ProCredit HOLDING

QUARTERLY REPORT AS OF 30 SEPTEMBER

2025

Contents

Quarterly report

FUNDAMENTAL INFORMATION ABOUT THE GROUP

Our strategy

Sustainable financial services for responsible development

The ProCredit group focuses on two main business areas: financing of micro, small, and medium 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, ProCredit Holding, is located in Frankfurt am Main.

Our goal is to provide a sustainable return on investment for our shareholders and at the same time make a positive contribution to economic, social and ecological development. Our business strategy is based on long-term relationships with our clients and a conservative approach to risk management. The group does not engage in speculative lines of business.

We see ourselves as a reliable “Hausbank” for our customers and thus their first point of contact for all financial matters. We support our MSME clients with their financing needs, which typically range from EUR 50,000 to the single-digit millions. As a partner specialised in financing MSMEs, we understand the particular demands and needs of medium-sized businesses. Our offer therefore goes far beyond issuing loans: we also provide banking services in the areas of account operations, payments, deposit business and trade finance.

In addition, we also pursue a comprehensive direct banking strategy for private clients. We primarily serve our private customers via digital channels and offer an extensive range of online services, supplemented by personalised advice. We strive to provide maximum convenience, security and transparency, thereby differentiating ourselves from other market participants.

Accountability is part of our culture. A central component of our strategy is our deliberate approach to ecological challenges. We strive to keep our negative environmental impact as low as possible while actively promoting the transition to a sustainable economy. Environmental awareness and addressing the consequences of climate change and its impact on our business activities and our customers are extremely important to us. Our comprehensive environmental management system enables us to systematically control both internal and external environmental impacts. Internally, we focus on reducing the ecological footprint of our group companies. Externally, we rely on clear standards, such as the strict application of our Exclusion List when granting loans as well as an annual review of the ecological and social impact of our clients’ business activities as part of the credit risk assessment process. We are convinced that our institutions make a valuable contribution to long-term economic development in our target regions by actively promoting green investments, for example in the areas of energy efficiency, renewable energies, organic farming and sustainable waste management.

REPORT ON THE ECONOMIC POSITION

Course of business operations

Our business performance was satisfactory overall in the first nine months of the year, particularly with regard to the strong growth figures for loan portfolio and deposits. Despite negative currency effects, the loan portfolio grew by 7.9%. Deposits in the group have grown by 4.0% since the beginning of the year. The profit of the period was below the level reported for the same period last year and also behind our expectations. The main drivers for this decline were increased personnel and administrative expenses, decreased net interest income due to lower key interest rates, and a rise in loss allowances, which were established mainly in the area of project finance. The effects of the latter had not been represented in the forecasts for the financial year and constitute the primary reason why financial performance was only moderate. The return on equity stood at 7.4% at the end of the third quarter. The cost-income ratio was at an elevated level of 71.3%. In the 2024 financial year, we made extensive strategic investments in staff, the branch network, IT and marketing. That included the hiring of 803 additional staff members as well as the opening of six new branches and 41 service points. Those measures, which are reflected in the current financial year in a rise in personnel and administrative expenses, serve as 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. The Common Equity Tier 1 capital ratio remained stable at 13.0%.

in EUR m

Statement of financial position	30.9.2025	31.12.2024	Change
Loan portfolio	7,566.0	7,010.0	556.0
Deposits	8,620.7	8,291.4	329.4

Statement of profit or loss	1.1.-30.9.2025	1.1.-30.9.2024	Change
Net interest income	260.8	270.6	-9.8
Net fee and commission income*	71.0	67.2	3.8
Operating income	323.7	330.7	-7.0
Personnel and administrative expenses	230.8	217.2	13.6
Loss allowance	16.9	4.1	12.8
Profit of the period	58.2	84.8	-26.6

Key performance indicators	1.1.-30.9.2025	1.1.-30.9.2024	Change
Change in loan portfolio	7.9%	9.0%	-1.0 pp
Cost-income ratio	71.3%	65.7%	5.6 pp
Return on equity (annualised)	7.4%	11.3%	-3.9 pp

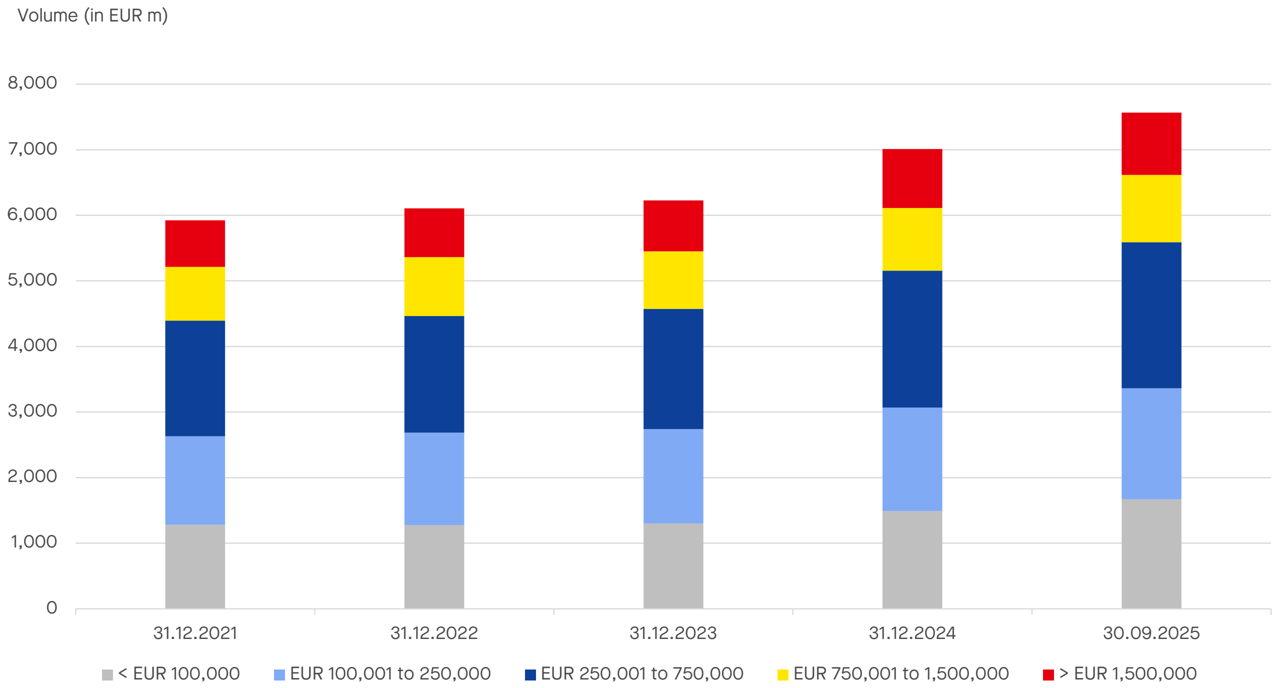
	30.9.2025	31.12.2024	Change
Common Equity Tier 1 capital ratio	13.0%	13.1%	0.0 pp

Additional indicators	30.9.2025	31.12.2024	Change
Deposit-to-loan portfolio ratio	113.9%	118.3%	-4.3 pp
Net interest margin (annualised)	3.2%	3.5%	-0.3 pp
Cost of risk (annualised)	31 bp	-8 bp	39 bp
Share of defaulted loans	2.1%	2.3%	-0.2 pp
Stage 3 loans coverage ratio	50.0%	49.9%	0.2 pp
Green loan portfolio	1,411.8	1,354.6	4.2%

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

Assets

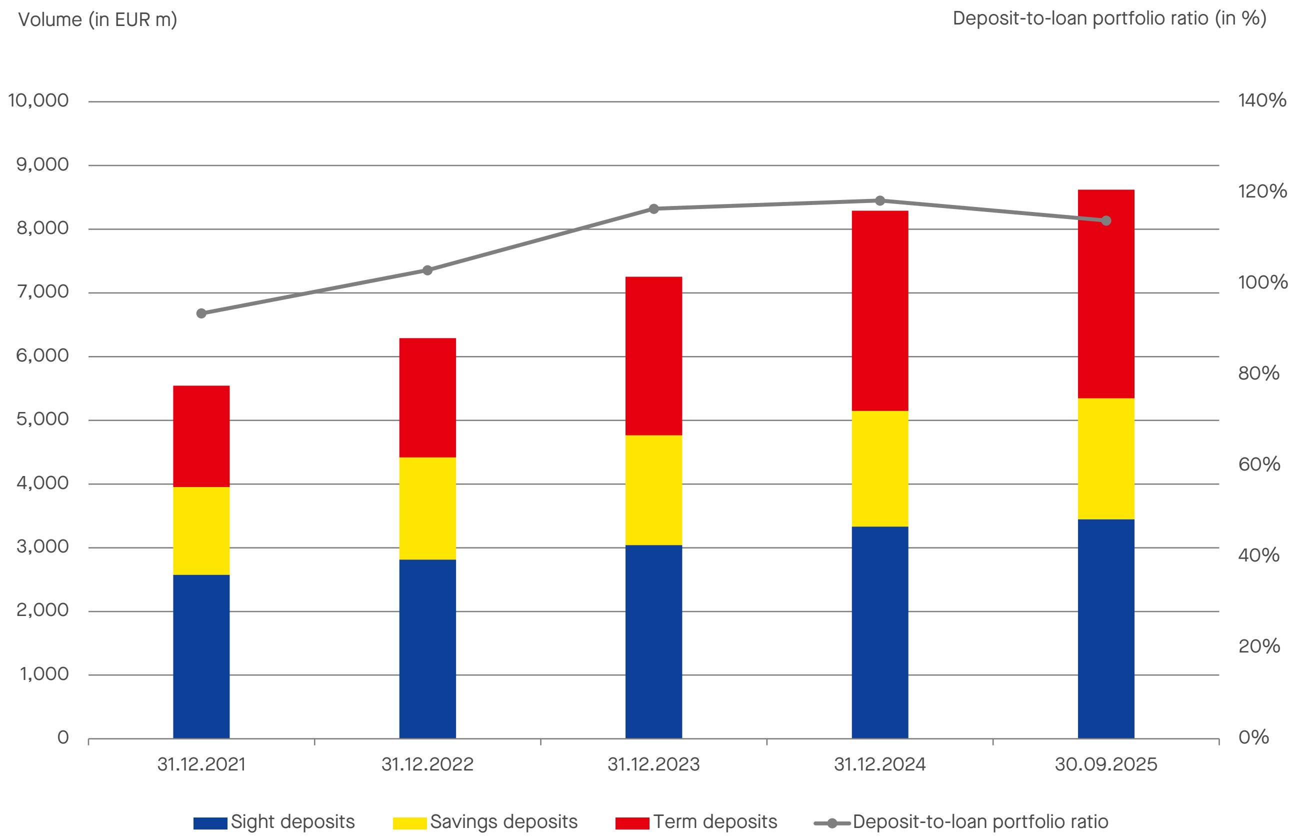
As of 30 September 2025, total assets had increased compared to year-end 2024 by EUR 313.8 million or 2.9%. This trend is primarily due to a rise in loans and advances to customers by EUR 544.6 million, as well as to decreases in central bank balances (EUR -184.4 million), loans and advances to banks (EUR -63.6 million) and cash (EUR -26.6 million). Negative currency effects also had a significant impact on assets in the first nine months of the 2025 financial year. Adjusted for currency effects, loan portfolio growth was EUR 711.6 million or 10.2%.



Loan portfolio development, by loan volume

Liabilities and equity

Our balance sheet liabilities have increased since the beginning of the year by EUR 317.7 million, mainly due to the development of customer deposits. Deposits increased overall by EUR 329.4 million or 4.0%. This growth is mainly attributable to increases in sight, savings and term deposits from private clients. However, we also recorded a rise in deposits from business clients. Negative currency effects had a significant impact on deposit business in the first nine months of the 2025 financial year. Adjusted for currency effects, deposit growth stood at EUR 527.6 million or 6.4%. The deposit-to-loan ratio declined by 4.3 percentage points from year-end 2024 to 113.9%. In the same period, debt securities increased by EUR 99.9 million while liabilities to banks declined by EUR 127.1 million due to repayments.



Deposits

We had a solid liquidity position at all times during the reporting period. At the end of the third quarter of 2025, the liquidity coverage ratio (LCR) stood at 164.7% (31 December 2024: 174.0%). The net stable funding ratio (NSFR) amounted to 147.7% (31 December 2024: 153.5%). Both indicators were thus comfortably above the regulatory requirement of 100% in each case.

Equity decreased by EUR 4.0 million compared to year-end 2024, mainly due to the distribution of one third of the consolidated result for 2024 in the amount of EUR 34.8 million as well as the negative currency effects on the translation reserve. These effects were largely offset by the current consolidated result. The Common Equity Tier 1 capital ratio (CET1 fully loaded) stood at 13.0% as of 30 September 2025, similar to the level at the end of 2024. The group’s capitalisation was solid at all times.

Result of operations

Earnings in the first nine months of the 2025 financial year were below our expectations, particularly as they were negatively impacted by elevated loss allowances. In the third quarter of this financial year, loss allowances amounted to EUR 16.6 million and were established primarily in the area of project finance. For the first nine months of the year, loss allowances are at EUR 16.9 million. Our consolidated result of EUR 58.2 million corresponds to a return on equity of 7.4%. The result contribution of almost all ProCredit banks is positive, although the business in Ecuador continues to have a major negative effect on the financial performance of the group. The macroeconomic environment and the security situation there remain challenging (please refer to our segment reporting).

Our net interest income showed a decrease of EUR 9.8 million or 3.6% compared to the previous year’s period. Interest income mostly remained at the previous year’s level, while interest expenses grew by EUR 9.0 million. Lower interest income on central bank deposits was offset by the growth of our loan portfolio and the associated additional interest income of EUR 18.5 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 below the level of the previous year's period.

Net fee and commission income grew by EUR 3.8 million to a total of EUR 71.0 million, with the increase in fee and commission income by EUR 12.4 million set against the EUR 8.7 million increase in fee and commission expenses. This item now includes net fee and commission income from foreign exchange transactions, which amounted to EUR 27.7 million (previous year's period: EUR 23.2 million). The result from derivative financial instruments and hedging relationships and the net other operating result declined by EUR 0.9 million and EUR 0.1 million, respectively. Overall, operating income declined by EUR 7.0 million or 2.1%.

Personnel and administrative expenses grew by EUR 13.6 million or 6.3%. This increase is mainly due to strategic investments in human resources, the branch network, IT and process automation, and marketing, which were particularly strengthened in the previous year. The aim of these measures is to accelerate growth in strategically relevant business areas and achieve economies of scale in the medium term. Personnel expenses increased by EUR 10.4 million or 9.8%, due in particular to the rise in staff numbers in the previous year. Administrative expenses grew by EUR 3.2 million or 2.9%, primarily due to higher IT and advisory expenditures and higher regular depreciation expenditures for the expanded branch network. Overall, the group's profit before tax and loss allowances decreased by EUR 20.6 million or 18.2% compared to the previous year's period, dropping to EUR 92.9 million. The cost-income ratio increased by 5.6 percentage points to 71.3%.

Loss allowances grew by EUR 12.8 million to EUR 16.9 million overall. This corresponds to a cost of risk of 31 basis points, which is substantially above the level at the end of the previous year (-8 basis points). The reason for the higher loss allowances is, in particular, the elevated expenses for loss allowances in the South Eastern Europe segment.

Overall, our consolidated result stood at EUR 58.2 million and thus EUR 26.6 million below the same period in the previous year.

The financial position and financial performance of the group are solid and the business development is satisfactory. In general, the group as a whole and each individual institution has fulfilled its financial obligations.

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.-30.9.2025**	**1.1.-30.9.2024**
South Eastern Europe	69,003	85,915
Eastern Europe	28,062	32,072
South America	- 6,437	- 7,951
Germany*	- 32,431	- 25,254
Profit of the period	**58,196**	**84,781**

**The Germany segment includes consolidation effects.*

South Eastern Europe

in EUR m

Statement of financial position	30.9.2025	31.12.2024	Change
Loan portfolio	5,830.9	5,304.1	526.8
Deposits	6,447.6	6,001.8	445.8

Statement of profit or loss	1.1.-30.9.2025	1.1.-30.9.2024	Change
Net interest income	189.5	186.5	3.0
Net fee and commission income*	45.5	42.2	3.3
Operating income	235.4	224.4	11.0
Personnel and administrative expenses	139.1	124.0	15.0
Loss allowance	19.3	0.4	18.8
Profit of the period	69.0	85.9	-16.9

Key performance indicators	1.1.-30.9.2025	1.1.-30.9.2024	Change
Change in loan portfolio	9.9%	11.3%	-1.4 pp
Cost-income ratio	59.1%	55.3%	3.8 pp
Return on equity (annualised)	11.5%	15.9%	-4.4 pp

Additional indicators	30.9.2025	31.12.2024	Change
Deposit-to-loan portfolio ratio	110.6%	113.2%	-2.6 pp
Net interest margin (annualised)	3.3%	3.5%	-0.2 pp
Cost of risk (annualised)	46 bp	4 bp	42 bp
Share of defaulted loans	1.5%	1.5%	0.0 pp
Stage 3 loans coverage ratio	49.0%	49.7%	-0.7 pp
Green loan portfolio	1,139.1	1,099.1	3.6%

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 526.8 million or 9.9% to a total of EUR 5.8 billion. All of the banks contributed to this growth, particularly the institutions in Kosovo, Bosnia and Herzegovina, North Macedonia and Serbia. The green loan portfolio grew by 3.6%, with above-average growth particularly evident in our banks in North Macedonia, Romania, Albania and Bulgaria. The share of defaulted loans remained stable at 1.5%, and the Stage 3 loans coverage ratio decreased slightly by 0.7 percentage points from year-end to a total of 49.0%.

Deposits increased by EUR 445.8 million or 7.4%, with particularly strong growth rates at our banks in Albania, Romania, Bulgaria and Kosovo.

The profit of the period stood at EUR 69.0 million, a decrease of EUR 16.9 million compared to the same period in the previous year, due to higher personnel and administrative expenses and the increased expenses for loss allowances. Expenses for loss allowances increased by EUR 18.8 million and have been established primarily in the area of project finance. The increase in net interest income by EUR 3.0 million and in net fee and commission income by EUR 3.3 million led to a EUR 11.0 million rise in the operating result for the segment; at the same time, personnel and administrative expenses grew by EUR 15.0 million compared to the previous year’s period. Cost of risk stood at 46 basis points, which is 42 basis points above the level at the end of the previous year. The cost-income ratio for the segment increased by 3.8 percentage points to 59.1%. The return on equity declined by 4.4 percentage points to 11.5%.

Eastern Europe

in EUR m

Statement of financial position	30.9.2025	31.12.2024	Change
Loan portfolio	1,262.3	1,187.9	74.4
Deposits	1,441.2	1,511.5	-70.2

Statement of profit or loss	1.1.-30.9.2025	1.1.-30.9.2024	Change
Net interest income	68.6	71.9	-3.4
Net fee and commission income*	11.6	12.8	-1.2
Operating income	79.6	85.3	-5.7
Personnel and administrative expenses	47.5	43.5	3.9
Loss allowance	-3.7	0.9	-4.6
Profit of the period	28.1	32.1	-4.0

Key performance indicators	1.1.-30.9.2025	1.1.-30.9.2024	Change
Change in loan portfolio	6.3%	5.4%	0.9 pp
Cost-income ratio	59.7%	51.0%	8.6 pp
Return on equity (annualised)	13.7%	18.7%	-4.9 pp

Additional indicators	30.9.2025	31.12.2024	Change
Deposit-to-loan portfolio ratio	114.2%	127.2%	-13.1 pp
Net interest margin (annualised)	4.5%	4.8%	-0.3 pp
Cost of risk (annualised)	-40 bp	-88 bp	48 bp
Share of defaulted loans	2.6%	2.9%	-0.3 pp
Stage 3 loans coverage ratio	72.7%	75.5%	-2.8 pp
Green loan portfolio	196.4	171.1	14.8%

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 74.4 million or 6.3%, despite negative currency effects. The bank in Moldova reported loan portfolio growth of 14.2%; for the bank in Ukraine the figure was 11.2%. In contrast, the loan portfolio of the bank in Georgia contracted, despite business-driven growth, due to the depreciation of the dollar and the local currency. The share of defaulted loans in the segment declined by 0.3 percentage points to 2.6%. The Stage 3 loans coverage ratio in the segment decreased by 2.8 percentage points, yet still remains at a high level of 72.7% due to the elevated risk provisioning for the Ukrainian portfolio. Deposits decreased by EUR 70.2 million or 4.6% compared to the end of the year, with the negative currency effects having an impact here as well. As a result, the deposit-to-loan ratio declined by 13.1 percentage points to 114.2%.

The profit of the period decreased by EUR 4.0 million compared to the same period of the previous year, dropping to EUR 28.1 million overall. Operating income declined by EUR 5.7 million or 6.7%, in particular due to the net interest income being EUR 3.4 million lower. At the same time, personnel and administrative expenses stood at EUR 47.5 million, which is EUR 3.9 million above the level in the same period of the previous year. The cost-income ratio increased by 8.6 percentage points to 59.7%. Expenditures for loss allowances declined by EUR 4.6 million to EUR -3.7 million, which corresponds to an annualised cost of risk of -40 basis points. The profit of the period corresponds to an annualised return on equity of 13.7%.

South America

in EUR m

Statement of financial position	30.9.2025	31.12.2024	Change
Loan portfolio	437.2	479.3	-42.1
Deposits	500.4	517.6	-17.2

Statement of profit or loss	1.1.-30.9.2025	1.1.-30.9.2024	Change
Net interest income	12.3	13.0	-0.7
Net fee and commission income*	0.8	0.5	0.4
Operating income	11.1	13.6	-2.5
Personnel and administrative expenses	16.1	19.0	-2.9
Loss allowance	1.3	2.8	-1.5
Profit of the period	-6.4	-8.0	1.5

Key performance indicators	1.1.-30.9.2025	1.1.-30.9.2024	Change
Change in loan portfolio	-8.8%	-4.2%	-4.6 pp
Cost-income ratio	145.6%	139.7%	5.9 pp
Return on equity (annualised)	-20.1%	-23.7%	3.7 pp

Additional indicators	30.9.2025	31.12.2024	Change
Deposit-to-loan portfolio ratio	114.4%	108.0%	6.5 pp
Net interest margin (annualised)	2.5%	2.5%	0.0 pp
Cost of risk (annualised)	39 bp	58 bp	-19 bp
Share of defaulted loans	8.4%	9.2%	-0.8 pp
Stage 3 loans coverage ratio	32.1%	30.2%	1.8 pp
Green loan portfolio	63.1	72.0	-12.3%

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 42.1 million or 8.8% to EUR 437.2 million. Deposits also decreased by EUR 17.2 million or 3.3% to a total of EUR 500.4 million. In local currency, both the loan portfolio and deposits showed an increase. However, this growth was offset on a consolidated basis by the depreciation of the US dollar. The deposit-to-loan ratio increased by 6.5 percentage points to 114.4%.

The profit of the period improved slightly compared to the previous year's period, rising by EUR 1.5 million to EUR -6.4 million. This development is primarily attributable to the reduction of personnel and administrative expenses by EUR 2.9 million and the EUR 1.5 million decrease in expenses for loss allowances. Structurally, profitability is negatively impacted by a low net interest margin. This continued to be significantly influenced by regulatory lending rate caps in Ecuador, which prevent existing financial instruments from being repriced in an environment of high interest rates. In addition, the deteriorating security situation in the country and the weak economy are burdening the business environment. The economic situation had worsened further in the previous year due to a prolonged drought and increasing energy shortages. These factors are having a negative impact on growth, liquidity and portfolio quality in 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 Tier 1 capital ratio, liabilities to banks in the amount of EUR 11.0 million and subordinated debt in the amount of EUR 6.1 million have been classified as short term. Of these liabilities to banks, EUR 1.8 million was repaid as scheduled in October 2025. In addition, the bank carried out EUR 5.8 million in early repayments in October 2025 at its own initiative. The bank is currently negotiating with the remaining lenders to obtain waivers. Early repayment is not expected.

Germany

in EUR m

Statement of financial position	30.9.2025	31.12.2024	Change
Loan portfolio	35.6	38.7	-3.1
Deposits	231.6	260.5	-28.9

Statement of profit or loss	1.1.-30.9.2025	1.1.-30.9.2024	Change
Net interest income	-9.5	-0.8	-8.8
Operating income	72.5	113.0	-40.5
Personnel and administrative expenses	87.6	80.6	7.1
Loss allowance	-0.1	-0.1	0.0
Profit of the period	-17.0	30.4	-47.4
Profit of the period and consolidation effects	-32.4	-25.3	-7.2

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 4.1 million to EUR 3.6 million, which is largely attributable to the EUR 3.7 million decrease in net interest income.

The profit of the period for the segment declined compared to the previous year's period by EUR 47.4 million to EUR -17.0 million. Operating income declined by 40.5 Mio. EUR, 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 7.1 Mio. EUR. This was due, among other things, to additional expenditure on IT and software, as well as higher legal and consulting expenses. The segment's contribution to the consolidated result declined by EUR 7.2 million.

Events after the reporting period

On 28 October 2025, we updated our guidance for the current financial year (see the "Outlook" section). Beyond that, no significant events arose after the reporting date.

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 continue 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 US administration, could have a negative impact on credit risk and the repayment capacity of our customers.

The import tariffs introduced by the US government have varying effects on countries' economic growth and thus on counterparty default risk; the impact depends on the volume of trade, industry structure, political reactions and opportunities for diversification. For the countries in which we operate, the direct impact of import tariffs on individual customers is limited, as the United States does not represent a significant export market, with the exception of Ecuador. Nevertheless, we expect that our markets of operation in Eastern and South Eastern Europe may be indirectly affected due to close economic and political ties with Germany and the EU. As part of our analysis, we have identified potential indirect effects, including declining exports to the EU, lower inflows of foreign direct investment due to elevated uncertainty, and a weakening of the economic situation within the EU. The affected loan portfolio was identified on the basis of these findings. As of the end of the third quarter of 2025, EUR 28.4 million in loans and advances to customers were placed on the watch list and transferred to Stage 2. 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. Nevertheless, new business was resumed; this led to good growth in the first nine months of the year for the bank's loan portfolio, which had previously seen sharp contraction. 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 third quarter of 2025, 3.2% 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, bolstered 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. Nevertheless, the share of non-performing loans at the bank remains high (please refer to the South America segment of this report).

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 third quarter.

During the reporting period, on-balance-sheet loss allowances increased overall by EUR 11.4 million (previous year's period: EUR -8.3 million). This rise is primarily attributable to Stage 1 and Stage 2. Loss allowances for Stage 1 showed an increase during the period, mainly due to the growth of the loan portfolio; in contrast, credit risk in this stage showed a decline. Moreover, a part of the exposures in Stage 2 was transferred. Stage 2 loss allowances grew mainly as a result of higher credit risk. Loss allowances in Stage 3 decreased slightly, as increases in credit risk and transfers to this stage were offset by releases due to derecognition and usage of allowances.

in '000 EUR	30.9.2025 Stage 1	Stage 2	Stage 3	POCI	Total
South Eastern Europe					
Gross outstanding amount	5,324,045	419,200	87,087	577	**5,830,908**
Loss allowances	-37,055	-36,344	-42,911	-56	**-116,366**
Net outstanding amount	5,286,989	382,857	44,175	521	**5,714,542**
Eastern Europe					
Gross outstanding amount	1,043,898	185,406	32,774	196	**1,262,273**
Loss allowances	-20,925	-15,186	-23,858	-115	**-60,083**
Net outstanding amount	1,022,973	170,220	8,916	81	**1,202,190**
South America					
Gross outstanding amount	356,552	43,884	36,123	650	**437,208**
Loss allowances	-3,051	-1,592	-11,622	-171	**-16,436**
Net outstanding amount	353,501	42,292	24,501	478	**420,772**
Germany					
Gross outstanding amount	34,844	780	-	-	**35,624**
Loss allowances	-210	-57	-	-	**-267**
Net outstanding amount	34,633	723	-	-	**35,357**
Total					
Gross outstanding amount	6,759,339	649,270	155,983	1,422	**7,566,014**
Loss allowances	-61,242	-53,178	-78,392	-342	**-193,153**
Net outstanding amount	6,698,097	596,091	77,592	1,080	**7,372,861**
Financial off-balance sheet transactions					
Nominal amount	1,025,040	63,452	961	-	**1,089,454**
Provisions	-3,449	-1,018	-418	-	**-4,885**

	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 is assessed at portfolio level on a monthly basis and at shorter intervals if necessary. The analysis covers the structure and quality of the portfolio, restructured loans, write-offs, the coverage ratio and concentration risk. Key credit risk indicators, as well as more detailed analyses, are used for this purpose.

At the end of the third quarter of 2025, the share of defaulted loans had declined compared to year-end 2024, decreasing from 2.3% to 2.1%. This was mainly due to new assets in Stage 1 and derecognitions in Stage 3. The Stage 3 loans coverage ratio remained nearly unchanged, increasing minimally from 49.9% to 50.0%.

Capital management

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

As of 30 September 2025, the Common Equity Tier 1 and Tier 1 capital ratios of the ProCredit group stood at 13.0%. The total capital ratio was 16.2%. Our capitalisation is thus comfortably above the regulatory requirements, which are currently set at 9.9% for the Common Equity Tier 1 capital ratio, 12.2% for the Tier 1 capital ratio and 15.3% for the total capital ratio.

in EUR m	**30.9.2025**	**31.12.2024**
Common equity (net of deductions)	966.6	932.7
Additional Tier 1 (net of deductions)	-	-
Tier 2 capital	236.8	216.5
Total capital	1,203.4	1,149.2
RWA total	7,426.4	7,143.0
Credit risk	6,118.4	5,748.7
Market risk	782.2	783.4
Operational risk	516.9	599.8
Credit Valuation Adjustment risk	8.9	11.1
Common Equity Tier 1 capital ratio	13.0%	13.1%
Total capital ratio	16.2%	16.1%
Leverage ratio (CRR)	8.4%	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 developments in the first nine months and the associated increase in the expected loss allowances for the 2025 financial year, we updated our guidance for the group's return on equity for the 2025 financial year on 28 October 2025 compared with the combined management report for 2024.

For the 2025 financial year, we now expect a return on equity of 7-8% (previously: around 10%). The current expectation regarding loss allowances is higher than the previous assumption of "continued low cost of risk".

Unchanged from the guidance presented in the 2024 combined management report, we aim for loan portfolio growth of around 12%, adjusted for currency effects, for the 2025 financial year. We continue to expect the Common Equity Tier 1 capital ratio to be around 13% at year-end. We expect the cost-income ratio to be around 72% (previously: around 70%). This adjustment is mainly due to the consistently high market interest rates on customer deposits.

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 around 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 anticipate only a limited direct impact on our business from the tariffs imposed by the US in 2025 on a large number of countries. With the exception of Ecuador, the United States does not represent a significant export market for the countries in which we operate. Nevertheless, we see the change in US trade policy as 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.-30.9.2025	1.1.-30.9.2024
Interest income (effective interest method)	436,529	436,584
Other interest income	3,997	4,704
Interest expenses	179,726	170,716
Net interest income	**260,800**	**270,572**
Fee and commission income*	114,646	102,197
Fee and commission expenses*	43,634	34,960
Net fee and commission income*	**71,012**	**67,237**
Result from derivative financial instruments and hedging relationships	-2,158	-1,274
Result on derecognition of financial assets measured at amortised cost	1	-5
Net other operating result*	-5,955	-5,849
Operating income	**323,699**	**330,682**
Personnel expenses	116,838	106,395
Administrative expenses	113,956	110,756
Loss allowance	16,871	4,106
Profit before tax	**76,033**	**109,425**
Income tax expenses	17,837	24,644
Profit of the period	**58,196**	**84,781**
Profit attributable to ProCredit shareholders	*58,196*	*84,781*
Earnings per share** in EUR	0.99	1.44

** Previous year figures have been adapted to the current disclosure structure: Fee and commission income from foreign exchange transactions totalling EUR 40,356 thousand (previous period: EUR 31,918 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 12,609 thousand (previous period: EUR 8,684 thousand) are accordingly presented in fee and commission expenses. The net gains and losses from foreign exchange valuation totalling EUR 2,499 thousand (previous period: EUR 75 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.-30.9.2025**	**1.1.-30.9.2024**
Profit of the period	**58,196**	**84,781**
Items that are or may be reclassified to profit or loss		
Change in revaluation reserve from investment securities	112	1,958
Change in value not recognised in profit or loss	*103*	*1,947*
Change in loss allowance (recognised in profit or loss)	*10*	*11*
Change in deferred tax on revaluation reserve from investment securities	27	-21
Change in translation reserve	-28,277	-8,342
Change in value not recognised in profit or loss	*-28,277*	*-8,342*
Items that will not be reclassified to profit or loss		
Change in revaluation reserve from shares	357	307
Change in deferred tax on revaluation reserve from shares	-44	-6
Other comprehensive income of the period, net of tax	**-27,825**	**-6,103**
Total comprehensive income of the period	**30,372**	**78,678**
Total comprehensive income attributable to ProCredit shareholders	*30,372*	*78,678*

Consolidated statement of financial position

in '000 EUR	30.9.2025	31.12.2024
Assets		
Cash	174,745	201,316
Central bank balances	1,777,954	1,962,378
Loans and advances to banks	449,943	513,586
Derivative financial assets	6,208	6,660
Investment securities	984,078	965,644
Loans and advances to customers	7,372,861	6,828,256
Property, plant and equipment	160,064	152,128
Intangible assets	44,918	34,333
Current tax assets	27,228	8,716
Deferred tax assets	5,910	11,552
Other assets	61,475	67,048
Total assets	**11,065,383**	**10,751,615**
Liabilities and equity		
Liabilities to banks	819,317	946,425
Derivative financial liabilities	1,023	1,246
Liabilities to customers	8,620,736	8,291,358
Debt securities	190,482	90,545
Other liabilities	65,695	62,708
Provisions	24,084	24,121
Current tax liabilities	4,293	22,811
Deferred tax liabilities	1,324	1,294
Subordinated debt	286,502	255,204
Liabilities	**10,013,455**	**9,695,713**
Subscribed capital and capital reserve	441,277	441,277
Retained earnings	717,003	693,153
Translation reserve	-108,363	-80,086
Revaluation reserve	2,010	1,558
Equity attributable to ProCredit shareholders	**1,051,928**	**1,055,902**
Total liabilities and equity	**11,065,383**	**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.