ProCredit
HOLDING

QUARTERLY REPORT AS OF 31 MARCH

2025

Contents

Quarterly report

FUNDAMENTAL INFORMATION ABOUT THE GROUP

Our strategy

The activities of the ProCredit group comprise the financing of Micro, Small and Medium-sized Enterprises (MSMEs) and direct banking for private clients. We operate in South Eastern Europe, Eastern Europe, South America and Germany. The superordinated company of the group is ProCredit Holding, based in Frankfurt am Main.

Through our business activities we aim to sustainably provide a return on investment for our shareholders while making a contribution to economic, social and ecological development. Our business strategy is based on long-term relationships with our clients as well as a conservative approach to risk. The group does not engage in speculative lines of business.

We aim to be the "Hausbank" for our clients, and thus to be their first point of contact for financial matters. Our MSME clients typically have financing needs ranging from EUR 50,000 to the single-digit millions. As specialists in financing MSMEs, we understand the particular challenges these clients face and the specific needs they have, often going well beyond just loans. We offer banking services in terms of financing, account operations, payments and deposit business, and we also support our clients in their long-term investment projects. In addition, we offer efficient solutions for trade finance business and international payments through our network of banks.

In addition to serving MSMEs, we also pursue a direct banking strategy for private clients. As a general rule, we interact with our private customers via digital channels, offering them a full range of online services combined with personal customer care. With our direct services, we aim to stand out from other providers in our markets in terms of convenience, security and transparency.

Accountability is part of our culture. An integral part of the business strategy is our aim to have the smallest possible impact on the environment and to pro-actively bring about a shift in thinking, with greater focus on sustainability. Environmental awareness, consideration of the impact of our actions on the environment and understanding climate change impacts have always been highly relevant to the ProCredit group and its clients. We coordinate our actions using a comprehensive environmental management system and we aim to promote sustainable development in all forms. Our environmental management system encompasses both internal and external dimensions, enabling us to manage the impact of our own business activities, and that of our customers, on the environment. Internal measures include controlling and reducing the environmental footprint of the individual ProCredit institutions. Key external aspects of environmental management are the strict application of our Exclusion List in lending business and, as part of the credit risk assessment, an annual review of sustainability factors regarding the impact of our client's operations on the environment and society. We believe that our banks can make an important contribution with these measures by promoting sustainable economic development in our countries of operation through green investment projects, particularly in the areas of energy efficiency and renewable energies, and through green investments in waste management or organic agriculture.

REPORT ON THE ECONOMIC POSITION

Course of business operations

Our business performance was positive in the first three months of the year, particularly with regard to the good consolidated result and strong growth figures. Despite negative currency effects, the loan portfolio grew by 2.5%. The return on equity stood at 9.5% at the end of the first quarter. The cost-income ratio was, as expected, at an elevated level of 70.8%, primarily due to strategic investments in staff, IT, marketing and the branch network. These measures form the basis for the group's ambitious plans for growth and scaling. In the medium term, the aim is to grow the loan portfolio to over EUR 10 billion.

in EUR m

Statement of financial position	31.3.2025	31.12.2024	Change
Loan portfolio	7,184.0	7,010.0	174.0
Deposits	8,236.6	8,291.4	-54.8

Statement of profit or loss	1.1.–31.3.2025	1.1.–31.3.2024	Change
Net interest income	85.0	90.1	-5.1
Net fee and commission income*	22.6	21.0	1.5
Operating income	105.6	107.2	-1.6
Personnel and administrative expenses	74.7	66.1	8.6
Loss allowance	-0.8	0.3	-1.1
Profit of the period	25.2	33.5	-8.3

Key performance indicators	1.1.–31.3.2025	1.1.–31.3.2024	Change
Change in loan portfolio	2.5%	3.0%	-0.5 pp
Cost-income ratio	70.8%	61.7%	9.1 pp
Return on equity (annualised)	9.5%	13.4%	-3.9 pp

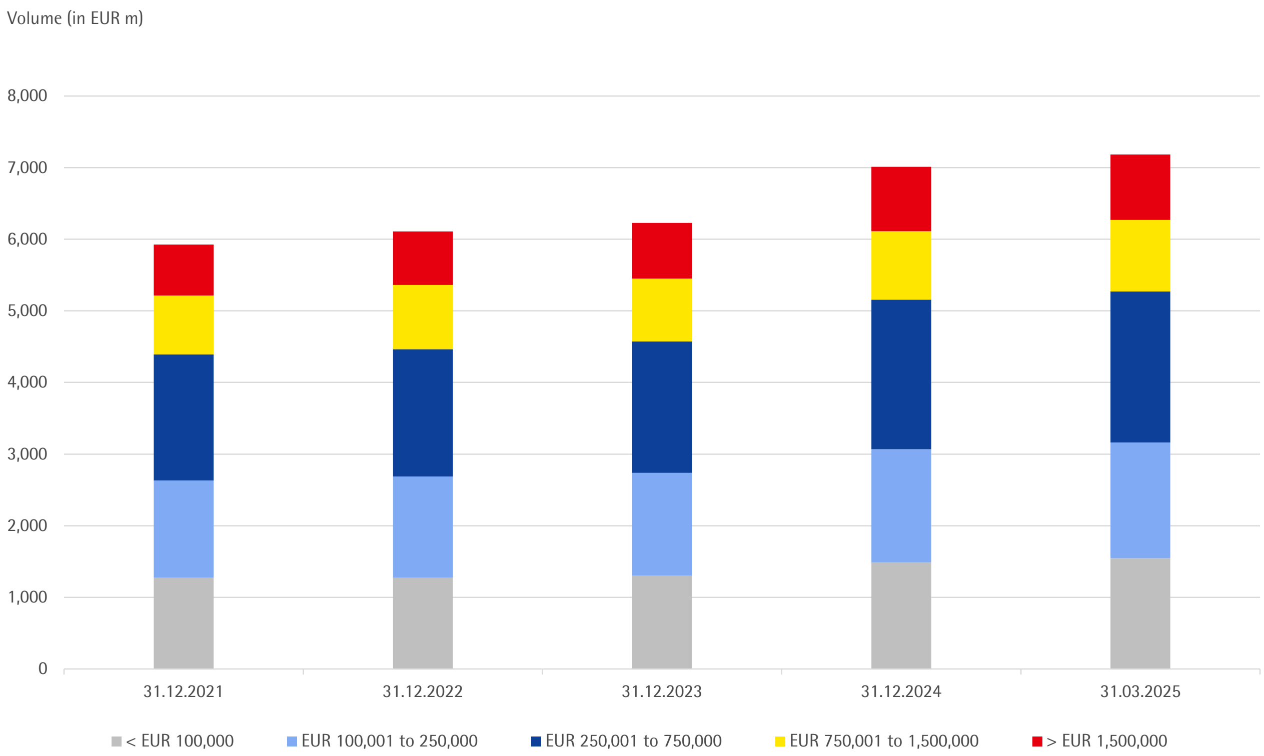
	31.3.2025	31.12.2024	Change
Common Equity Tier 1 capital ratio	13.1%	13.1%	0.1 pp

Additional indicators	31.3.2025	31.12.2024	Change
Deposits to loan portfolio ratio	114.7%	118.3%	-3.6 pp
Net interest margin (annualised)	3.2%	3.5%	-0.3 pp
Cost of risk (annualised)	-5 bp	-8 bp	3 bp
Share of defaulted loans	2.2%	2.3%	-0.1 pp
Stage 3 loans coverage ratio	50.5%	49.9%	0.6 pp
Green loan portfolio	1,362.7	1,354.6	0.6%

** Previous year figures have been adapted to the current disclosure structure.*

Assets

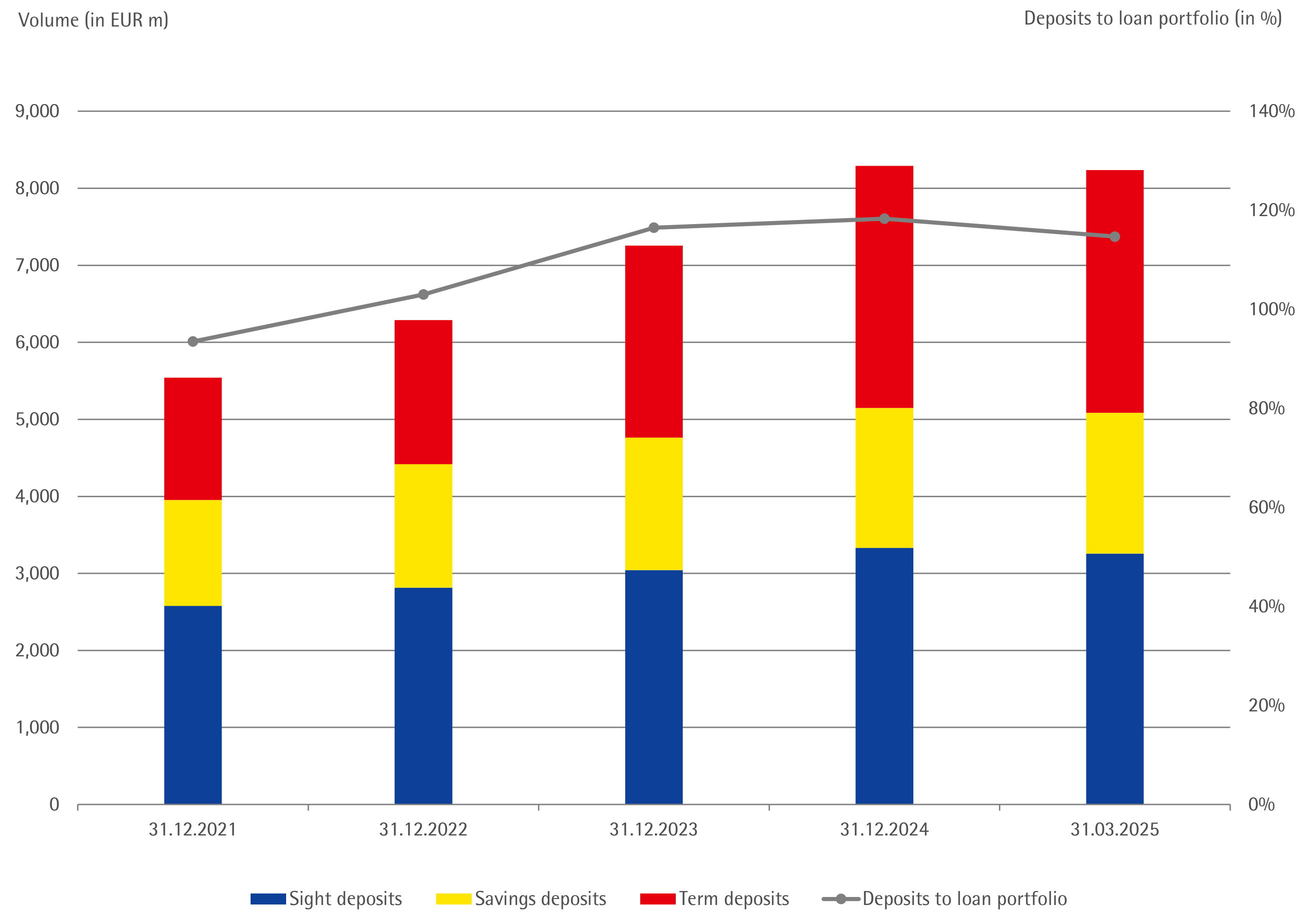
As of 31 March 2025, total assets had decreased slightly compared to year-end 2024, declining by EUR 58.7 million or 0.5%. This is mainly due on the one hand to additional loans and advances to customers (+EUR 175.2 million) and investment securities (+EUR 26.2 million), and at the same time to decreases in central bank balances (EUR -196.7 million), loans and advances to banks (EUR -55.8 million) and cash (EUR -20.9 million).



Loan portfolio development, by loan volume

Liabilities and equity

The total portfolio of our liabilities decreased slightly since the beginning of the year, dropping by EUR 75.6 million mainly due to the development of deposits. Deposits fell by a total of EUR 54.8 million or 0.7%, primarily due to a decline in sight and term deposits from business customers. In contrast, growth was achieved in term deposits, savings deposits and sight deposits from private clients. The deposit-to-loan ratio declined by 3.6 percentage points from year-end 2024 to 114.7%. Current tax liabilities and liabilities to banks decreased by EUR 17.7 million and EUR 5.4 million, respectively, due to scheduled repayments.



Deposits

We had a solid liquidity position at all times during the reporting period. At the end of the first quarter of 2025, the liquidity coverage ratio (LCR) stood at 167.8% (31 December 2024: 174.0%). The net stable funding ratio (NSFR) stood at 147.4% (31 December 2024: 153.5%).

Equity increased by EUR 16.9 million compared to year-end 2024, mainly on the basis of the current consolidated result. The Common Equity Tier 1 capital ratio (CET1 fully loaded) is 13.1% at 31 March 2025, down 0.1 percentage points from the year-end 2024 level. The group's capitalisation continues to be very solid.

Result of operations

We consider the earnings situation in the first three months of 2025 to be positive. Our consolidated result of EUR 25.2 million corresponds to a return on equity of 9.5% and is based on positive result contributions from all of the ProCredit banks, with the exception of the institution in Ecuador. The macroeconomic environment in Ecuador and the security situation in the country remain challenging (please refer to our segment reporting).

Our net interest income showed a decrease of EUR 5.1 million or 5.7% compared to the previous year's period. Interest income fell by EUR 1.1 million, while interest expenses grew by EUR 4.0 million. The decline in interest income was mainly due to lower interest income on central bank deposits, but was partially offset by the growth of our loan portfolio and the associated additional interest income of EUR 5.2 million. The increase in interest expenses is mainly attributable to a stronger, business-driven demand for funding, the issuance of green Tier 2 bonds in April 2024 and higher interest rates on customer deposits and other funding instruments. At 3.2%, the net interest margin was slightly below the level of the previous year's period.

Net fee and commission income grew by EUR 1.5 million to a total of EUR 22.6 million, with the increase in fee and commission income by EUR 4.4 million set against the EUR 2.8 million increase in fee and commission expenses. This item now includes net fee and commission income from foreign exchange transactions, which amounted to EUR 8.6 million (previous period: EUR 7.0 million). Net other operating result improved by EUR 2.6 million. Overall, operating income declined by EUR 1.6 million or 1.5%.

Personnel and administrative expenses grew by EUR 8.6 million or 13.0%, mainly as a result of the strategic investments in staff, IT, marketing, process automation and our branch network; these investments, which were advanced mainly in the 2024 financial year, aim to accelerate business growth and achieve economies of scale in the medium term. Personnel expenses increased by EUR 5.8 million or 18.1%, due in particular to the rise in staff numbers in the previous year. Administrative expenses grew by EUR 2.8 million or 8.1%, primarily due to higher IT and tax expenditures and higher regular depreciation expenditures for the expanded branch network. Overall, the group's profit before tax and loss allowances decreased by EUR 10.2 million or 24.8% compared to the previous year's period, dropping to EUR 30.8 million. The cost-income ratio increased by 9.1 percentage points to 70.8%.

Loss allowances declined by EUR 1.1 million to EUR -0.8 million overall. This corresponds to a cost of risk of -5 basis points, which is above the level at the end of the previous year (-8 basis points).

Overall, our consolidated result stood at EUR 25.2 million and thus EUR 8.3 million below the same period in the previous year; this was largely attributable to lower net interest income and higher personnel and administrative expenses. Overall, the consolidated result corresponds to a return on equity of 9.5%.

The financial position and financial performance of the group are solid and the business development is positive. Generally, the group as a whole and each individual institution met their financial obligations in full.

Segment overview

The profit of the period in our geographic segments South Eastern Europe, Eastern Europe, South America and Germany will be discussed below.

in '000 EUR	**1.1.–31.3.2025**	**1.1.–31.3.2024**
South Eastern Europe	26,131	28,673
Eastern Europe	9,378	11,599
South America	– 2,485	– 1,134
Germany*	– 7,816	– 5,600
Profit of the period	**25,207**	**33,538**

**Segment Germany includes consolidation effects*

South Eastern Europe

in EUR m			
Statement of financial position	**31.3.2025**	**31.12.2024**	**Change**
Loan portfolio	5,491.2	5,304.1	187.2
Deposits	6,029.1	6,001.8	27.3
Statement of profit or loss	**1.1.–31.3.2025**	**1.1.–31.3.2024**	**Change**
Net interest income	61.1	59.4	1.7
Net fee and commission income*	14.3	13.1	1.2
Operating income	76.2	71.0	5.1
Personnel and administrative expenses	45.3	39.1	6.1
Loss allowance	1.2	-0.7	1.9
Profit of the period	26.1	28.7	-2.5
Key performance indicators	**1.1.–31.3.2025**	**1.1.–31.3.2024**	**Change**
Change in loan portfolio	3.5%	4.1%	-0.6 pp
Cost-income ratio	59.4%	55.1%	4.3 pp
Return on equity (annualised)	13.4%	16.3%	-2.9 pp
Additional indicators	**31.3.2025**	**31.12.2024**	**Change**
Deposits to loan portfolio ratio	109.8%	113.2%	-3.4 pp
Net interest margin (annualised)	3.2%	3.5%	-0.2 pp
Cost of risk (annualised)	9 bp	4 bp	5 bp
Share of defaulted loans	1.5%	1.5%	0.0 pp
Stage 3 loans coverage ratio	51.0%	49.7%	1.3 pp
Green loan portfolio	1,102.8	1,099.1	0.3%

Loan portfolio and deposits are presented without intercompany transactions.

**Previous year figures have been adapted to the current disclosure structure.*

South Eastern Europe is the group's largest segment. The segment's loan portfolio increased by EUR 187.2 million or 3.5% to a total of EUR 5.5 billion. All of the banks contributed to this growth, and particularly the institutions in Kosovo, North Macedonia and Romania. The green loan portfolio grew by 0.3%, with above-average growth at our banks in Romania, North Macedonia and Bulgaria. The share of defaulted loans remained stable at 1.5%, and the Stage 3 loans coverage ratio increased slightly by 1.3 percentage points from year-end to a total of 51.0%.

Deposits increased by EUR 27.3 million or 0.5%, with particularly strong growth rates at our banks in Kosovo, Serbia and Bulgaria.

The profit of the period stood at EUR 26.1 million, a decrease of EUR 2.5 million compared to the same period in the previous year, primarily due to higher personnel and administrative expenses. The increase in net interest income by EUR 1.7 million and in net fee and commission income by EUR 1.2 million led to a EUR 5.1 million rise in the operating result for the segment; at the same time, personnel and administrative expenses grew by EUR 6.1 million compared to the previous year's period. Cost of risk stood at 9 basis points, which is 5 basis points above the level at the end of the previous year. The cost-income ratio for the segment increased by 4.3 percentage points to 59.4%. The return on equity declined by 2.9 percentage points to 13.4%.

Eastern Europe

in EUR m

Statement of financial position	31.3.2025	31.12.2024	Change
Loan portfolio	1,198.4	1,187.9	10.5
Deposits	1,429.9	1,511.5	-81.6

Statement of profit or loss	1.1.–31.3.2025	1.1.–31.3.2024	Change
Net interest income	22.6	25.5	-3.0
Net fee and commission income*	3.7	3.8	-0.1
Operating income	26.0	29.3	-3.2
Personnel and administrative expenses	16.4	13.4	3.1
Loss allowance	-2.6	1.0	-3.6
Profit of the period	9.4	11.6	-2.2

Key performance indicators	1.1.–31.3.2025	1.1.–31.3.2024	Change
Change in loan portfolio	0.9%	-0.7%	1.6 pp
Cost-income ratio	63.1%	45.6%	17.5 pp
Return on equity (annualised)	13.8%	20.6%	-6.9 pp

Additional indicators	31.3.2025	31.12.2024	Change
Deposits to loan portfolio ratio	119.3%	127.2%	-7.9 pp
Net interest margin (annualised)	4.5%	4.8%	-0.4 pp
Cost of risk (annualised)	-87 bp	-88 bp	1 bp
Share of defaulted loans	2.7%	2.9%	-0.2 pp
Stage 3 loans coverage ratio	73.4%	75.5%	-2.1 pp
Green loan portfolio	177.6	171.1	3.8%

Deposits are presented without intercompany transactions.

**Previous year figures have been adapted to the current disclosure structure.*

In the Eastern Europe segment, the loan portfolio increased by EUR 10.5 million or 0.9%, despite negative currency effects. The loan portfolio of the bank in Moldova grew by 4.2%, while the loan portfolios of the banks in Ukraine and Georgia remained virtually unchanged, despite business-driven growth, due to the depreciation of the dollar and the local currencies. The share of defaulted loans in the segment declined by 0.2 percentage points to 2.7%. The Stage 3 loans coverage ratio in the segment decreased by 2.1 percentage points, yet remains at a relatively high level of 73.4% due to the elevated risk provisioning for the Ukrainian portfolio. Deposits decreased by EUR 81.6 million or 5.4% compared to the end of the year, with the strongest decline at our bank in Georgia. As a result, our deposit-to-loan ratio fell by 7.9 percentage points to 119.3%.

The profit of the period decreased by EUR 2.2 million compared to the previous year's period, dropping to EUR 9.4 million overall. Operating income declined by EUR 3.2 million or 11.1%, in particular due to the net interest income being EUR 3.0 million lower. At the same time, personnel and administrative expenses stood at EUR 16.4 million, which is EUR 3.1 million above the level of the previous year's period. The cost-income ratio increased by 17.5 percentage points to 63.1%. Expenditures for loss allowances declined by EUR 3.6 million to EUR -2.6 million, which corresponds to an annualised cost of risk of -87 basis points. The profit of the period corresponds to an annualised return on equity of 13.8%.

South America

in EUR m

Statement of financial position	31.3.2025	31.12.2024	Change
Loan portfolio	460.3	479.3	-19.1
Deposits	522.2	517.6	4.7

Statement of profit or loss	1.1.-31.3.2025	1.1.-31.3.2024	Change
Net interest income	3.8	4.4	-0.5
Net fee and commission income*	0.4	0.1	0.3
Operating income	3.5	4.9	-1.4
Personnel and administrative expenses	5.3	6.0	-0.7
Loss allowance	0.6	0.0	0.6
Profit of the period	-2.5	-1.1	-1.4

Key performance indicators	1.1.-31.3.2025	1.1.-31.3.2024	Change
Change in loan portfolio	-4.0%	1.6%	-5.5 pp
Cost-income ratio	152.6%	123.5%	29.1 pp
Return on equity (annualised)	-21.3%	-9.3%	-12.0 pp

Additional indicators	31.3.2025	31.12.2024	Change
Deposits to loan portfolio ratio	113.5%	108.0%	5.5 pp
Net interest margin (annualised)	2.2%	2.5%	-0.3 pp
Cost of risk (annualised)	50 bp	58 bp	-8 bp
Share of defaulted loans	9.0%	9.2%	-0.2 pp
Stage 3 loans coverage ratio	31.5%	30.2%	1.3 pp
Green loan portfolio	70.3	72.0	-2.3%

Deposits are presented without intercompany transactions.

**Previous year figures have been adapted to the current disclosure structure*

The loan portfolio of ProCredit Bank Ecuador contracted by EUR 19.1 million or 4.0% to EUR 460.3 million, due in particular to the depreciation of the US dollar. Deposits increased by EUR 4.7 million or 0.9% to a total of EUR 522.2 million. The deposit-to-loan ratio increased by 5.5 percentage points to 113.5%.

The profit of the period decreased by EUR 1.4 million to EUR -2.5 million. This was mainly due to lower net interest income caused by a tighter net interest margin and higher expenditures for loss allowances. The net interest margin continued to show a decline due to regulatory lending rate caps in Ecuador, which prevented existing financial instruments from being repriced in the current environment of rising interest rates. The deteriorating security situation in the country and the poor economic climate, which was further exacerbated during the previous year by a prolonged drought and increasing energy shortages, are having a negative impact on growth, liquidity and portfolio quality within the banking sector, and thus also on ProCredit Bank Ecuador.

Due to covenant breaches by ProCredit Bank Ecuador regarding the return on average assets and the solvency ratio, liabilities to banks amounting to EUR 16.7 million and subordinated debt amounting to EUR 6.7 million have been classified as short term. The corresponding waiver agreements had not been concluded by the time the consolidated financial statements had been prepared. The bank is currently negotiating with the lenders in order to obtain waivers. Early repayment is not expected.

Germany

in EUR m Statement of financial position	31.3.2025	31.12.2024	Change
Loan portfolio	34.1	38.7	-4.5
Deposits	255.3	260.5	-5.2

Statement of profit or loss	1.1.-31.3.2025	1.1.-31.3.2024	Change
Net interest income	-2.5	0.8	-3.4
Operating income	20.2	44.2	-24.0
Personnel and administrative expenses	27.9	24.6	3.3
Loss allowance	0.0	0.0	0.0
Profit of the period	-7.7	19.6	-27.3
Profit of the period and consolidation effects	-7.8	-5.6	-2.2

Loan portfolio and deposits are presented without intercompany transactions.

The development of the Germany segment essentially consists of the operations of ProCredit Holding, ProCredit Bank Germany and Quipu.

The loan portfolio and deposits in the segment are attributed to the ProCredit Bank in Germany. The loan portfolio and deposits decreased slightly compared to 31 December 2024. Operating income was dominated by IT services performed by Quipu and the operating activities of ProCredit Bank Germany. Compared to the previous year's period, the result for ProCredit Bank Germany declined by EUR 1.3 million to EUR 1.6 million, which is largely attributable to the EUR 1.1 million decrease in net interest income.

The profit of the period for the segment declined compared to the previous year's period by EUR 27.3 million to EUR -7.7 million. Operating income declined by EUR 24.0 million, primarily due to lower income from dividends, which derive from fully consolidated subsidiaries and do not affect the consolidated result of the group. Furthermore, personnel and administrative expenses increased by EUR 3.3 million. This rise was due, among other things, to additional personnel expenses arising in connection with the larger number of staff and higher salaries, as well as to additional expenditures for software. The segment's contribution to the consolidated result declined by EUR 2.2 million.

Events after the reporting period

On 4 April 2025, the ProCredit group announced that Mr Hubert Spechtenhauser, currently Chair of the Management Board, will step down from his position as planned on 28 February 2026. Ms Eriola Bibolli, until now a member of the Management Board, has been appointed as the new Chair of the Management Board of ProCredit Holding AG with effect from 1 March 2026.

On 9 May 2025, ProCredit Holding AG was included in the SDAX share index.

RISK REPORT

An informed and transparent approach to risk management is a central component of our socially responsible business model. This is also reflected in our risk culture and our risk appetite, resulting in decision-making processes that are well-balanced from a risk point of view. By following a consistent group-wide approach to managing risks, we aim to ensure that the liquidity and capital adequacy of the group and each individual bank continues to be sustainable and appropriate at all times, as well as to achieve steady results. The principles of risk management and the risk strategy of the ProCredit group have not changed compared to year-end. The information provided in the 2024 combined management report are still generally valid. If any fundamental changes in the methodology and processes involved in risk management have occurred during the current financial year, these are highlighted in this section. The group's overall risk profile remains suitable despite the war in Ukraine and uncertainties resulting from the current macroeconomic and geopolitical environment.

Credit risk

We define credit risk as the risk that the party to a transaction cannot fulfil its contractual obligations, not in full or not on time. Within overall credit risk we distinguish between three categories: customer credit risk, counterparty risk (including issuer risk) and country risk. Credit risk is our most significant risk within our risk management framework, and customer credit exposures account for the largest share of that risk. The main objective of credit risk management is to ensure a high level of credit quality and to avoid excessive concentrations of risk within the credit portfolio. In addition, we ensure that potential default risks are adequately covered by means of forward-looking loss allowances in our lending business.

We monitor our loan portfolio continuously for possible risk-relevant developments. The riskiness of our clients is determined using a range of indicators, including the risk classification, restructuring status and client compliance with contractual payment requirements. The forward-looking expected credit loss (ECL) model pursuant to IFRS 9 is the central element of the approach to quantifying loss allowances for both on- and off-balance sheet financial instruments, and it is optimised on an ongoing basis. Our credit exposures are allocated among three stages, with a distinct provisioning methodology applied to each group. The calculated loss allowances are determined based on the expected credit losses for several future default scenarios. This represents the combined sum of the probability-weighted results from the scenarios. ECL estimates are based on reliable information about past events, current conditions and projections of future economic conditions.

As in the previous years, our focus in risk assessment is on the ongoing uncertain macroeconomic conditions. The conflict in Ukraine has a significant impact on our loan portfolio there, yet it continues to have only a minor impact on clients in our countries of operation outside of Ukraine. The uncertainty caused by existing global conflicts and political tensions and the possibility of additional market disruptions, such as the tariffs introduced or planned by the new US administration, could have a negative impact on credit risk and the repayment capacity of our customers.

According to an initial analysis at portfolio level, the import tariffs introduced by the US government will only have a limited direct impact on counterparty default risk. The background to this assessment is that, with the exception of Ecuador, the United States does not represent a significant export market for the countries in which we operate. However, if the tariffs remain in place in the long term, there could be indirect effects on the economies of the countries in which we do business, particularly due to a potential global economic slowdown that could also affect the European Union. Developments in global trade and changes in tariff rates and their impact on the portfolio, particularly on sectors dependent on international trade, are monitored on an ongoing basis.

Lending business with both existing and new clients in Ukraine continues to be subject to special conditions in order to effectively limit our credit risk. Depending on the situation and developments in peace negotiations, options for expanding the loan portfolio will be examined. The risk classifications for our exposures in Ukraine are reassessed on an ongoing basis in order to ensure early identification and adequate reflection of potential increases in default risk. Overall, at the end of the first quarter of 2025, 3.3% of the bank's loan portfolio was classified as defaulted; this generally includes all exposures to clients in currently occupied territories. This represents a significant reduction in the defaulted loan portfolio compared with previous years of the war.

The situation in Ecuador remains challenging as well. Due to ongoing political and economic problems, the weak economy in the country is having a negative impact on credit quality in the banking sector. Our strategy to reduce non-performing loans, supported by a government programme for deferral measures, continues to be implemented and has prevented a further deterioration in the quality of ProCredit Bank Ecuador's loan portfolio in 2025 for the time being. Nevertheless, the share of non-performing loans at the bank remains high and the situation remains tense (see also South America segment).

In general, we continue to take the mentioned effects into account as part of a negative outlook for credit risk at group level. Overall, with the exception of the points noted above, we were unable to identify any significant change in riskiness in our banks at the end of the first quarter.

During the reporting period, on-balance-sheet loss allowances decreased overall by EUR 1.2 million (previous year's period: EUR -0.2 million), with the declines primarily attributable to Stage 2 due to a reduction in receivables in this stage. Loss allowances for Stage 1 showed an increase during the period, in particular due to the growth of the loan portfolio. Stage 3 loss allowances showed only a minor decline.

	31.3.2025				
in '000 EUR	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
South Eastern Europe					
Gross outstanding amount	5,095,938	311,322	83,557	404	**5,491,222**
Loss allowances	-34,203	-22,001	-42,775	-31	**-99,011**
Net outstanding amount	5,061,735	289,322	40,782	373	**5,392,211**
Eastern Europe					
Gross outstanding amount	962,600	203,464	32,086	221	**1,198,371**
Loss allowances	-17,687	-21,980	-23,602	-107	**-63,375**
Net outstanding amount	944,914	181,484	8,483	115	**1,134,996**
South America					
Gross outstanding amount	347,256	71,772	40,574	682	**460,285**
Loss allowances	-2,892	-2,023	-12,907	-91	**-17,912**
Net outstanding amount	344,364	69,750	27,667	591	**442,372**
Germany					
Gross outstanding amount	34,057	89	-	-	**34,146**
Loss allowances	-276	-1	-	-	**-277**
Net outstanding amount	33,781	88	-	-	**33,869**
Total					
Gross outstanding amount	6,439,852	586,647	156,217	1,307	**7,184,023**
Loss allowances	-55,058	-46,004	-79,285	-229	**-180,576**
Net outstanding amount	6,384,794	540,643	76,932	1,079	**7,003,448**
Financial off-balance sheet transactions					
Nominal amount	980,011	73,770	1,226	-	**1,055,007**
Provisions	-2,984	-1,654	-383	-	**-5,021**

	31.12.2024				
in '000 EUR	Stage 1	Stage 2	Stage 3	POCI	Total
South Eastern Europe					
Gross outstanding amount	4,949,756	272,713	81,093	507	**5,304,068**
Loss allowances	–33,093	–21,747	–40,508	–69	**–95,417**
Net outstanding amount	4,916,662	250,966	40,586	437	**5,208,651**
Eastern Europe					
Gross outstanding amount	933,755	219,932	33,982	242	**1,187,912**
Loss allowances	–16,486	–25,030	–25,718	–124	**–67,358**
Net outstanding amount	917,269	194,902	8,265	118	**1,120,554**
South America					
Gross outstanding amount	360,022	75,195	43,757	370	**479,344**
Loss allowances	–2,980	–2,366	–13,243	–94	**–18,683**
Net outstanding amount	357,043	72,829	30,514	276	**460,662**
Germany					
Gross outstanding amount	38,281	407	–	–	**38,688**
Loss allowances	–296	–4	–	–	**–300**
Net outstanding amount	37,985	403	–	–	**38,389**
Total					
Gross outstanding amount	6,281,814	568,247	158,833	1,119	**7,010,013**
Loss allowances	–52,854	–49,147	–79,469	–287	**–181,757**
Net outstanding amount	6,228,960	519,100	79,364	832	**6,828,256**
Financial off-balance sheet transactions					
Nominal amount	1,010,992	66,422	1,614	–	**1,079,028**
Provisions	–3,115	–1,221	–382	–	**–4,719**

Credit risk at the portfolio level is assessed on a monthly basis and, if necessary, more frequently. The retrospectively long-term development of portfolio quality is attributable to careful credit analysis and customer service, particularly with MSMEs. Close relationships with our clients enable us to gain a good understanding of their individual circumstances. This is particularly important in times of crisis and enables credit risks to be identified at an early stage and appropriate measures to be taken. At the end of the first quarter of 2025, the share of defaulted loans had declined compared to year-end 2024, decreasing from 2.3% to 2.2%, mainly due to new assets in Stage 1 and derecognitions in Stage 3. The Stage 3 loans coverage ratio increased slightly in the same period from 49.9% to 50.5%.

Capital management

During the reporting period, the ProCredit group met all regulatory capital requirements at all times.

As of 31 March 2025, the Common Equity Tier 1 and Tier 1 capital ratios of the ProCredit group stood at 13.1%. The total capital ratio was 16.1%. Our capitalisation is thus comfortably above the regulatory requirements, which are currently set at 9.4% for the Common Equity Tier 1 capital ratio, 11.6% for the Tier 1 capital ratio and 14.5% for the total capital ratio.

in EUR m	**31.3.2025**	**31.12.2024**
Common equity (net of deductions)	952.1	932.7
Additional Tier 1 (net of deductions)	-	-
Tier 2 capital	213.6	216.5
Total capital	1,165.7	1,149.2
RWA total	7,255.0	7,143.0
Credit risk	5,890.8	5,748.7
Market risk	842.9	783.4
Operational risk	516.9	599.8
Credit Valuation Adjustment risk	4.4	11.1
Common Equity Tier 1 capital ratio	13.1%	13.1%
Total capital ratio	16.1%	16.1%
Leverage ratio (CRR)	8.6%	8.4%

The ProCredit group's capital base in the economic and normative perspectives was always ensured, as was its stress resistance level.

OUTLOOK

Based on the developments in the first quarter, we confirm our guidance from the 2024 combined management report. For the 2025 financial year, we therefore aim for loan portfolio growth of around 12% (assuming no major exchange rate fluctuations). We expect the return on equity to be at a level of around 10% with a cost-income ratio around the level of the past calendar year (68.1%) and assuming continued low cost of risk. We expect the Common Equity Tier 1 capital ratio to be around 13% at year-end.

In the medium term, we want to grow our loan portfolio to over EUR 10 billion and, through the resulting scaling, we see the potential for a return on equity of 13-14% and a cost-income ratio of around 57%. Here, we assume cost of risk of around 30-35 basis points. In these medium-term prospects, the overall contribution of ProCredit Bank Ukraine is considered to be largely neutral. In our forecasts we do not take into account any upside potential, e.g. through reconstruction of the country co-financed by the Western community. 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. We currently expect the comprehensive tariffs imposed by the United States on a large number of countries in the first quarter of 2025 to have only a limited direct impact on our business, as the United States is not a significant export market for the countries in which we operate, with the exception of Ecuador. Regardless, the change in US trade policy poses a general risk to global economic development, which could also potentially affect the markets we serve. Please refer to the “Credit risk” section.

SELECTED FINANCIAL INFORMATION

Consolidated statement of profit or loss

in '000 EUR	1.1.–31.3.2025	1.1.–31.3.2024
Interest income (effective interest method)	142,642	143,568
Other interest income	1,354	1,543
Interest expenses	59,044	55,042
Net interest income	**84,951**	**90,069**
Fee and commission income*	35,707	31,353
Fee and commission expenses*	13,145	10,312
Net fee and commission income*	**22,562**	**21,041**
Result from derivative financial instruments and hedging relationships	-526	44
Result on derecognition of financial assets measured at amortised cost	0	-1
Net other operating result*	-1,418	-3,988
Operating income	**105,569**	**107,166**
Personnel expenses	38,055	32,215
Administrative expenses	36,669	33,909
Loss allowance	-848	293
Profit before tax	**31,693**	**40,749**
Income tax expenses	6,485	7,211
Profit of the period	**25,207**	**33,538**
Profit attributable to ProCredit shareholders	*25,207*	*33,538*
Earnings per share** in EUR	0.43	0.57

** Previous year figures have been adapted to the current disclosure structure: Fee and commission income from foreign exchange transactions totalling EUR 12,458 thousand (previous period: EUR 9,374 thousand) are now presented in fee and commission income instead of in the result from foreign exchange transactions. Fee and commission expenses from foreign exchange transactions totalling EUR 3,838 thousand (previous period: EUR 2,413 thousand) are accordingly presented in fee and commission expenses. The net gains and losses from foreign exchange valuation totalling EUR 579 thousand (previous period: EUR -390 thousand) are now included in the net other operating result.*

*** Basic earnings per share were identical to diluted earnings per share.*

Consolidated statement of other comprehensive income

in '000 EUR	**1.1.–31.3.2025**	**1.1.–31.3.2024**
Profit of the period	**25,207**	**33,538**
Items that are or may be reclassified to profit or loss		
Change in revaluation reserve from investment securities	331	53
Change in value not recognised in profit or loss	*329*	*47*
Change in loss allowance (recognised in profit or loss)	*2*	*6*
Change in deferred tax on revaluation reserve from investment securities	-22	4
Change in translation reserve	-9,038	3,796
Change in value not recognised in profit or loss	*-9,038*	*3,796*
Items that will not be reclassified to profit or loss		
Change in revaluation reserve from shares	2	266
Other comprehensive income of the period, net of tax	**-8,727**	**4,120**
Total comprehensive income of the period	**16,480**	**37,658**
Total comprehensive income attributable to ProCredit shareholders	*16,480*	*37,658*

Consolidated statement of financial position

in '000 EUR	31.3.2025	31.12.2024
Assets		
Cash	180,395	201,316
Central bank balances	1,765,653	1,962,378
Loans and advances to banks	457,803	513,586
Derivative financial assets	7,139	6,660
Investment securities	991,827	965,644
Loans and advances to customers	7,003,448	6,828,256
Property, plant and equipment	162,408	152,128
Intangible assets	36,504	34,333
Current tax assets	9,062	8,716
Deferred tax assets	8,773	11,552
Other assets	69,892	67,048
Total assets	**10,692,904**	**10,751,615**
Liabilities and equity		
Liabilities to banks	941,065	946,425
Derivative financial liabilities	849	1,246
Liabilities to customers	8,236,567	8,291,358
Debt securities	90,949	90,545
Other liabilities	62,304	62,708
Provisions	23,891	24,121
Current tax liabilities	5,144	22,811
Deferred tax liabilities	1,352	1,294
Subordinated debt	257,983	255,204
Liabilities	**9,620,104**	**9,695,713**
Subscribed capital and capital reserve	441,277	441,277
Retained earnings	718,778	693,153
Translation reserve	-89,124	-80,086
Revaluation reserve	1,869	1,558
Equity attributable to ProCredit shareholders	**1,072,800**	**1,055,902**
Total liabilities and equity	**10,692,904**	**10,751,615**

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For computational reasons, the figures in the tables may exhibit rounding differences of ± one unit (EUR, %, etc.).

Forward-looking statements
This report contains forward-looking statements on the business and earnings development of the ProCredit group; among other things, these are based on current plans, assumptions and forecasts. Forward-looking statements involve risks and uncertainties, such that actual results may differ materially from forward-looking statements. In particular, these factors include economic development trends, possible loan defaults, the state of financial markets and exchange rate fluctuations. Forward-looking statements are therefore only valid at the time of publication. We assume no obligation to adjust the forward-looking statements, nor do we intend to do so, in light of new information or unexpected events.