

Hubert Spechtenhauser
Chair of the Management Board
ProCredit Holding AG

Annual General Meeting

Frankfurt am Main, 4 June 2025

-The spoken word prevails over the written transcript-

Speech for the Annual General Meeting 2025

Speech of Mr Hubert Spechtenhauser, Chair of the Management Board, ProCredit Holding AG

- The spoken word prevails over the written transcript -

Thank you very much, Rainer.

Dear Shareholders,
dear Supervisory Board members,
dear ladies and gentlemen,

I am pleased to welcome you to this year's Annual General Meeting for ProCredit Holding. It is a particular pleasure to speak to you today. Please allow me to begin by looking back with you on three exceptionally eventful and formative years that have challenged our Company but, above all, strengthened it, before going into the future outlook for our group.

2022

When war broke out in Ukraine on 24 February 2022, one week before I took up my position on the Management Board, it of course would prove to be a geopolitical turning point of historic proportions. It was also a moment of great uncertainty for our entire group. Ukraine has been a strategically important market for us for many years. We have achieved historically strong growth figures and high profitability there, thanks to our good market positioning and very resilient management and staffing structures. The challenges that ensued following the outbreak of war were immense. It was not only necessary to ensure the safety of our employees and customers in Ukraine, but also to secure the stability of our bank and thus of the entire ProCredit group. This is because a default of our bank there, for example due to a change of government in the country, would have brought significant legal risks. Above all, we were confronted with a threat to our liquidity position.

We quickly converted our academy in the Odenwald, an area south of Frankfurt, into a temporary residence for employees and their families seeking refuge from the war. Staff from the ProCredit banks in countries neighbouring Ukraine also picked up colleagues from the border and provided them with temporary accommodations. At the same time, our Ukrainian management reacted very quickly and decisively to keep business operations running without interruption. In April 2022, just 30 days after the invasion, the bank in Ukraine once again began granting new loans to its existing customers – in line with our “Hausbank” concept – even under these wholly exceptional circumstances.

Towards the end of 2022, we managed, through a major effort, to shield the group from all possible risks arising from a potential default in Ukraine. In a period when the international capital market was essentially non-functional, we were able to secure significant financing from international

partners. We successfully renegotiated covenants with the capital market that would have posed significant liquidity risks for the group in the event of a default in Ukraine. And at the end of the year, as in more than 20 years of company history, we were able to report a positive consolidated result. This was despite the fact that in 2022 we recorded loan losses in Ukraine alone that exceeded the total cost of risk for the entire group in the previous five years.

Record year 2023 + Governance

Accordingly, we started 2023 with a high level of self-confidence but also with a sense of caution due to the ongoing war. The higher interest rates, but also the good business performance in the previous year, paved the way for an extremely successful financial year: In 2023, the seventh year of our listing, we achieved our medium-term target of a return on equity of over 10% and a cost-income ratio of just under 60%. Allow me to give a brief recap of what I summarised in my speech at last year's General Meeting in June; Quote: "The group's capital position, financial performance and liquidity situation as a whole have never been as strong and solid as today. In 2023, the ProCredit group became more stable and resilient on the one hand and significantly more profitable on the other." End quote.

In parallel, we further developed our corporate governance structure in 2023. The expansion of the Management Board and Supervisory Board has brought new perspectives and expertise to our management structures. The conversion of ProCredit Holding into a joint stock corporation under German law was another milestone on the path to greater transparency and clarity. It also represented a clear commitment to our capital market orientation. The changes were not purely formal, however. Rather, they have enabled us to further develop our business strategy and put it into action it with renewed energy.

Capital Markets Day 2024

Building on the strong results of 2023 and the reorganisation of our governance setup, we presented a new growth and transformation strategy at a Capital Markets Day in spring 2024. This ushered in a new era for our group. The core of this strategy is to massively expand our presence in our markets in the coming years. This means more customers, more business volume, more visibility and, as a result, a broader, more far-reaching positive impact in our markets. Indeed, this is a reflection of our long-standing focus on impact.

We expect the scaling of our business to significantly contribute to our group's profitability over time. We also laid the foundations for this development during the previous year: We made progress on important investment projects. These will enable us to grow sustainably and, above all, on the basis of robust digital channels and processes. These projects mostly fall into four areas: A far-reaching recruitment programme in all group entities, both for back-office and, in particular, front-office functions; the establishment of a competitive infrastructure for retail banking; the selective expansion of our branch network; and the intensification of our marketing activities.

In the context of this strategy, we see 2024 and 2025 as transition years in a manner of speaking, during which important decisions will need to be taken while we continue to generate attractive returns for our investors. From this perspective, the financial year 2024 was a tremendous success:

1. The volume of our loan portfolio increased by EUR 784 million, the strongest growth in the group's history. The growth was mainly attributable to the lower volume segments, where we want to push ahead with adapting our balance sheet structure to achieve greater granularity, better margins, and lower capital intensity. At just under 18%, growth was particularly strong in our smaller banks, where the potential for scaling is especially high. Thanks to strong growth in our business with micro, small and medium-sized enterprises, we were able to reach another milestone in the financial year: 75,000 business clients – an impressive figure that underpins our position as a leading bank for micro, small and medium-sized enterprises in the region.
2. Deposits: deposits also grew by a record amount in our company's history: more than EUR 1.0 billion, the majority of which came from private clients. This also means that the share of private clients in our total customer deposits has increased significantly, in line with our target.
3. And despite some headwinds, we were able to maintain our profitability at a good level. The consolidated result of EUR 104.3 million represents a return on equity of 10.2%. We were able to offset various factors: the current high level of investment in our group, higher margin pressure in many of our markets, a special one-time tax in the high single-digit million range in Ukraine and the underperformance of our bank in Ecuador. The return on equity excluding the contribution of PCB Ecuador, i.e. the profitability of our core region in South Eastern and Eastern Europe with central functions here in Germany, amounted to 11.2%.

At the end of the year, we concluded an investment guarantee agreement with the Federal Republic of Germany that secures EUR 20 million in new equity for our bank in Ukraine against country risks. This enabled us to reduce our overall exposure to Ukraine while strengthening our local bank's capital to such an extent that it will be able to expand its business immediately, decisively and over a long period of time in the event of a stabilisation and reconstruction scenario. Thanks to the guarantee provided by the German federal government, we already began to grow cautiously again in Ukraine in the fourth quarter of 2024.

In the first quarter of 2025 we were able to build directly on the positive momentum of the two previous years: Adjusted for currency effects, growth was strong at over 3%, in line with expectations, and the financial result was similarly good to the entire previous year, with a return on equity of 9.5%.

In many respects, our indicators for cost efficiency and profitability are currently at a turning point: Interest rates in our markets are falling, but interest rates on deposits, which determine our funding costs, are currently still high.

Our operating costs have risen over the past two years, but we still need to further increase our revenues by scaling up our business. Many elements of the new retail banking technology have

largely been developed but are not yet fully rolled out in our banks. As such, they are not yet able to provide any significant positive impulse for our business growth.

In this regard, what is more important to us than the good growth and financial figures for the first quarter is the realisation that our strategic investments are gradually levelling off. As a result, our operating costs are beginning to stabilise. Let me give you a few examples:

The number of employees rose by 19% across all group entities last year. In the first quarter, the figure rose by less than 0.5%. In 2024, we opened six new branches and 41 new service points; in Q1, we opened only two new service points. And the 2025 budget for our group-owned IT company, Quipu, is roughly the same as the IT costs for the previous year. We nonetheless expect a further increase in external IT costs (such as for usage-based licences) in 2025.

Our promotion to the German small-cap index, SDAX, at the beginning of May was undoubtedly a highlight of this year. Since our listing in 2016, we have consistently aligned our group with the requirements of the capital market. Most recently, this was achieved by converting our legal form into an AG (public limited company) two years ago, which was strongly supported by our shareholders and approved with a vote of well over 99%, but also through several other measures. I am personally delighted to have witnessed the inclusion of our company in the SDAX during my final year as Chair of the Management Board of ProCredit Holding. This is well-deserved recognition for our group, which exists to promote positive change in our region in economic, environmental and social terms; for our employees, who have worked hard and tenaciously for our success; and last but not least, of course, for you, our shareholders, who have believed in us and supported us over many years.

Looking to the future

Dear Shareholders,

We have achieved a great deal together over the years. However, the potential of the ProCredit group is far from exhausted. We are in a better position today than ever before: We are robustly and resiliently positioned, with a clear strategic focus and an enduring and strong company culture.

The current business strategy, as communicated at our last Capital Markets Day, envisages medium-term growth in lending volume to over EUR 10 billion, combined with a return on equity of around 13-14% and a cost-income ratio of around 57%. There is further upside potential if a stabilisation and recovery scenario materialises in Ukraine, which we have quantified at approximately 1.5% in additional return on equity at group level.

Beyond the medium-term horizon, we believe there is further potential to strengthen the ProCredit group even more. In particular, possibilities include continuing to expand our private customer business, further optimising our capital allocation and, if applicable, using opportunities to stimulate our development through M&A activities.

As you can see, we are still in the early stages of a multi-year growth and transformation programme that will enable us to realise the full potential of our group.

Personally, looking back on the past three years fills me with satisfaction and gratitude. I am very confident about ProCredit's future development and am convinced that a banking group like ours is more important than ever for the positive development of our core region in South Eastern and Eastern Europe.

I look forward to working with my colleagues in the Management Board, with our Supervisory Board and all colleagues in our group to bring our current investment programme to a successful conclusion by the end of my term of office in February next year, and to further advance the implementation of our ambitious growth and transformation strategy.

Under Eriola Bibolli's leadership, ProCredit will continue to pursue its strategy with strength and continuity in 2026 and beyond. Eriola embodies entrepreneurial vision, customer focus, integrity and a deep commitment to the values and impact orientation that define our group.

I would like to thank all of you – our business partners, our employees, the Supervisory Board, and of course you, our shareholders – for your trust, support and loyalty to the ProCredit group.

And now I look forward to the discussion and exchange with you.

Thank you very much!