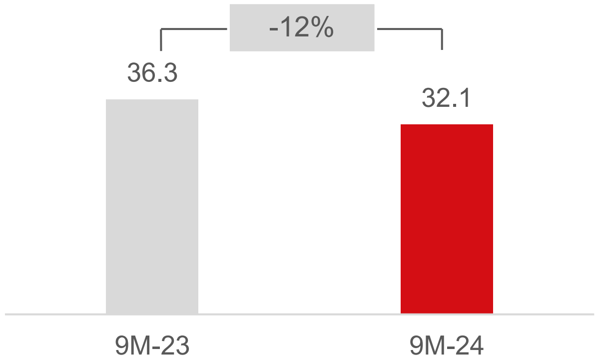
Operating income (€m)



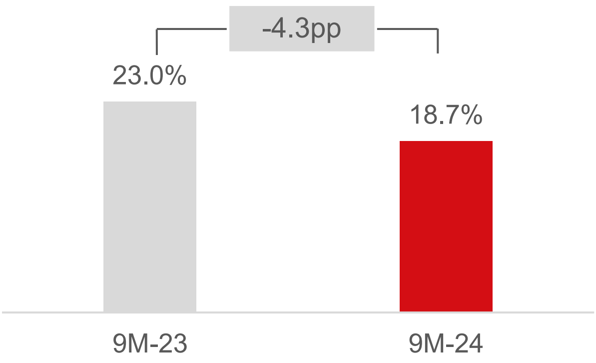

Cost-income ratio




Profit after tax (€m)




Return on equity




## Individual bank development (9M-24)

| Country | Profit after tax (€m) | Cost-income ratio | Return on equity |
|---|---|---|---|
| Ukraine | 19.2 | 37.1% | 33.7% |
| Georgia | 8.9 | 61.2% | 11.4% |
| Moldova | 4.0 | 74.1% | 10.8% |

Segment South America

| Country | Profit after tax (€m) | Cost-income ratio | Return on equity |
|---|---|---|---|
| Ecuador | -8.0 | 139.7% | -23.7% |

*Increase yoy of >10pp on C/I Ratio and decrease of >5pp on RoE*

*Increase yoy of 4-10pp on C/I Ratio and decrease of 3-5pp on RoE*

*Decrease yoy of >10pp on C/I Ratio and increase of >5pp on RoE*

*Decrease yoy of 4-10pp on C/I Ratio and increase of 3-5pp on RoE*

*C/I Ratio +/- 4pp, RoE +/- 3pp*

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Go Green
Go Electric

## FY 2024 outlook (updated)

| | |
|---|---|
| ► **Growth of the loan portfolio** | Above 10%<br>*Previous: Around 10% (FX adjusted)* |
| ► **Return on equity (RoE)** | Around 10%<br>*Previous: 10% – 12% (based on up to 40bps cost of risk)* |
| ► **Cost-income ratio (CIR)** | Around 66%<br>*Previous: Around 63% (with margin of +/- 1 ppt)* |
| ► **CET1 ratio, leverage ratio, dividend** | > 13.0% CET1 ratio, c. 9% leverage ratio,<br>1/3 dividend payout ratio |

**Assumptions and risk factors:**

New expectation of FY 2024 tax rate for Ukrainian banks: Temporary increase assumed to a tax rate of 50% for Ukrainian banks; impact on the group consolidated result of a negative high single-digit-million EUR amount in Q4.

Risk factors that apply to the FY 2024 outlook are included in the appendix of this presentation.

# Medium-term financial outlook

## Medium-term outlook

- **> €10bn loan portfolio** driven by strong growth in number of clients
- **Return on equity to reach ~13 – 14%**, based on over the cycle risk costs of 30 – 35 basis points
- **Cost-income ratio** to improve to a level of **around 57%**, excluding one-off effects
- **Offer attractive dividends** in line with dividend policy (1/3 dividend payout ratio)

**Assumptions and risk factors:**

RoE without consideration of upside potential in Ukraine of around +1.5ppt on group RoE.

Risk factors that apply to the medium-term financial outlook are included in the appendix of this presentation.

# Q&A

*ProCredit Academy, Fürth-Weschnitz, Germany*

**A.** **Impact reporting**

**B.** P&L and balance sheet

**C.** Loan portfolio

**D.** Information on segment and bank level

**E.** Capital, liquidity and other information

ProCredit HOLDING

# Strong impact track record over the decades

**1980**

**ORIGIN**
ProCredit with IPC: Supporting downscaling of financial institutions in developing countries to provide micro loans to the unbanked

**1997-1998**

Establishment of ProCredit as a **BANKING GROUP** and consolidation of ownership in ProCredit Holding

**FIRST MICRO-FINANCE BANK** in Bosnia and Herzegovina founded as a greenfield investment

Founding of **IMI** (now ProCredit Holding)

**2003-2006**

ProCredit ACADEMY

Opening of the ProCredit academies

**GREEN LOANS** granted for energy efficiency and renewable energy investments

**ENVIRONMENTAL EXCLUSION LIST** introduced group-wide in the bank´s Code of Conduct

**MSME FINANCE** Shift of focus from micro lending to „Hausbank“ for SMEs

**2008-2014**

Introduction of a group-wide **ENVIRONMENTAL MANAGEMENT** approach, policy and governance structure

**BANKING LICENCE IN GERMANY** Implementation of German regulatory standards, supervised by German banking authorities

**2015-2017**

**LISTING** of ProCredit Holding shares on Frankfurt Stock Exchange and first **ESG RATING**

**2018-2020**

Network of **EV CHARGING STATIONS** installed

Joined the **NET-ZERO BANKING ALLIANCE**

Joined the **UN GLOBAL COMPACT**

ProCredit institutions certified under **ISO 14001, EMAS and EDGE**

Introduction of our **PLASTIC STRATEGY**

**GREEN BOND** placement with the IFC for green investments by SMEs

**PROCREDIT DIRECT** Digital banking approach for private clients fully implemented

DIRECT

**2021-2022**

Published **OUR RESPONSE ON FORCED LABOUR ALLEGATIONS** related to photovoltaic panel production in Xinjiang

Report on GHG emissions associated with the loan portfolio, following **PARTNERSHIP FOR CARBON ACCOUNTING FINANCIALS (PCAF)**

**2023**

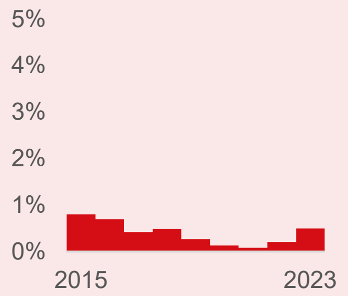
Commissioning of **PROENERGY**, our own 3MWp PV plant in Kosovo

Defining of emission reduction targets in accordance with **SCIENCE BASED TARGETS INITIATIVE (SBTi)**

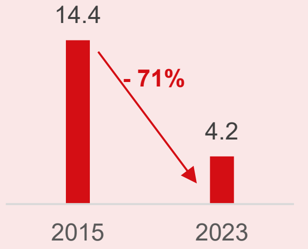
Conversion from KGaA to **AG**

Introduction of our **INCLUSIVE FINANCE** concept, with a focus on gender equity

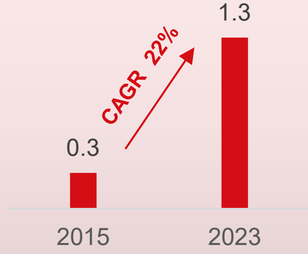
Consistently low net-write offs



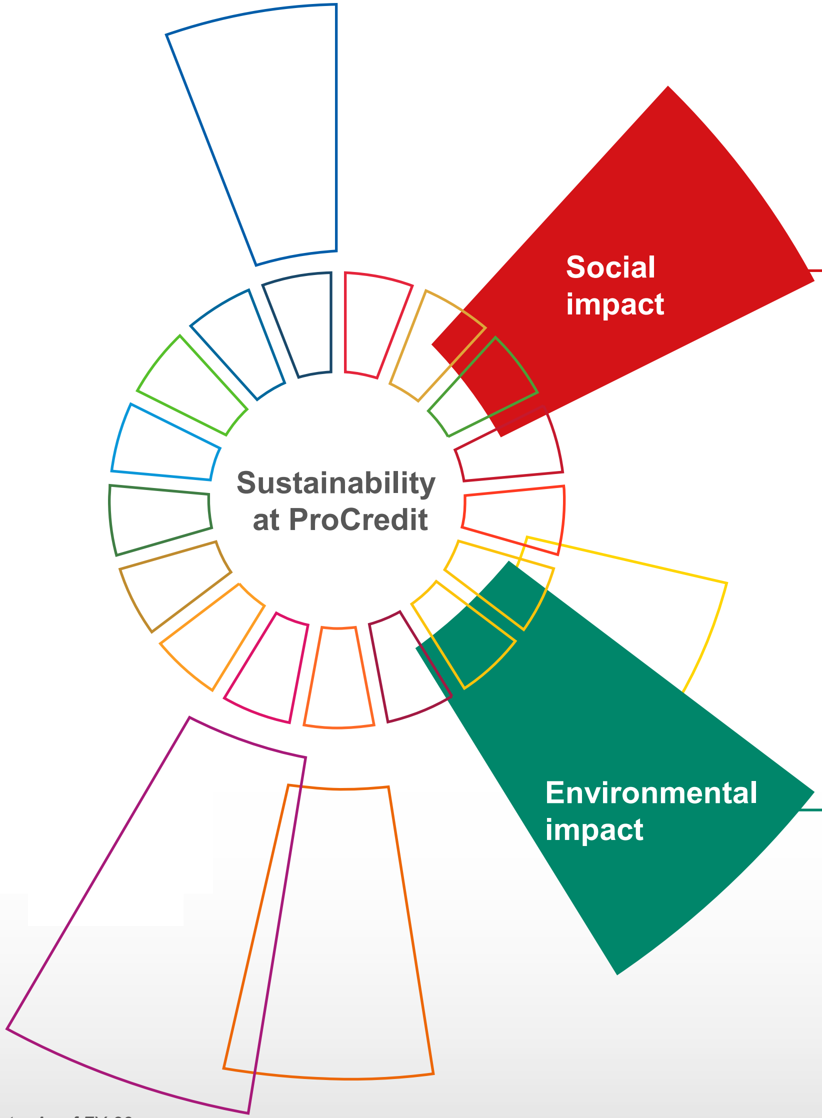

Strong reduction of $CO_2$ emissions ($tCO_2$)




Growing green loan portfolio (in €bn)



# Impact in ProCredit today




**Social impact**

- Jobs and investment — SDG 8 DECENT WORK AND ECONOMIC GROWTH; SDG 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
  - **KPI: Jobs**
    200k jobs supported by our SMEs
  - **KPI: Investment**
    64% of our lending goes to capital formation
- Diversity and inclusion — SDG 5 GENDER EQUALITY
  - **KPI: Gender Equity**
    20% of our clients are women owned SMEs

**Environmental impact**

- Green energy — SDG 7 AFFORDABLE AND CLEAN ENERGY
  - **KPI: Green Lending**
    20% Green LP / Total LP
- Climate action — SDG 13 CLIMATE ACTION
  - **KPI: Emission Reduction**
    Carbon neutrality &
    SBTi commitment to net-zero

*Note: As of FY-23*

# 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** $ktCO_2$
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

15–25 y **7%**
youth employment

## EMPLOYEES

**3,951**
total number of employees

**54%**
female representation in middle management

**114**
hours of training per employee

annual investment in employee training
EUR **9.4m**

# 9M 2024 results at a glance

| In EUR m | | Q3-23 | Q3-24 | 9M-23 | 9M-24 | Y-o-Y |
|---|---|---|---|---|---|---|
| Income statement | Net interest income | 89.0 | 90.0 | 244.7 | 270.6 | 25.9 |
| | Net fee and commission income | 14.4 | 14.7 | 43.2 | 44.0 | 0.8 |
| | Other operating income (net) | 6.0 | 6.3 | 13.2 | 16.1 | 2.9 |
| | Operating income | 109.4 | 111.0 | 301.2 | 330.7 | 29.5 |
| | Personnel expenses | 31.4 | 37.1 | 87.8 | 106.4 | 18.6 |
| | Administrative expenses | 31.0 | 39.3 | 89.1 | 110.8 | 21.6 |
| | Loss allowance | 8.5 | -1.6 | 9.0 | 4.1 | -4.9 |
| | Tax expenses | 8.6 | 9.0 | 21.3 | 24.6 | 3.4 |
| | Profit after tax | 29.9 | 27.2 | 94.0 | 84.8 | -9.2 |
| Key performance indicators | Change in customer loan portfolio | 1.1% | 1.9% | 1.9% | 9.0% | 7.0 pp |
| | Cost-income ratio | 57.1% | 68.8% | 58.7% | 65.7% | 6.9 pp |
| | Return on equity | 12.5% | 10.7% | 13.6% | 11.3% | -2.3 pp |
| | CET1 ratio (fully loaded) | 14.9% | 14.1% | 14.9% | 14.1% | -0.8 pp |
| Additional indicators | Net interest margin | 3.9% | 3.5% | 3.6% | 3.6% | 0.0 pp |
| | Net write-off ratio | 0.4% | 0.2% | 0.4% | 0.2% | -0.2 pp |
| | Credit impaired loans (Stage 3) | 3.0% | 2.3% | 3.0% | 2.3% | -0.7 pp |
| | Cost of risk | 55 bps | -10 bps | 20 bps | 8 bps | -11 bp |
| | Stage 3 loans coverage ratio | 59.5% | 56.1% | 59.5% | 56.1% | -3.4 pp |
| | Book value per share (EUR) | 16.5 | 17.4 | 16.5 | 17.4 | 0.9 |
| | Deposit-to-loan ratio | 111.4% | 115.3% | 111.4% | 115.3% | 3.8 pp |

# Overview of quarterly financial development

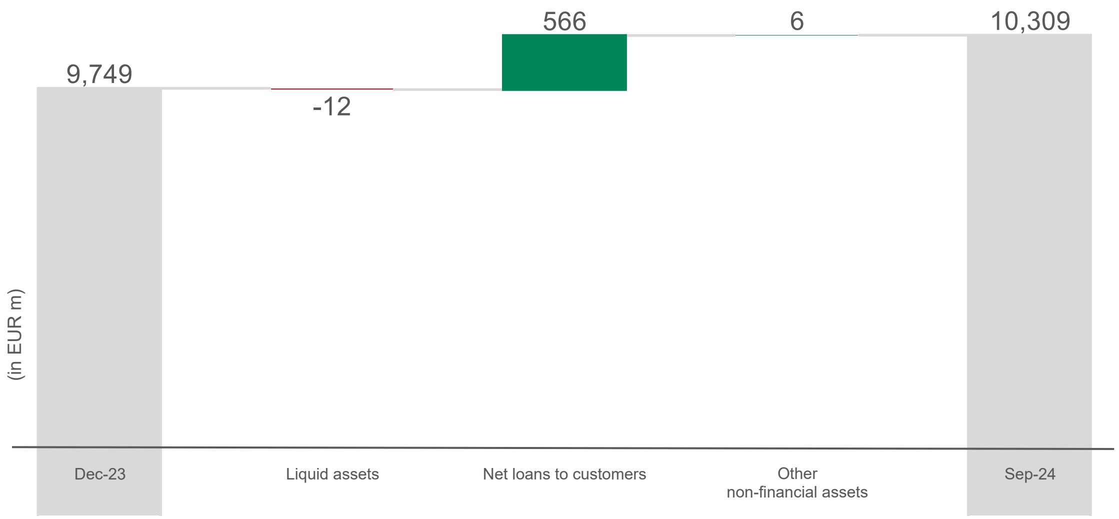
| In EUR m | | Q3-23 | Q4-23 | Q1-24 | Q2-24 | Q3-24 |
|---|---|---|---|---|---|---|
| Income statement | Net interest income | 89.0 | 92.6 | 90.1 | 90.5 | 90.0 |
| | Net fee and commission income | 14.4 | 14.3 | 14.1 | 15.3 | 14.7 |
| | Other operating income (net) | 6.0 | 4.5 | 3.0 | 6.8 | 6.3 |
| | Operating income | 109.4 | 111.4 | 107.2 | 112.6 | 111.0 |
| | Personnel expenses | 31.4 | 32.9 | 32.2 | 37.1 | 37.1 |
| | Admininistrative expenses | 31.0 | 37.2 | 33.9 | 37.6 | 39.3 |
| | Loss allowance | 8.5 | 6.5 | 0.3 | 5.4 | -1.6 |
| | Tax expenses | 8.6 | 15.4 | 7.2 | 8.4 | 9.0 |
| | Profit after tax | 29.9 | 19.4 | 33.5 | 24.1 | 27.2 |
| Key performance Indicators | Change in customer loan portfolio | 1.1% | 0.0% | 3.0% | 3.8% | 1.9% |
| | Cost-income ratio | 57.1% | 62.9% | 61.7% | 66.3% | 68.8% |
| | Return on equity | 12.5% | 7.9% | 13.4% | 9.6% | 10.7% |
| | CET1 ratio (fully loaded) | 14.9% | 14.3% | 14.3% | 14.0% | 14.1% |
| Additional Indicators | Net interest margin | 3.9% | 3.8% | 3.7% | 3.6% | 3.5% |
| | Net write-off ratio | 0.4% | 0.5% | 0.0% | 0.2% | 0.2% |
| | Credit impaired loans (Stage 3) | 3.0% | 2.7% | 2.6% | 2.5% | 2.3% |
| | Cost of risk | 55 bps | 42 bps | 2 bps | 33 bps | -10 bps |
| | Stage 3 loans coverage ratio | 59.5% | 57.6% | 57.8% | 55.6% | 56.1% |
| | Book value per share (EUR) | 16.5 | 16.7 | 17.3 | 17.1 | 17.4 |
| | Deposit-to-loan ratio | 111.4% | 116.5% | 116.2% | 113.4% | 115.3% |

# Balance sheet

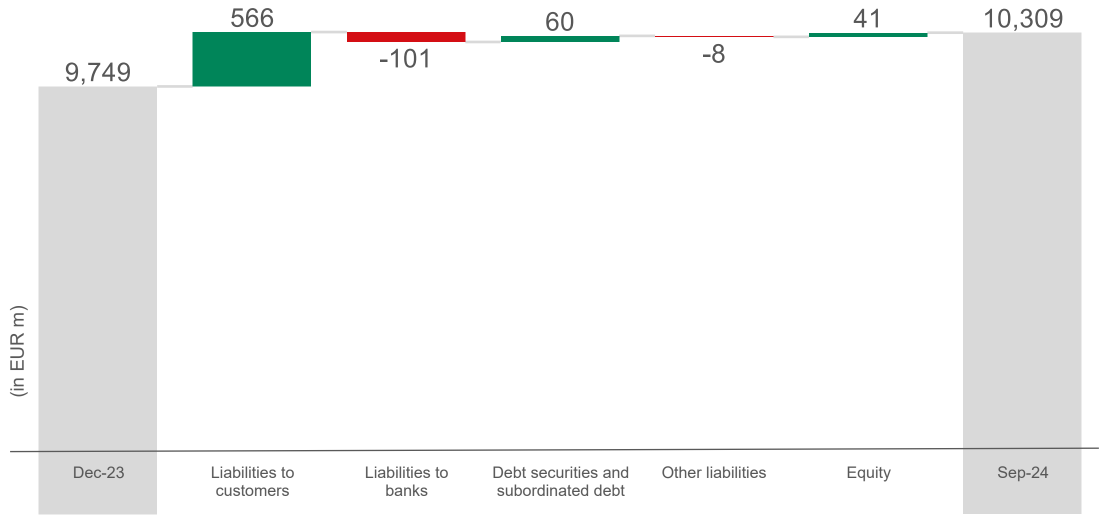
| in EUR m | Dec-23 | Sep-24 |
|---|---|---|
| **Assets** | | |
| Cash and central bank balances | 2,348 | 2,138 |
| Loans and advances to banks | 372 | 501 |
| Investment securities | 751 | 822 |
| Loans and advances to customers | 6,226 | 6,784 |
| Loss allowance for loans to customers | -197 | -188 |
| Derivative financial assets | 8 | 7 |
| Property, plant and equipment | 137 | 141 |
| Other assets | 103 | 106 |
| **Total assets** | **9,749** | **10,309** |
| | | |
| **Liabilities** | | |
| Liabilities to banks | 1,128 | 1,027 |
| Liabilities to customers | 7,254 | 7,821 |
| Derivative financial instruments | 1 | 2 |
| Debt securities | 147 | 100 |
| Other liabilities | 96 | 88 |
| Subordinated debt | 139 | 247 |
| **Total liabilities** | **8,765** | **9,284** |
| | | |
| **Equity** | | |
| Subscribed capital | 294 | 294 |
| Capital reserve | 147 | 147 |
| Retained earnings | 626 | 673 |
| Translation reserve | -85 | -94 |
| Revaluation reserve | 2 | 4 |
| **Equity attributable to ProCredit shareholders** | **984** | **1,025** |
| **Total equity** | **984** | **1,025** |
| **Total equity and liabilities** | **9,749** | **10,309** |

# Balance sheet development

## YTD asset development




## YTD liabilities and equity development

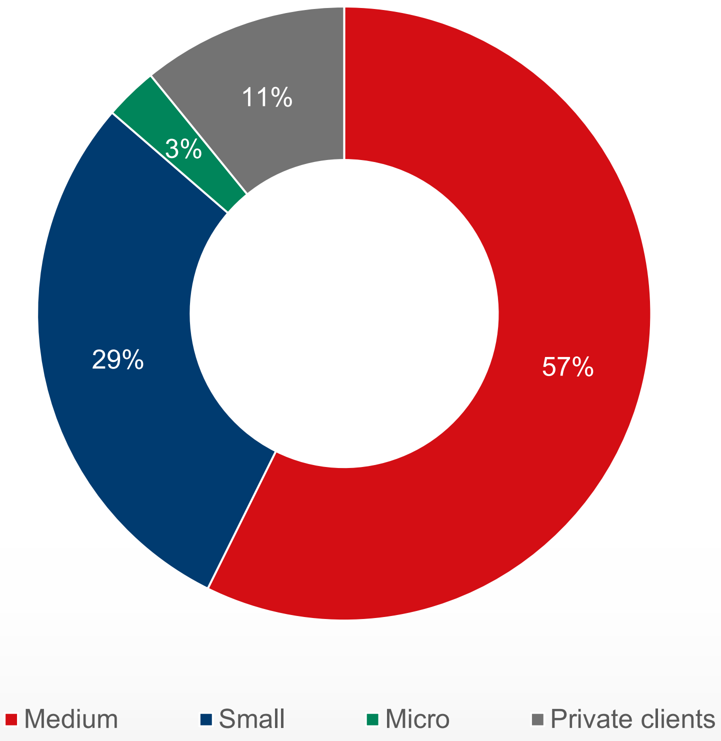



- Simple balance sheet structure with 64% of assets net loans to customers, 21% cash and cash equivalents and 15% other assets
- YTD increase driven by strong loan growth

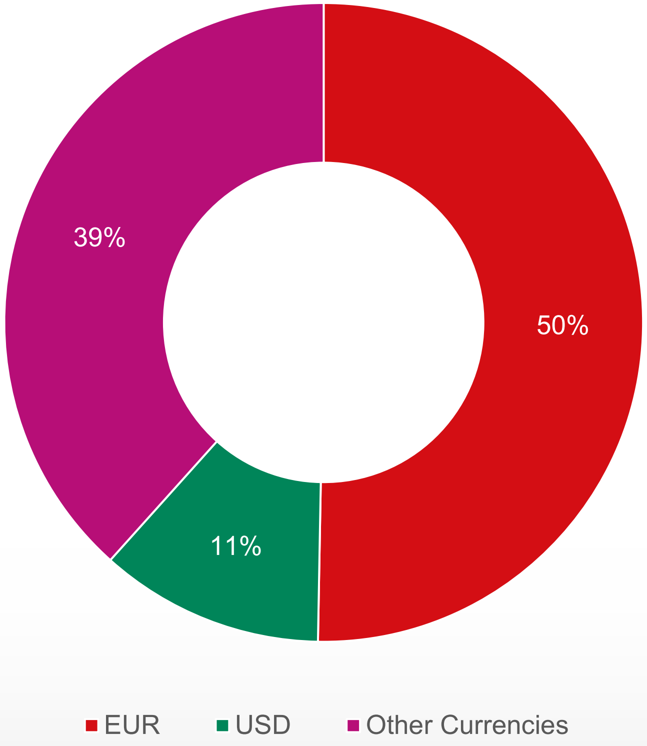
- Liabilities and equity structure with 76% liabilities to customers, 10% liabilities to banks, 10% equity and 4% other liabilities
- YTD increase mainly driven by strong growth in customer deposits

# Structure of the loan portfolio by segment and currency

## Loan portfolio by segment

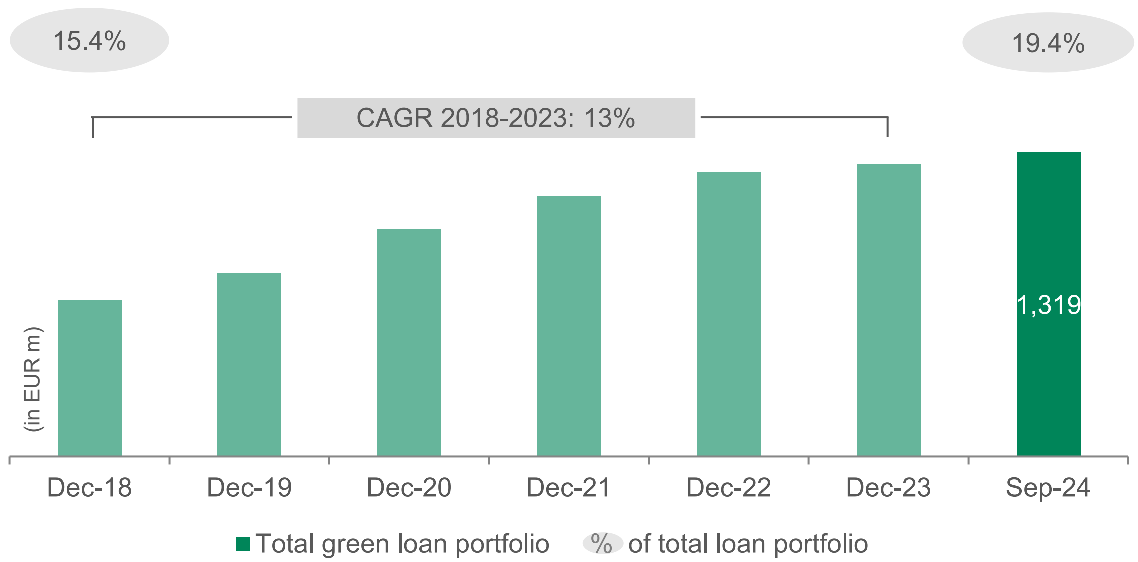



## Loan portfolio by currency

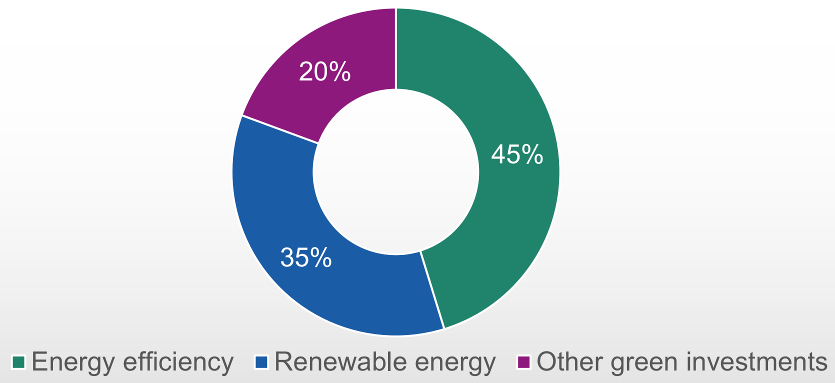


# Development of green loan portfolio

## Green loan portfolio growth



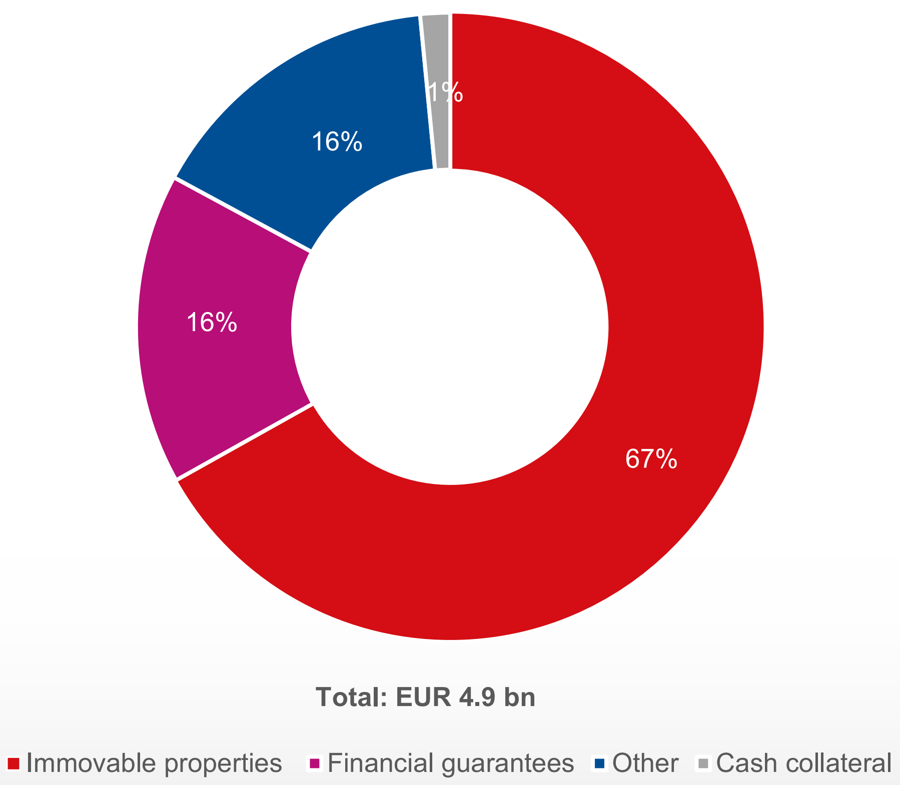

## Structure of green loan portfolio




- Green loan portfolio amounting to EUR 1.3bn, representing close to 20% of total loan portfolio
- Includes financing of investments in:
  - Energy efficiency
  - Renewable energies
  - Other environmentally-friendly activities
- 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 group diversification

# Structure of collateral

## Collateral by type (FY 2023)




- Majority of collateral consists of mortgages
- Significant share of financial guarantees mainly as a result of InnovFin and other guarantee programmes provided by the European Investment Fund
- Clear, strict requirements for 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

A. Impact reporting

B. P&L and balance sheet

C. Loan portfolio

**D. Information on segment and bank level**

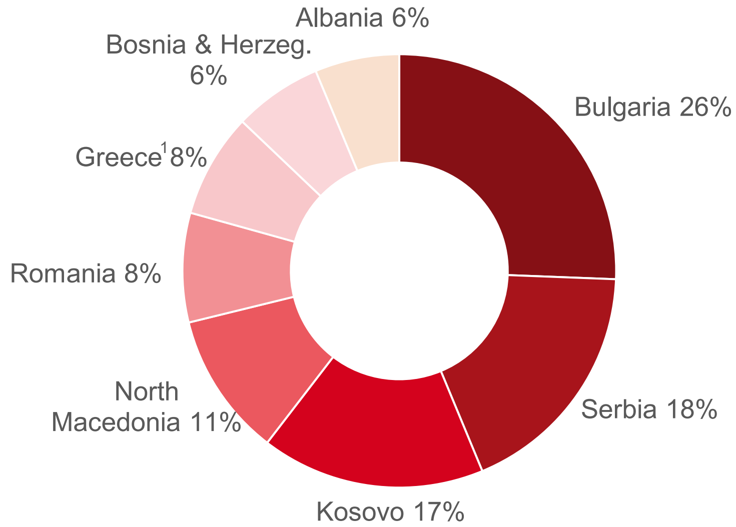
E. Capital, liquidity and other information

# Income statement by segment

| 01.01.- 30.09.2024 (in EUR m) | Germany | Eastern Europe | South Eastern Europe | South America | Consolidation | Group |
|---|---|---|---|---|---|---|
| Interest and similar income | 47.3 | 127.5 | 257.4 | 40.7 | -31.6 | 441.3 |
| of which inter-segment | 19.1 | 7.0 | 5.5 | 0.0 | 0.0 | 0.0 |
| Interest and similar expenses | 48.0 | 55.6 | 70.9 | 27.7 | -31.6 | 170.7 |
| of which inter-segment | 17.3 | 3.9 | 6.6 | 3.7 | 0.0 | 0.0 |
| **Net interest income** | **-0.8** | **71.9** | **186.5** | **13.0** | **0.0** | **270.6** |
| | | | | | | |
| Fee and commission income | 12.1 | 10.9 | 54.9 | 1.6 | -9.2 | 70.3 |
| of which inter-segment | 8.9 | 0.0 | 0.3 | 0.0 | 0.0 | 0.0 |
| Fee and commission expenses | 1.8 | 6.2 | 26.1 | 1.3 | -9.2 | 26.3 |
| of which inter-segment | 0.1 | 2.7 | 6.1 | 0.3 | 0.0 | 0.0 |
| **Net fee and commission income** | **10.2** | **4.7** | **28.8** | **0.3** | **0.0** | **44.0** |
| | | | | | | |
| Result from foreign exchange transactions | 1.9 | 7.7 | 13.6 | 0.2 | -0.1 | 23.3 |
| Result from derivative financial instruments | -0.7 | -0.1 | -0.5 | 0.0 | 0.0 | -1.3 |
| Result on derecognition of financial assets measured at amortized cost | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Net other operating income | 102.3 | 1.1 | -3.9 | 0.1 | -105.5 | -5.9 |
| of which inter-segment | 99.6 | 1.9 | 3.1 | 0.9 | 0.0 | 0.0 |
| **Operating income** | **113.0** | **85.3** | **224.4** | **13.6** | **-105.6** | **330.7** |
| | | | | | | |
| Personnel expenses | 35.1 | 15.2 | 48.6 | 7.6 | 0.0 | 106.4 |
| Administrative expenses | 45.5 | 28.4 | 75.4 | 11.4 | -50.0 | 110.8 |
| of which inter-segment | 9.5 | 12.0 | 24.8 | 3.7 | 0.0 | 0.0 |
| Loss allowance | -0.1 | 0.9 | 0.4 | 2.8 | 0.0 | 4.1 |
| | | | | | | |
| **Profit before tax** | **32.5** | **40.8** | **99.9** | **-8.2** | **-55.6** | **109.4** |
| | | | | | | |
| Income tax expenses | 2.1 | 8.8 | 14.0 | -0.2 | 0.0 | 24.6 |
| | | | | | | |
| **Profit of the period** | **30.4** | **32.1** | **85.9** | **-8.0** | **-55.6** | **84.8** |

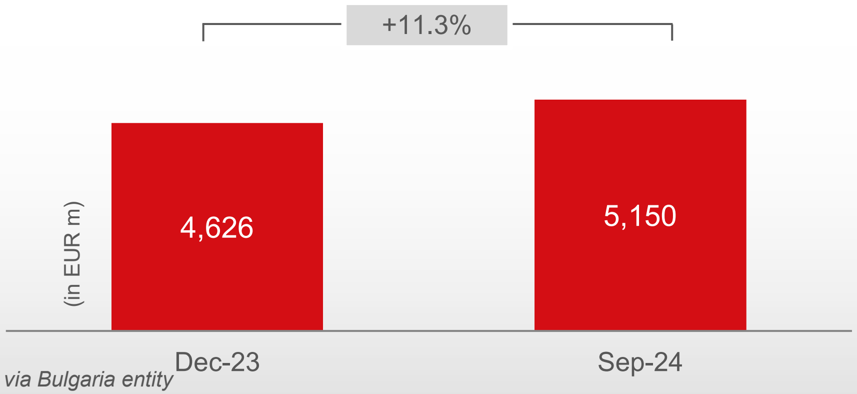
# Segment South Eastern Europe

## Regional loan portfolio breakdown




Total: EUR 5,150m (76% of gross loan portfolio)

## Loan portfolio growth



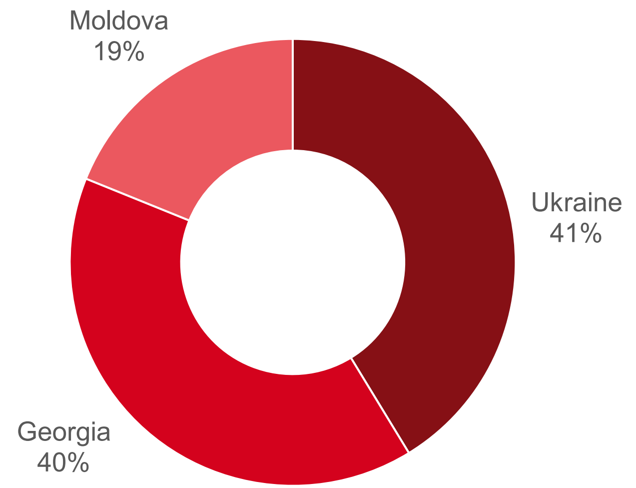

*1) Greece via Bulgaria entity*

## Key financial data

| (in EUR m) | 9M-23 | 9M-24 |
|---|---|---|
| Net interest income | 157.9 | **186.5** |
| Net fee and commission income | 27.6 | **28.8** |
| Other operating income (net) | 7.0 | **9.2** |
| Operating income | 192.6 | **224.4** |
| Personnel expenses | 39.3 | **48.6** |
| Admininistrative expenses | 62.8 | **75.4** |
| Loss allowance | 8.0 | **0.4** |
| Tax expenses | 10.1 | **14.0** |
| Profit after tax | 72.4 | **85.9** |
| | | |
| Change in customer loan portfolio | 3.5% | **11.3%** |
| Deposit-to-loan ratio | 109.5% | **111.8%** |
| Net interest margin | 3.3% | **3.5%** |
| Cost-income ratio | 53.0% | **55.3%** |
| Return on equity | 14.2% | **15.9%** |

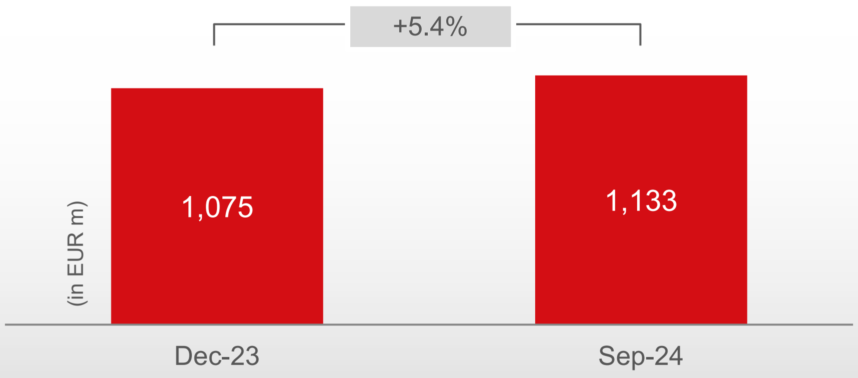
# Segment Eastern Europe

## Regional loan portfolio breakdown




Total: EUR 1,133m (17% of gross loan portfolio)

## Loan portfolio growth

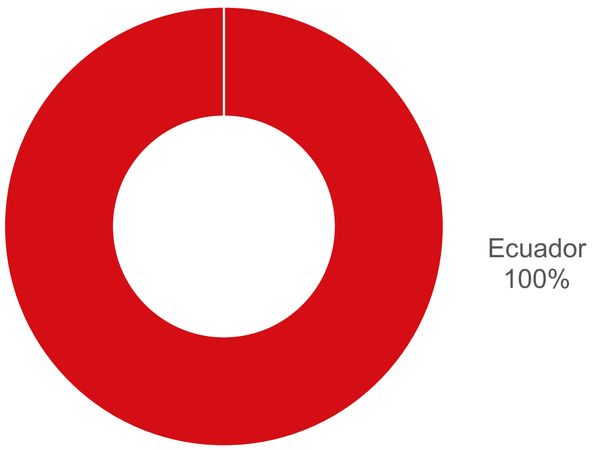



## Key financial data

| (in EUR m) | 9M-23 | 9M-24 |
|---|---|---|
| Net interest income | 69.6 | **71.9** |
| Net fee and commission income | 5.2 | **4.7** |
| Other operating income (net) | 6.1 | **8.8** |
| Operating income | 80.9 | **85.3** |
| Personnel expenses | 13.6 | **15.2** |
| Admininistrative expenses | 21.3 | **28.4** |
| Loss allowance | 1.2 | **0.9** |
| Tax expenses | 8.4 | **8.8** |
| Profit after tax | 36.3 | **32.1** |
| | | |
| Change in customer loan portfolio | -3.6% | **5.4%** |
| Deposit-to-loan ratio | 115.0% | **119.0%** |
| Net interest margin | 5.2% | **5.2%** |
| Cost-income ratio | 43.2% | **51.0%** |
| Return on equity | 23.0% | **18.7%** |

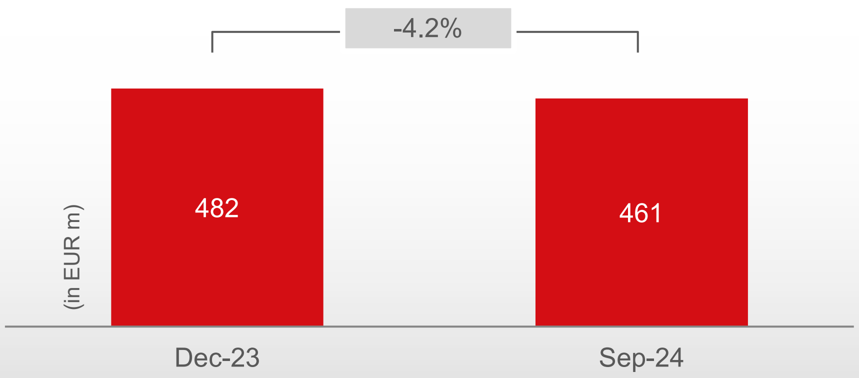
# Segment South America

## Regional loan portfolio breakdown




Total: EUR 461m (7% of gross loan portfolio)

## Loan portfolio growth




## Key financial data

| (in EUR m) | 9M-23 | 9M-24 |
|---|---|---|
| Net interest income | 14.8 | **13.0** |
| Net fee and commission income | 0.1 | **0.3** |
| Other operating income (net) | -0.7 | **0.3** |
| Operating income | 14.2 | **13.6** |
| Personnel expenses | 6.0 | **7.6** |
| Admininistrative expenses | 8.7 | **11.4** |
| Loss allowance | 0.2 | **2.8** |
| Tax expenses | 0.6 | **-0.2** |
| Profit after tax | -1.4 | **-8.0** |
| | | |
| Change in customer loan portfolio | 2.4% | **-4.2%** |
| Deposit-to-loan ratio | 75.4% | **95.6%** |
| Net interest margin | 3.1% | **2.8%** |
| Cost-income ratio | 103.7% | **139.7%** |
| Return on equity | -3.5% | **-23.7%** |

# Key figures per ProCredit bank (as per 9M 2024)

| Country | Bulgaria | Serbia | Kosovo | North Macedonia | Romania | Bosnia & Herzegovina |
|---|---|---|---|---|---|---|
| Customer loan portfolio (EUR m) | 1,720 | 934 | 859 | 553 | 420 | 339 |
| Change in customer loan portfolio (%) | 13.4% | 2.8% | 14.8% | 9.0% | 9.8% | 13.9% |
| Credit impaired loans (Stage 3) | 0.9% | 3.2% | 1.2% | 1.7% | 1.0% | 1.9% |
| Profit after tax (EUR m) | 25.5 | 18.5 | 23.0 | 10.8 | 2.7 | 4.0 |

- South Eastern Europe
- Eastern Europe
- South America
- Germany

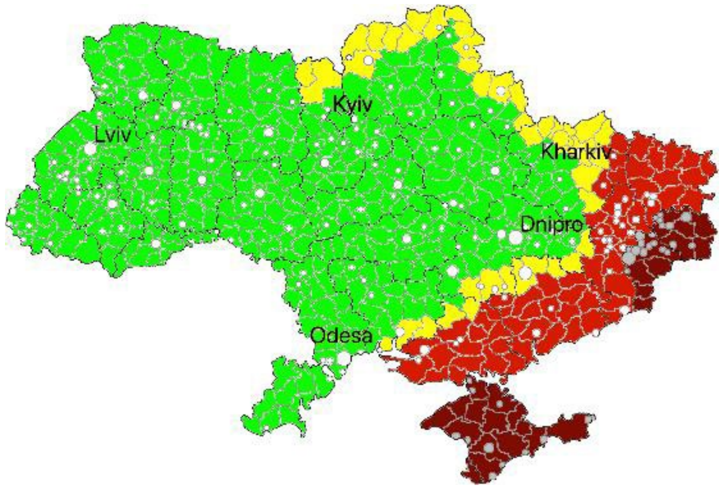
| Country | Albania | Ukraine | Georgia | Moldova | Ecuador | Germany |
|---|---|---|---|---|---|---|
| Customer loan portfolio (EUR m) | 324 | 468 | 451 | 214 | 461 | 40 |
| Change in customer loan portfolio (%) | 22.4% | -6.0% | 12.1% | 22.0% | -4.2% | -8.3% |
| Credit impaired loans (Stage 3) | 1.7% | 4.8% | 2.6% | 1.8% | 7.9% | 0.0% |
| Profit after tax (EUR m) | 1.4 | 19.2 | 8.9 | 4.0 | -8.0 | 7.7 |

# Key figures for ProCredit Bank Ukraine

## 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% |

## 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 | 2.2% | 0.2% |
| Yellow | 10.1% | 0.7% |
| Green | 87.7% | 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*

## Quarterly KPI update

| | Q2-24 | Q3-24 |
|---|---|---|
| **Staff information** | | |
| Number of staff | 347 | 377 |
| Change qoq % | 0.3% | 8.6% |
| **Loan portfolio and quality** | | |
| Loan portfolio (EURm) | 480 | 468 |
| % of group | 7.2% | 6.9% |
| Share of Stage-3 | 5.9% | 4.8% |
| Coverage ratio Stage-3 | 83% | 83% |
| **Income statement (EURm)** | | |
| Net interest income | 14.6 | 13.8 |
| Net fee and commission income | 1.0 | 0.8 |
| Loss allowance | 3.3 | -2.2 |
| Profit after tax | 4.4 | 7.9 |
| **Key metrics** | | |
| Cost-income ratio | 37.7% | 41.3% |
| RoE | 22.6% | 39.5% |
| Deposit to loan ratio | 156% | 157% |
| Local capital buffer | > 5pp | > 5pp |

# Appendix



CASE STUDY

# Successful Tier 2 placement in Apr-24 supporting the group's medium-term growth ambitions

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

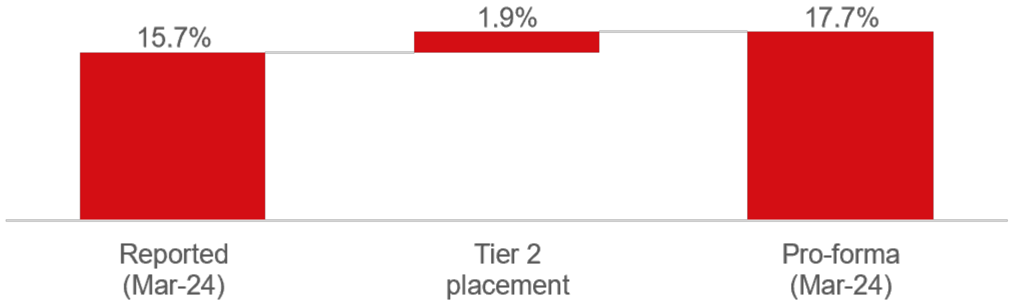
### Summary of transaction:

- 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:

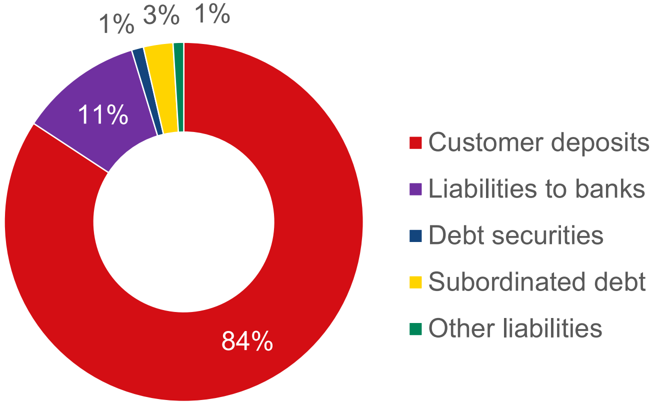
| | |
|---|---|
| **ISIN** | DE000A383C84 |
| **Issue date** | 25.04.2024 |
| **Rating issuer / issue** | BBB / BB- (Fitch) |
| **Volume** | EUR 125m |
| **Coupon / spread** | 9.5% / 6.63% |
| **Tenor** | 10.25NC5.25 |
| **Listing** | Euro MTF, Luxembourg Stock Exchange |

### Pro-forma total capital ratio (TCR):



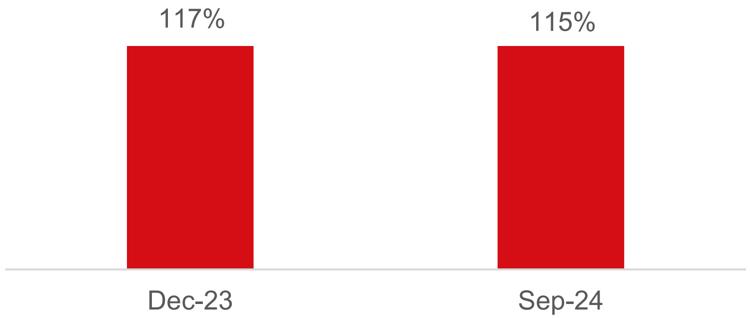
# Funding, rating and liquidity

## Funding sources




Total liabilities: EUR 9.1 bn

## Deposit-to-loan ratio development

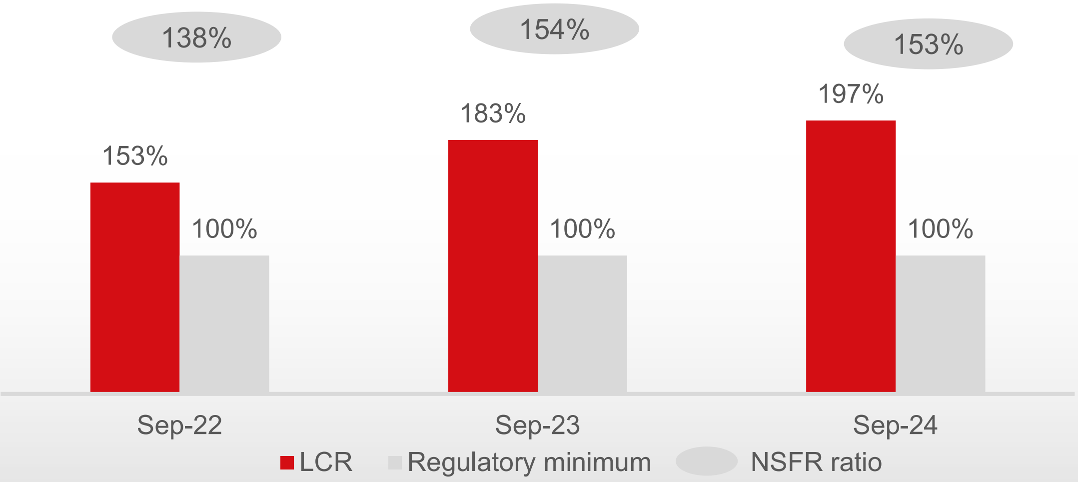



## Rating

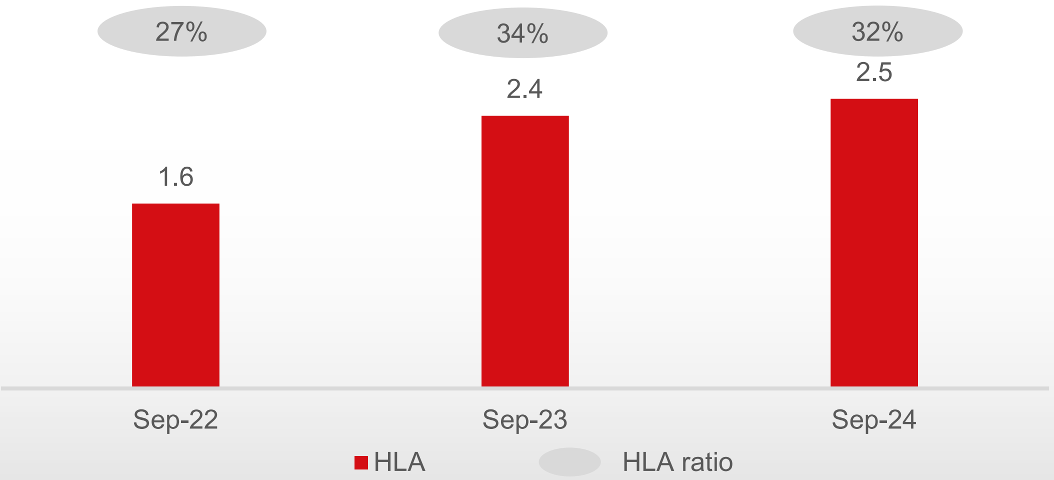
**BBB (stable)**

ProCredit Holding rating by Fitch, last affirmed on 15 May 2024

## Liquidity coverage ratio (LCR) and NSFR




## Highly liquid assets (HLA) and HLA ratio



# 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 credit-impaired coverage ratio[(8)] gives insights into loss allowances for credit-impaired loans 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 portfolio, an important contribution to sustainability goals is made, as presented in the Impact Report

**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.

*(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 credit-impaired loan portfolio 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)*
*Note: Figures for previous periods might differ from presentation at the respective point in time for example as result of reclassifications.*

# Contact Investor Relations

## Financial calendar (continuously updated on IR Website)

| Date | Location | Event information |
|---|---|---|
| 25.11.2024 | Frankfurt/ Main | Deutsche Börse, Deutsches Eigenkapitalforum 2024 |
| 27.03.2025 | | Annual Report 2024 |
| 12.05.2025 | | Quarterly Report as of 31 March 2025 |
| 04.06.2025 | Frankfurt/ Main | Annual General Meeting |
| 14.08.2025 | | Interim Report as of 30 June 2025 |
| 13.11.2025 | | Quarterly Report as of 30 September 2025 |

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