



ProCredit Bank

Supporting Innovation in Serbia

ProCredit Bank



2001

ProCredit Bank Serbia opens for business as the first foreign bank in Serbia

Successful banking for almost two decades

- **The “hausbank” concept** – We do more than just provide loans to small businesses: we provide them with a wide range of modern financial services which contribute to their success.
- We promote a **savings culture** and **financial literacy**, focusing on encouraging ordinary householders to save. We do not promote consumer loans.
- **We do not finance** public and state-owned enterprises, large corporations, political parties or sports clubs.
- We do not invest in the stock market or in speculative activities.
- We do not finance projects and companies that conduct business in a socially and environmentally harmful manner.
- We are committed to building long-term partnerships with small and medium enterprises and domestic agricultural producers



88%

The partner bank for SME

of ProCredit Bank loans have gone to small and medium-sized enterprises and farmers

- More than **EUR 3.4 billion** invested in the development of the national economy
- Every fifth loan is taken in PCB. (21,1% from total volume of loan portfolio of entrepreneurs in Serbia, is financing by PCB) Special focus towards **support of production**



40%

Leader in lending to the agricultural sector

share in financing
agricultural producers



- **The first bank** in Serbia to develop technology to support a financial analysis of farmers
- The share of agriculture in the total loan portfolio is **24%** - around EUR 150 million
- ProCredit Bank has launched **AgroGlasnik**, a magazine for farmers, which is published quarterly and has a circulation of 20,000
- **Only 1.05% of ProCredit Bank loans to agricultural businesses are in arrears, compared with a market average of 17.91%***

* June 2015; Source – Credit Bureau

€100 million

through loans for energy efficiency improvements

Solutions that save energy and money

- **Investments in energy-efficient solutions** involve much more than buying solar panels
- They include the **purchase of energy-efficient equipment, vehicles, devices, etc.**
- In addition to lower costs, **energy-efficient solutions significantly enhance productivity**
- **ProCredit Bank is a leader in financing energy-efficiency solutions in Serbia**

Client from Begeč – Solar system for irrigation, capacity 7 kW for 6 ha



Bioenergo 808 – Biogas power plant, capacity 600 kW



Solaris – Solar power plant, Kladovo, capacity 2MW





InnovFin SME Guarantee

General information

- Agreement between the European Investment Fund (EIF) and **ProCredit Group**
- Focus on disbursements of InnovFin loans to innovative and developmentally oriented SME clients
- Total amount of the agreement with ProCredit Group is **EUR 320 million**
- The minimum loan amount is EUR 25,000 and the maximum individual amount per client is EUR 7.5 million



General information

- ProCredit banks participating in the programme are from: **Albania, Bosnia and Herzegovina, Bulgaria (including Greek branch), FYROM, Moldova, Romania, Ukraine and Serbia**
- Guarantee offered to ProCredit Bank Serbia – **EUR 40 million**
- Reduced pricing and lower collateral requirements
- Flexibility in the process of credit risk assessment for the bank





Case studies



Case study– ALBON



ProCredit Bank

- Albon Engineering and manufacturing PLC is the owner of three manufactures / factories In England, Oklahoma USA and in Serbia
- Specialized in manufacturing and design, machining and assembly of engine components for automotive and diesel manufacturers
- From 2005. operating in Serbia
- Location: Belgrade



- Building of factory especially for the Ford requirements
- Building of new, highly modern facilities
- Two production lines for 2.7l engines:
- Engineering and producing tools and machines
- Fully robotized and automated processing system
- Capacity of 12000 connecting rods per day per line(24/7)

Innovative aspects for the client

- Innovation in engineering and manufacturing of tools and machines
- New production line for connecting rods
- Low level of environment pollution
- Higher level of driver's security and comfort
- Minimum service costs

- **Total Investment : 2 200 000 EUR**
- **Total Investment under Guarantee: 880 000 EUR**
- **InnovFin Guarantee: 440 000 EUR**



Case study – Natura trade



ProCredit Bank

- Established in 1995; based on significant investments in state of the art German technology and equipment, the company became one of the leaders in the region when it comes to paper bags production
- Core business activities – production of cardboard packages, paper bags and adhesive tapes
- Long lasting co-operation with the client - since 2008
- Location: Loznica (west Serbia)



- **Investment Loan: 950 000 EUR**
- **InnovFin Guarantee: 475 000 EUR**
- Purchasing of the new generation machines Long New Holland B.V.
- Total investment in two machines 'New Long' - 1,092,500 EUR

Innovative aspects for the client

- Investment in these new generation machines leads to increase of production capacity for 100%, enabling client to increase export activity by 30%
- Increased range of products with this innovative investment- new product is bag with twisted handle
- Cost savings and reduction of the percentage of waste for 4%



sistem DmD

- DmD System founded in 1999 as a small, family-run business
- The company's main focus is on the transport of agricultural products and seeds. For the company is strategically important production of multiple categories of malting barley seeds, which is one of the main raw materials used in the beer production industry.
- Location: Celarevo (Vojvodina)



The construction of Silos

- Investment Loan: 1 200 000 EUR
- InnovFin Guarantee: 600 000 EUR

Innovative aspects for the client

- Allows client economies of scale:
 - larger quantities
 - lower purchase prices
 - better quality
 - Reduced logistic costs (storage, transportation)
- More efficiently and more securely manage the inventory of raw materials

