grenke

2024

Quarterly Statement

for Q3 and Q1–Q3

Group key figures

	Unit	Q3 2024	Q3 2023	Change (%)	Q1 – Q3 2024	Q1 – Q3 2023	Change (%)
Leasing new business	**EURk**	**738,504**	**591,081**	**24.9**	**2,198,584**	**1,851,579**	**18.7**
DACH	EURk	189,317	158,402	19.5	510,642	465,905	9.6
Western Europe (without DACH)	EURk	175,677	149,194	17.8	560,246	482,072	16.2
Southern Europe	EURk	166,503	125,487	32.7	531,164	422,716	25.7
Northern/Eastern Europe	EURk	158,602	119,016	33.3	458,105	373,788	22.6
Other regions	EURk	48,405	38,983	24.2	138,426	107,098	29.3
Contribution margin 2 (CM2) on leasing new business	**EURk**	**125,768**	**97,432**	**29.1**	**369,350**	**309,122**	**19.5**
DACH	EURk	25,014	20,867	19.9	67,767	60,485	12.0
Western Europe (without DACH)	EURk	31,507	25,628	22.9	98,764	84,346	17.1
Southern Europe	EURk	28,904	21,613	33.7	89,055	74,635	19.3
Northern/Eastern Europe	EURk	29,517	21,011	40.5	83,205	67,275	23.7
Other regions	EURk	10,826	8,313	30.2	30,559	22,381	36.5
Further information leasing							
Number of new contracts	Units	76,120	68,200	11.6	235,204	216,275	8.8
Mean acquisition value	EUR	9,702	8,667	11.9	9,348	8,561	9.2
Mean term of contract as of end of period	Months	48.8	48.1	1.4	49.0	48.5	1.2
Volume of leased assets as of end of period	EURm	9,898	9,289	6.6	9,898	9,289	6.6
Number of current contracts as of end of period	Units	1,083,599	1,043,117	3.9	1,083,599	1,043,117	3.9
Factoring new business	**EURk**	**234,177**	**210,666**	**11.2**	**675,797**	**608,075**	**11.1**
DACH	EURk	74,774	72,768	2.8	220,985	222,456	– 0.7
Southern Europe	EURk	65,690	45,291	45.0	174,587	126,033	38.5
Northern/Eastern Europe	EURk	93,713	92,607	1.2	280,225	259,586	8.0
grenke Bank							
SME lending new business incl. microcredit business	EURk	9,576	9,629	– 0.6	27,302	33,423	– 18.3

Regions leasing:
DACH: Germany, Austria, Switzerland
Western Europe (without DACH): Belgium, France, Luxembourg, the Netherlands
Southern Europe: Croatia, Italy, Malta, Portugal, Slovenia, Spain
Northern/Eastern Europe: Denmark, Finland, Ireland, Latvia, Norway, Sweden, UK, Czechia, Hungary, Poland, Romania, Slovakia
Other regions: Australia, Brazil, Canada, Chile, Turkey, UAE, USA

Regions factoring:
DACH: Germany, Switzerland
Southern Europe: Italy, Portugal
Northern/Eastern Europe: UK, Ireland, Hungary, Poland

Consolidated franchise companies:
Leasing: Canada (3x), Chile, Latvia

	Unit	Q3 2024	Q3 2023	Change (%)	Q1 – Q3 2024	Q1 – Q3 2023	Change (%)
Income statement							
Interest and similar income from financing business	EURk	147,819	119,848	23.3	420,234	341,916	22.9
Expenses from interest on refinancing including deposit business	EURk	54,994	33,386	64.7	150,909	87,421	72.6
Settlement of claims and risk provision	EURk	37,804	24,482	54.4	92,847	72,369	28.3
Total operating expenses	EURk	89,173	76,147	17.1	248,379	225,835	10.0
Operating result	EURk	17,938	32,930	–45.5	76,280	85,332	–10.6
Group earnings before taxes	EURk	15,619	30,548	–48.9	73,195	82,324	–11.1
Group earnings	**EURk**	**12,008**	**23,990**	**–49.9**	**56,982**	**64,389**	**–11.5**
Group earnings attributable to ordinary shareholders	**EURk**	**13,472**	**24,597**	**–45.2**	**50,296**	**59,125**	**–14.9**
Group earnings attributable to hybrid capital holders	**EURk**	**0**	**0**	**n.a.**	**10,498**	**9,068**	**15.8**
Group earnings attributable to non-controlling interests	**EURk**	**–1,464**	**–607**	**–141.2**	**–3,812**	**–3,804**	**–0.2**
Earnings per share (basic and diluted)	EUR	0.30	0.53	–43.4	1.10	1.27	–13.4
Return on equity	Percent	4.70	9.10	–4.4 pp	7.30	8.20	–0.9 pp
Cost-income ratio	Percent	60.8	57.0	3.8 pp	58.4	57.9	0.5 pp
Staff cost	EURk	49,164	43,220	13.8	144,074	128,488	12.1
of which total remuneration	EURk	40,944	35,567	15.1	117,870	105,257	12.0
of which fixed remuneration	EURk	34,573	30,819	12.2	101,356	91,068	11.3
of which variable remuneration	EURk	6,371	4,748	34.2	16,514	14,189	16.4
Average number of employees in full-time equivalent (FTE)	Employees	2,195	2,112	3.9	2,177	2,052	6.1

	Unit	Sep. 30, 2024	Dec. 31, 2023	Change (%)
Statement of financial position				
Total assets	EURm	8,156	7,100	14.9
Lease receivables	EURm	6,230	5,700	9.3
Deposit volume grenke Bank	EURm	1,875	1,617	16.0
Equity persuant to statement of financial position*	EURm	1,312	1,355	–3.2
Equity persuant to CRR	EURm	1,172	1,182	–0.8
Equity ratio	Percent	16.1	19.1	–3.0 pp
Embedded value, leasing contract portfolio (excl. equity before taxes)	EURm	540	484	11.6
Embedded value, leasing contract portfolio (incl. equity after taxes)	EURm	1,693	1,689	0.2

** Including AT1 bonds (hybrid capital), which are reported as equity under IFRS.*

Key figures Q3 2024:

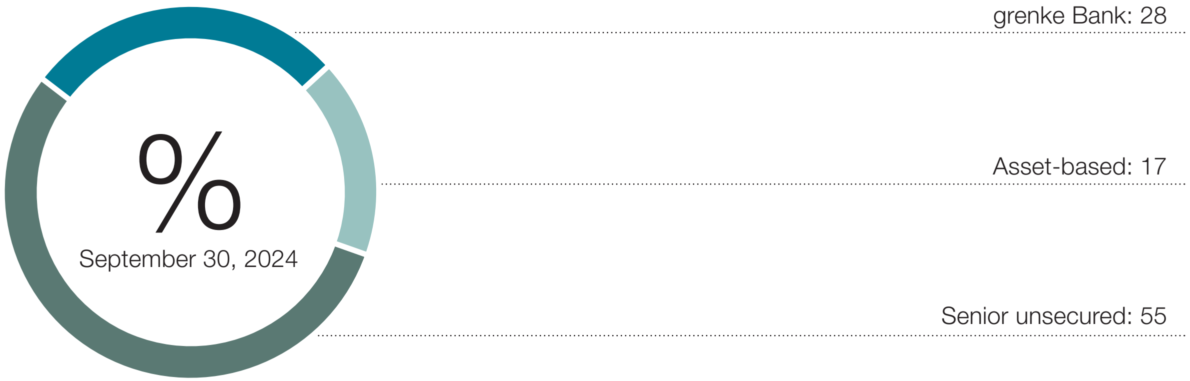
Group earnings
12.0 EUR million

Earnings per share
0.30 EUR

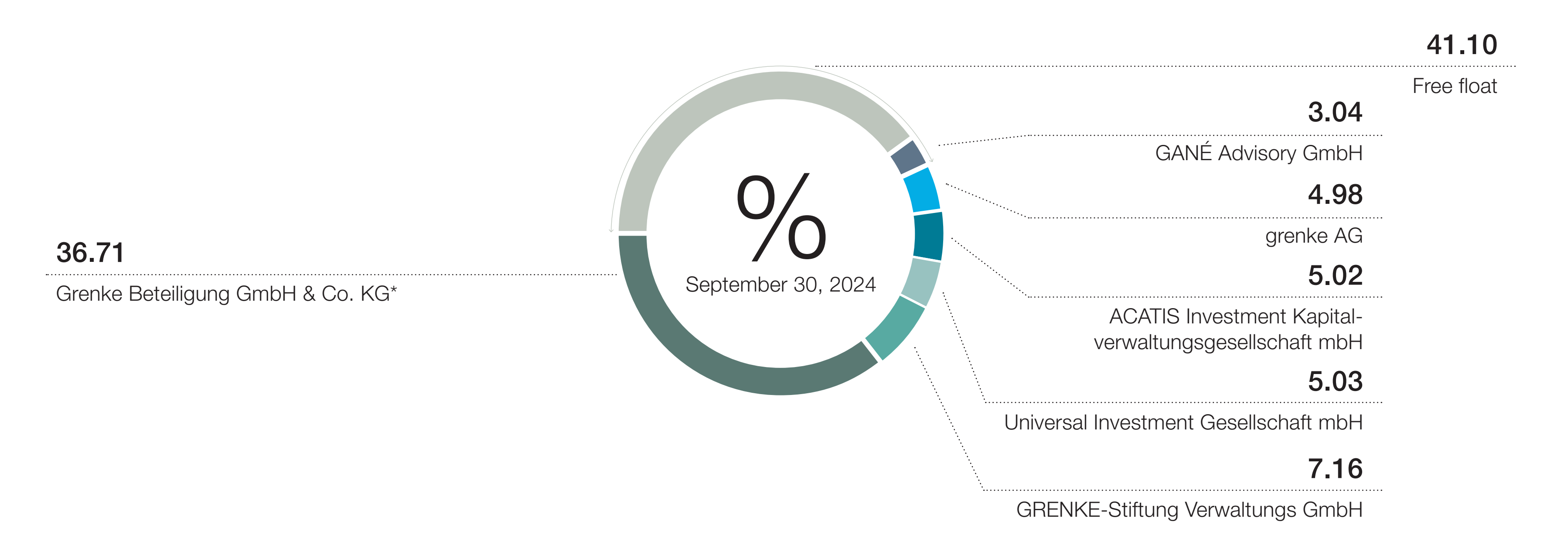
Equity ratio
16.1 percent

Refinancing base:

Three pillars: grenke Group's refinancing mix



Shareholder structure:



General partner: Grenke Vermögensverwaltung GmbH
Limited partners: The Grenke Family (Wolfgang, Anneliese, Moritz, Roland and Oliver Grenke)

The free float as per Chapter 5.7.2 of the current "DAX Equity Index Methodology Guide".

The above information is not guaranteed and based on the voting right notifications received by the Company in accordance with the German Securities Trading Act (WPHG).

Contents

Interim group management report

1. Group principles

1.1 Overview of grenke

We are a global financing partner for small and medium-sized enterprises (SMEs). Our offers give companies the financial freedom to realise investments. SMEs that lease through us are thereby able to protect their liquidity. We are guided by our values: simple, fast, personal and entrepreneurial. Founded in Baden-Baden in 1978, we operate worldwide with over 2,200 employees in more than 30 countries.

1.2 Business model

In our leasing business, we focus primarily on small tickets, defined as contracts for financed objects with an acquisition value of less than EUR 50k. In the first three quarters of 2024, this category accounted for over 95 percent of all our lease contracts. The contracts in the first three quarters of 2024 had an average volume of around EUR 9,300. Our leasing portfolio focuses on the areas of IT and office communication products. In recent years, we have expanded our business model to include other product groups, such as small machinery and systems, medical and security devices, and green economy objects such as wall boxes, photovoltaic systems, and eBikes.

As of September 30, 2024, we were operating in 132 locations across 33 countries worldwide. In the first three quarters of 2024, we generated 93.7 percent of our leasing new business in Europe, where we operate in almost every country. Our core markets are Germany, France, Italy and Spain. In addition, we are steadily expanding our presence outside of Europe by entering the Australian and North and South American markets.

We can manage our business with agility during periods of economic fluctuations by adjusting our acceptance strategy for leasing applications. By strictly focusing on lower-risk new business and foregoing business with higher-risk industries and customer segments, we can influence the quality and quantity of our new business in a targeted manner. We also have the flexibility to align our terms and conditions to the prevailing market and macroeconomic environments, as we did during the very dynamic interest rate environment in 2022 and 2023. As a result, our business model is proving resilient to market fluctuations. This has enabled us to achieve risk-adequate margins and operate profitably, even during the financial market crisis in 2009 and the COVID-19 pandemic in 2020 and 2021.

1.3 Segments

We offer financial services for SMEs in the segments Leasing, Factoring, and Banking. For a description of our business activities and the development of the segments during the reporting period, please refer to the comments in Chapter 2.4.3 “Segment development” and the explanations in Chapter 11 “Group segment reporting” contained in the notes to the condensed interim consolidated financial statements. Due to the intended sale of the factoring companies, we are currently re-evaluating the composition of the segments.

1.4 Shareholder structure

As a medium-sized family business, our major shareholder is Grenke Beteiligung GmbH & Co. KG, which is owned by Anneliese Grenke, the Company founder Wolfgang Grenke, and their three adult sons. As of September 30, 2024, Grenke Beteiligung GmbH & Co. KG held 36.71 percent of the Company’s shares. The GRENKE-Stiftung Verwaltungs GmbH held 7.16 percent. As of the publication date stated in the respective voting rights notification, the following shareholders owned a share in excess of 3 percent: Universal Investment Gesellschaft mbH (5.03 percent), ACATIS Investment Kapitalverwaltungsgesellschaft mbH (5.02 percent), and GANÉ Advisory GmbH (3.04 percent). Following the successful completion of our share buyback programme as of September 30, 2024, we held 4.98 percent of our own shares as of the reporting date. Accordingly, the free float, as defined by Deutsche Börse, amounted to 41.10 percent. The shareholding of the Board of Directors and Supervisory Board as of the reporting date was 0.17 percent.

1.5 Targets and strategy

As a leading partner for small and medium-sized enterprises, we strive for our services to significantly contribute to realising essential investments through our leasing solutions. Our goal is to become a global leader in the small-ticket segment. Based on our growth strategy and the current economic forecasts, leasing new business of at least EUR 3.0 billion should be achieved in the 2024 financial year. Achieving this would mark the first time in grenke AG's history that leasing new business of this magnitude would be realised and would set the stage for further growth. This forecast is based on the assumption that leasing new business will reach a volume of EUR 3.0 billion to EUR 3.2 billion.

Furthermore, following the adjustment on October 29, 2024, the Board of Directors expects Group earnings of EUR 68 million to EUR 76 million for the current financial year. The equity ratio at the end of the 2024 financial year is expected to exceed the 16 percent target.

To achieve our growth targets, we are focusing on the core areas of “customer and market-oriented activities”, “operational excellence and cost discipline”, “digital excellence and automation”, and “sustainability” through the appropriate strategic measures.

Liquidity and refinancing play a fundamental role in our business model and are managed strategically. We have a wide range of instruments at our disposal that we utilise in accordance with the market conditions as part of our overall strategy. Our debt-based financing is essentially based on the following three pillars:

// Senior unsecured instruments largely based on our investment grade rating, including bonds – and currently one green bond and one social bond – commercial paper, and debentures, in addition to credit relationships with international banks and syndicated credit lines
// Receivables-based financing, including the use of ABCP programmes
// grenke Bank’s deposit business

Financing on this basis enables us to avoid maturity transformation, thereby eliminating potential risks related to changes in interest rates and follow-up financing at the portfolio level. We have an investment grade rating from the rating agencies Standard & Poor's and Fitch Ratings.

Further details on this can be found in Chapter 1.2 “Targets and strategy” of our recently published Annual Report 2023.

2. Economic report

// Leasing new business grows 24.9 percent year-on-year to EUR 738.5 million in the third quarter of 2024
// CM2 margin reaches 17.0 percent
// Group earnings amount to EUR 12.0 million
// Loss rate equals 1.5 percent
// Cost-income ratio increases to 60.8 percent
// Equity ratio equals 16.1 percent

2.1 Significant events and transactions year-to-date

On January 31, 2024, we announced that the Supervisory Board of grenke AG had approved the Board of Directors' decision to focus in the future on the leasing business with small and medium-sized enterprises and to initiate the sale of all factoring companies. The synergies with the core principal business of leasing that were expected when entering the factoring business had not materialised. In addition, an in-depth analysis showed that the existing factoring business could only be made profitable in the long term with additional investments and a significant multi-fold increase in the business volume (the assets from the factoring business equalled less than 2 percent of the consolidated balance sheet in 2022). Instead of implementing a factoring strategy separate from the leasing business, grenke intends to fully focus its resources and investment power going forward on its progressive digitalisation and further growth in leasing. grenke Bank AG continues to play an important role here, especially with its contribution to the refinancing of leasing via traditional deposit business.

On February 6, 2024, we announced that, with the approval of the Supervisory Board, the Board of Directors of grenke AG had decided to carry out a share buyback programme. The German Federal Financial Supervisory Authority (BaFin) had previously approved the programme (see ad hoc disclosure dated November 21, 2023). As part of the programme, a maximum of 2,317,695 shares valued at up to EUR 70 million (excluding ancillary costs) are to be acquired via the stock exchange. This amount corresponds to 5 percent of the Company's existing share capital at the time of the authorisation resolution of the Annual General Meeting on August 6, 2020. The share buyback programme was launched on February 12, 2024 and was concluded on September 30, 2024.

On March 5, 2024, we announced that the Supervisory Board of grenke AG had appointed Dr Martin Paal as Chief Financial Officer as of July 1, 2024. Dr Martin Paal, born in 1979, is a proven finance and banking expert. After holding several positions at renowned international consulting firms and DZ Bank, Dr Martin Paal joined grenke AG as Vice President Controlling in June 2022. In March 2023, he was appointed Chief Representative and Senior Vice President and Head of the Finance Division. In the position as designated CFO, he was made responsible for the Accounting & Tax, Controlling and M&A, Treasury, and Reporting departments.

On March 15, 2024, we announced that Dr Konstantin Mettenheimer, a member of the Supervisory Board of grenke AG since July 2021 and its Deputy Chairman since May 2023, would not stand for re-election to the Supervisory Board at the Annual General Meeting on April 30, 2024.

On April 30, 2024, we held our Annual General Meeting. The shareholders approved a dividend distribution of EUR 0.47 per share (previous year: EUR 0.45), amounting to a total distribution of EUR 21.6 million. The distribution was based on the share capital entitled to dividends at the time of the Annual General Meeting, taking into account the shares already repurchased. Due to the Annual General Meeting, the share buyback programme was paused from April 22, 2024, to May 3, 2024, and resumed on May 6, 2024. The shareholders also approved all other agenda items by a large majority. Dr Ljiljana Mitic was re-elected as a member of the Supervisory Board for a five-year term, and Manfred Piontke was elected to the Supervisory Board for a three-year term. In its subsequent meeting, the Supervisory Board elected Moritz Grenke as the Deputy Chair of the Supervisory Board.

On July 1, 2024, we announced the start of Dr Martin Paal in his role as Chief Financial Officer of grenke AG on the same date. His was appointed earlier in the year on March 5. As CFO, he is now responsible for the Accounting & Tax, Controlling and M&A, Treasury, Reporting, and Investor Relations departments.

On September 6, 2024, we announced that Isabel Rösler will leave the Board of Directors of grenke AG as of December 31, 2024 at her own request. Since January 1, 2021, she has been the Chief Risk Officer (CRO) and responsible for key internal control functions, including risk control, compliance, anti-money laundering, information security, and data protection. Additionally, she oversees the Credit Center and Administration departments.

On September 27, 2024, we announced the opening of our second location in the USA, in Chicago, Illinois. This new office will serve the entire Central, North, and South East regions. Since 2019, we have been developing the western US out of Phoenix, Arizona. The USA is the largest leasing market in the world.

On October 1, 2024, we announced the successful completion of the share buyback programme, which was initiated in February 2024 and concluded on September 30, 2024. Over the preceding 33 weeks, we had repurchased a total of 2,317,695 shares, representing 4.98 percent of the outstanding capital, at an average share price of EUR 23.92 per share.

On October 29, 2024, in an ad hoc announcement, grenke AG announced an adjustment to the forecast for Group earnings for the 2024 financial year. The Company now expects Group earnings in the range of EUR 68 million and EUR 76 million (previously: EUR 95 million to EUR 115 million) for the 2024 financial year. The adjustment was a result of the higher expenses for settlement of claims and risk provision, driven by the continuously rising number of insolvencies, particularly in the core markets of France, Spain, and Germany. The forecast for new business in 2024 of EUR 3.0 billion to EUR 3.2 billion remained unchanged.

2.2 Macroeconomic environment

After the start of its rate-hiking cycle in July 2022, the European Central Bank (ECB) implemented its first rate cut in June 2024, followed by a 25-basis-point reduction in the benchmark rate again in September 2024. As a result, the deposit rate stood at 3.5 percent at the end of the third quarter (September 2023: 4.0 percent). At the ECB meeting on October 17, 2024, after the end of the reporting period, the central bank expressed confidence that inflation in the euro area would reach the target level next year. Consequently, it made another rate cut, lowering the deposit rate to 3.25 percent. The ECB provided no guidance on further rate changes, stating instead that it would continue to make data-dependent decisions in upcoming meetings. An ECB survey polling analysts on their interest rate expectations revealed that the majority of analysts anticipate another 25-basis-point rate cut in December 2024.

According to the ECB's “Bank Lending Survey”, the banks polled reported for the first time, after a two-year period of tightening credit conditions, that the terms in the eurozone remained unchanged in the third quarter of 2024 compared to the previous quarter. As a result, the trend toward stricter lending conditions was interrupted in the third quarter.

Declining energy prices resulted in inflation in the euro area of 1.7 percent in September 2024 (September 2023: 4.3 percent), which was the first time since 2021 that it had fallen below the 2 percent threshold. Core inflation, which excludes the volatile energy and food components, was higher at 2.7 percent (September 2023: 4.5 percent).

The Purchasing Managers’ Index (PMI) for the manufacturing and services sectors in the euro area was 49.6 points in September 2024, for a year-on-year increase of 2.4 points (September 2023: 47.2 points). Compared to June 2024, when the index stood at 50.9 points, this was a slight decline. The PMI is derived from a monthly survey of purchasing managers in the manufacturing and service sectors who respond to questions about new orders, production, employment, supplier deliveries, and inventory levels. The PMI is considered a leading indicator, with a value above 50 points signalling rising production in the sectors surveyed, and a value below 50 points signalling declining production.

The ifo Business Climate Index for Germany, which summarises companies' assessments of their current business situation and expectations for the next six months, declined to 85.4 points in September 2024, down from the level of the previous year (September 2023: 86.1 points) and the end of the second quarter (June 2024: 88.6 points). At 86.3 points, business expectations for the next six months were more optimistic than companies’ assessments of their current situation, which stood at 84.4 points. A further ifo Institute survey indicated that the credit hurdle for German companies continued to rise in September. A total of 32.9 percent of the companies surveyed reported banks’ reluctance in credit negotiations. According to the ifo Institute, this is the highest figure in seven years.

For the euro area, Eurostat's latest available data calculated a further increase in corporate insolvencies. The corresponding index stood at 159.7 points in the second quarter of 2024 (Q2 2023: 131.4 points). France significantly exceeded the aggregated value with 239.2 points, while Germany (151.0 points), Spain (121.6 points), and Italy (95.1 points) performed slightly better than the overall euro area aggregate. The credit insurance company atradius expects a 23 percent increase in global insolvencies for full-year 2024, driven by weak economic conditions.

2.3 New business

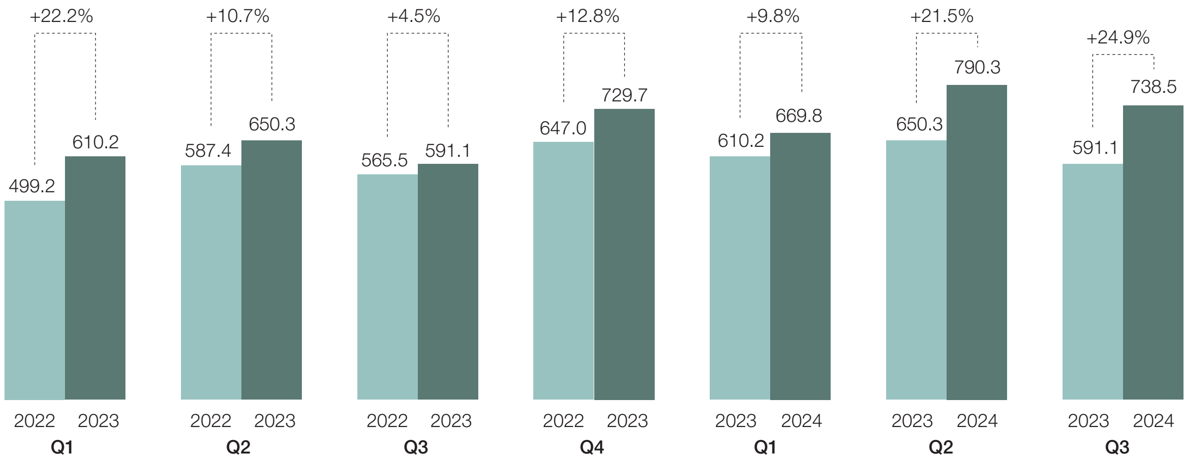
2.3.1 Leasing

In the third quarter of 2024, we generated leasing new business totalling EUR 738.5 million, representing a growth rate of 24.9 percent compared to the same quarter of the previous year (Q3 2023: EUR 591.1 million). Leasing new business includes the acquisition costs of newly acquired leased assets. The cumulative EUR 2.2 billion in leasing new business achieved in the first nine months of 2024 marks another milestone toward meeting our full-year guidance of EUR 3.0 billion to EUR 3.2 billion for 2024.

Leasing demand increased year-on-year in the third quarter of 2024. The interest rate environment eased as a result of rate cuts initiated by the ECB, with additional reductions anticipated by financial markets. Typically, more favourable financing conditions stimulate investment demand. Through our continued expansion of our reseller network and object portfolio we reached more small and medium-sized enterprises (SMEs) globally that use leasing to finance their investments. Because leasing rates are contractually fixed at the time of investment, leasing offers SMEs a reliable basis for financial planning, even amid fluctuating interest rates. Leasing also continues to be a financing option that conserves liquidity.

Leasing new business since Q1 2022

In EUR million



We continued to expand our international reseller network, and by the end of the third quarter of 2024, we were working with over 38,000 reseller partners (Q3 2023: approximately 35,300 resellers) in the more than 30 countries where we operate.

In the third quarter, leasing new business in the DACH region grew 19.5 percent year-on-year to EUR 189.3 million, making it the largest region. A total of 25.6 percent of the Group's new business was generated in the countries of Germany, Austria and Switzerland. Germany, contributing 81.3 percent of the DACH region, represented 20.9 percent of the Group's leasing new business worldwide.

Western Europe (without DACH) generated EUR 175.7 million in leasing new business, making it the second-strongest region for leasing new business with a 23.8 percent share. France played a significant role in this region's performance, posting a year-on-year growth rate of 18.1 percent.

Southern Europe ranked third in leasing new business with EUR 166.5 million, achieving a year-on-year growth rate of 32.7 percent, driven primarily by Italy (+42.9 percent) and Spain (+33.4 percent).

Northern/Eastern Europe achieved the strongest growth, with an increase of 33.3 percent year-on-year to generate EUR 158.6 million in leasing new business. Denmark and Romania were particularly strong performers, increasing new business by 107.4 percent and 40.0 percent, respectively.

Other regions recorded growth of 24.2 percent, achieving a total of EUR 48.4 million. This category includes future markets such as the USA, Canada, and Australia.

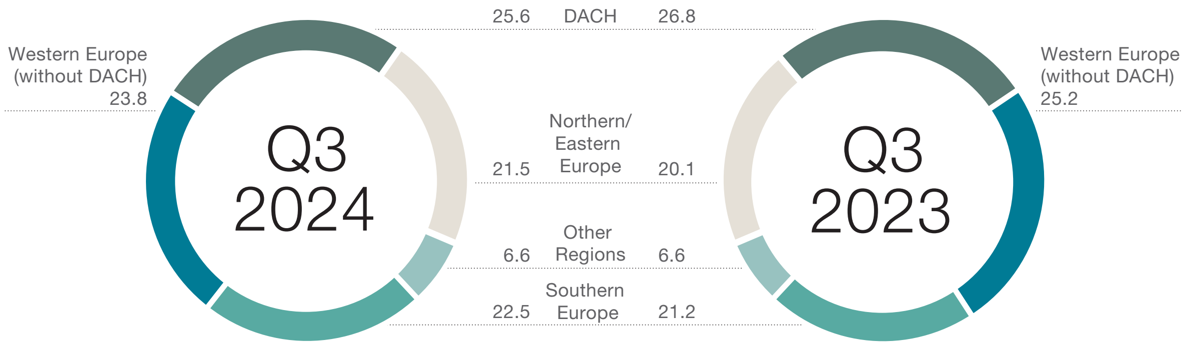
Leasing new business

EURm	Q3 2024	Q3 2023	Change (%)	Q1 – Q3 2024	Q1 – Q3 2023	Change (%)
Leasing new business	**738.5**	**591.1**	**24.9**	**2,198.6**	**1,851.6**	**18.7**
DACH	189.3	158.4	19.5	510.6	465.9	9.6
Western Europe (without DACH)	175.7	149.2	17.8	560.2	482.1	16.2
Southern Europe	166.5	125.5	32.7	531.2	422.7	25.7
Northern/Eastern Europe	158.6	119.0	33.3	458.1	373.8	22.6
Other regions	48.4	39.0	24.2	138.4	107.1	29.3

Regions:
DACH: Germany, Austria, Switzerland
Western Europe (without DACH): Belgium, France, Luxembourg, the Netherlands
Southern Europe: Croatia, Italy, Malta, Portugal, Slovenia, Spain
Northern/Eastern Europe: Denmark, Finland, Ireland, Latvia, Norway, Sweden, UK, Czechia, Hungary, Poland, Romania, Slovakia*
Other Regions: Australia, Brazil, Canada, Chile*, Turkey, UAE, USA*
** Consolidated franchise companies for which the acquisition of shares is still outstanding as September 30, 2024*

Share of leasing new business by region

In percent



Contribution margin 2 (CM2), an indicator of the future profitability of new business, improved by 29.1 percent year-on-year in the third quarter of 2024, reaching EUR 125.8 million. Western Europe (without DACH) contributed EUR 31.5 million, accounting for 25.1 percent of this result. This was followed by Northern/Eastern Europe with EUR 29.5 million (23.5 percent) and Southern Europe with EUR 28.9 million (23.0 percent).

Contribution margins in leasing new business

EUR million	Q3 2024	Q3 2023	Change (%)	Q1 – Q3 2024	Q1 – Q3 2023	Change (%)
CM1	**83.3**	**57.7**	**44.4**	**240.7**	**182.5**	**31.9**
CM2	**125.8**	**97.4**	**29.1**	**369.4**	**309.1**	**19.5**
DACH	25.0	20.9	19.9	67.8	60.5	12.0
Western Europe (without DACH)	31.5	25.6	22.9	98.8	84.3	17.1
Southern Europe	28.9	21.6	33.7	89.1	74.6	19.3
Northern/Eastern Europe	29.5	21.0	40.5	83.2	67.3	23.7
Other regions	10.8	8.3	30.2	30.6	22.4	36.5

The percentage CM2 margin improved in a year-on-year comparison, reaching 17.0 percent (Q3 2023: 16.5 percent), in line with the medium-term guidance. The CM2 margin measures the future profitability of each euro invested in the leasing new business.

The DACH region recorded a CM2 margin of 13.2 percent in the reporting quarter, remaining stable year-on-year. Western Europe (without DACH) exceeded the previous year's margin by 0.9 percentage points, reaching 18.1 percent. Southern Europe saw a slight improvement compared to the same quarter of the previous year, achieving 17.4 percent. Northern/Eastern Europe was significantly higher than average, with a margin of 18.6 percent, also improving year-on-year. Other regions posted the highest margin in the regional comparison at 22.4 percent.

The CM1 margin of the leasing new business was 11.3 percent in the third quarter of 2024, or 1.5 percentage points higher than in the same quarter of the previous year.

CM margins in leasing new business

Percent	Q3 2024	Q3 2023	Change (pp)	Q1 – Q3 2024	Q1 – Q3 2023	Change (pp)
CM1 margin	**11.3**	**9.8**	**1.5**	**10.9**	**9.9**	**1.0**
CM2 margin	**17.0**	**16.5**	**0.5**	**16.8**	**16.7**	**0.1**
DACH	13.2	13.2	0.0	13.3	13.0	0.3
Western Europe (without DACH)	18.1	17.2	0.9	17.8	17.6	0.2
Southern Europe	17.4	17.2	0.2	16.8	17.7	–0.9
Northern/Eastern Europe	18.6	17.7	0.9	18.2	18.0	0.2
Other regions	22.4	21.3	1.1	22.1	20.9	1.2

The percentage margins resulting from leasing contracts vary depending on the ticket size. Contracts with a net acquisition value of less than EUR 50k tend to be concluded with higher margins. In the third quarter of 2024, we achieved a CM2 margin of 17.8 percent on contracts with a net acquisition value of less than EUR 50k. By comparison, larger contracts (net acquisition values greater than EUR 50k) generated a CM2 margin of 15.2 percent. It is also important however to look at the absolute contribution margins. Larger contracts as a share of the total contribution margin amounted to EUR 35.3 million, or 28.0 percent, despite this contract group representing only around 3 percent of all contracts concluded.

In the reporting quarter, we saw growing demand globally, indicating that leasing continues to be a popular option internationally for financing investments and optimising liquidity. We received approximately 146,000 lease applications in the third quarter of 2024, an increase of 13.1 percent compared to the 130,000 applications in the same prior-year quarter. The conversion rate remained largely stable year-on-year at 52.2 percent, resulting in approximately 76,000 new lease contracts. The average ticket size increased 11.9 percent to EUR 9,702, remaining within the defined target range, which prescribes a focus on small tickets with an average ticket size of less than EUR 10,000 for 2024 as a whole. The proportion of contracts processed entirely digitally via the eSignature process rose by 0.7 percentage points compared to the same prior-year quarter to 38.1 percent. The direct customer business as a share of the total leasing new business remained almost unchanged at 17.7 percent (Q3 2023: 17.5 percent).

Leasing applications and contracts

	Unit	Q3 2024	Q3 2023	Change	Q1 – Q3 2024	Q1 – Q3 2023	Change
Leasing applications	Units	145,873	129,006	13.1%	472,591	430,809	9.7%
Leasing contracts	Units	76,120	68,200	11.6%	235,204	216,275	8.8%
Conversion rate	Percent	52.2	52.9	–0.7 pp	49.8	50.2	–0.4 pp
Average NAV	EUR	9,702	8,667	11.9%	9,348	8,561	9.2%
eSignature quota	Percent	38.1	37.3	0.7 pp	40.1	38.9	1.1 pp

In the object portfolio of the leasing new business, IT equipment remained the most in-demand category in terms of the number of contracts in the third quarter of 2024, accounting for 25.4 percent of the portfolio. Although the number of corresponding contracts increased year-on-year by around 1,600 to almost 19,400, their share of the portfolio declined slightly by 0.6 percentage points.

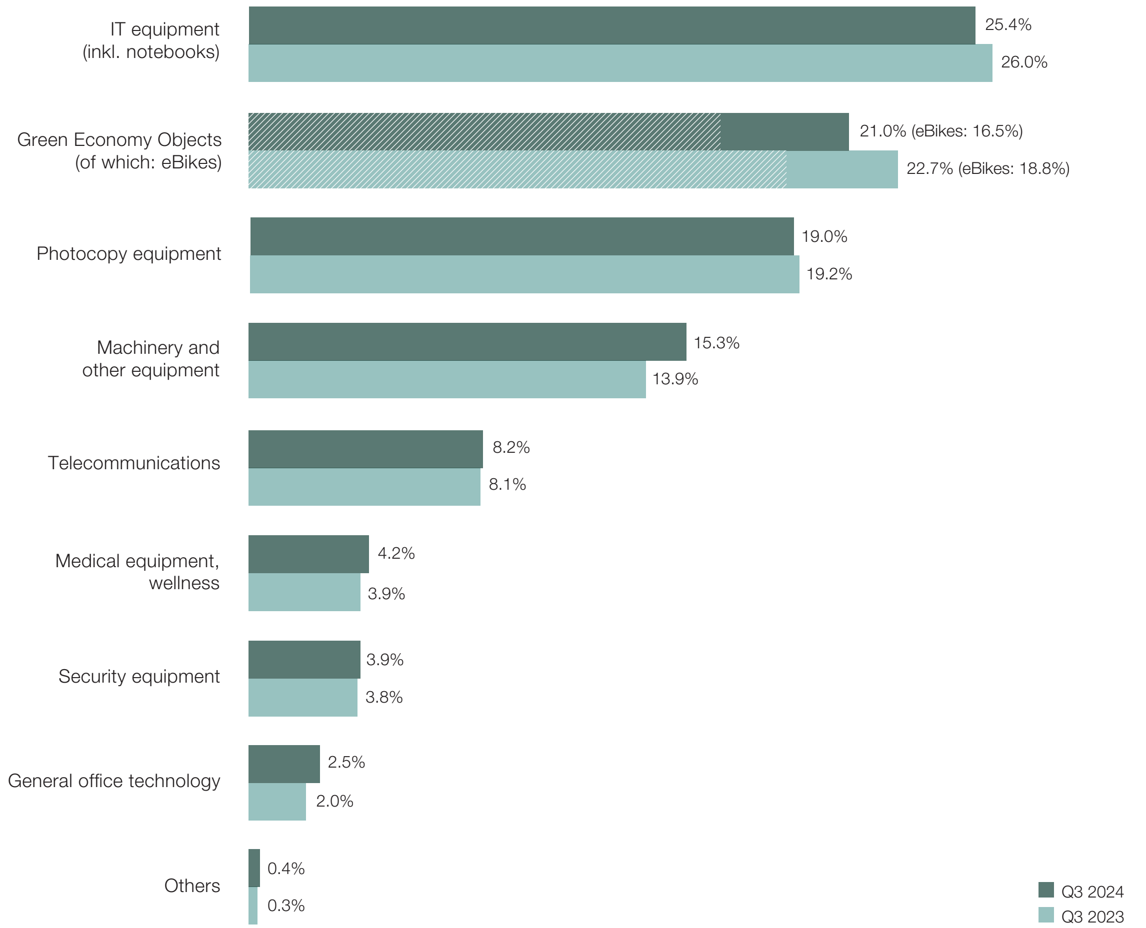
Green economy objects made the second-largest contribution to the leasing new business. A total of 21 percent, or more than one in five leasing contracts, were attributed to this category. Due to strong regional growth, particularly in countries where we do not yet offer eBike leasing, the proportion of eBikes and, consequently, the share of green economy assets slightly declined. The number of newly concluded contracts for green economy objects still increased by around 500 compared to the same quarter of the previous year. The key growth drivers in this object category were eBikes, water treatment systems, and photovoltaic systems.

In the area of photocopy equipment, which consists primarily of photocopiers, around 14,500 new contracts were concluded. The share of lease objects in this category marginally decreased year-on-year by 0.2 percentage points to 19.0 percent in the reporting quarter.

In contrast to the aforementioned categories, at 15.3 percent, machinery and other equipment accounted for a higher share year-on-year in the third quarter of 2024, with an increase of 1.4 percentage points. Categories below the 10 percent threshold included telecommunications, medical equipment and wellness, security devices, and general office technology. The shares of these categories were only marginally different compared to the same prior-year quarter.

Share of object groups in the leasing new business portfolio by number of contracts

In percent



2.3.2 Factoring

The factoring business held for sale achieved growth of 11.2 percent during the reporting quarter, resulting in new business volume of EUR 234.2 million. This volume of receivables has an average term from purchase to maturity of around 45 days, which implies a receivables turnover rate of approximately 8 times per year (365 days/45 days). This explains why the factoring business, with a reported receivables volume of EUR 83.0 million as of the September 30, 2024 reporting date, continues to contribute a less significant portion to the consolidated balance sheet.

The gross margin for the factoring business is derived from the income relative to the net acquisition values. The refinancing requirement is lower than for the refinancing of the leasing new business due to the revolving purchase of receivables and the resulting lower level of tied-up volume.

Factoring new business in the DACH region increased in the third quarter of 2024 by 2.8 percent to EUR 74.8 million. In Southern Europe, new business increased by 45.0 percent to EUR 65.7 million. The Northern / Eastern Europe region grew slightly by 1.2 percent to EUR 93.7 million.

Factoring new business

	Unit	Q3 2024	Q3 2023	Change	Q1 – Q3 2024	Q1 – Q3 2023	Change
Factoring new business	**EURm**	**234.2**	**210.7**	**11.2%**	**675.8**	**608.1**	**11.1%**
DACH	EURm	74.8	72.8	2.8%	221.0	222.5	–0.7%
Southern Europe	EURm	65.7	45.3	45.0%	174.6	126.0	38.5%
Northern/Eastern Europe	EURm	93.7	92.6	1.2%	280.2	259.6	8.0%
Gross margin	**Percent**	**1.5**	**1.7**	**–0.2 pp**	**1.5**	**1.7**	**–0.2 pp**
DACH	Percent	1.4	1.7	–0.3 pp	1.4	1.6	–0.2 pp
Southern Europe	Percent	1.5	1.8	–0.3 pp	1.6	1.7	–0.1 pp
Northern/Eastern Europe	Percent	1.5	1.7	–0.2 pp	1.5	1.7	–0.2 pp
Average period	**Days**	**45.3**	**41.3**	**4.0**	**44.8**	**42.8**	**2.0**
Average period DACH	Days	25.3	25.7	–0.4	25.7	26.7	–1.0
Average period Southern Europe	Days	85.6	74.1	11.5	80.8	79.2	1.6
Average period Northern/Eastern Europe	Days	36.9	37.5	–0.6	38.7	38.0	0.7

Regions: DACH: Germany, Switzerland
Southern Europe: Italy, Portugal
Northern/Eastern Europe: Hungary, UK, Ireland, Poland

The gross margin in the third quarter of 2024 was slightly below the level achieved in the same quarter of the prior year and reached 1.5 percent, both overall and in each of the regions. The gross margin is calculated over the average period of approximately 45 days for factoring transactions during the reporting quarter. Due to varying payment periods and payment behaviour, the average period was significantly shorter in the DACH region at 25 days, compared to 37 days in Northern/Eastern Europe and 86 days in Southern Europe. The annual comparison of these average periods shows an overall increase in payment periods of 4 days. Companies in Southern Europe delayed their payments by nearly 12 more days than in the previous year, while Northern/Eastern Europe saw a reduction of almost 1 day.

2.3.3 grenke Bank's lending business

grenke Bank's lending new business amounted to EUR 9.6 million during the reporting quarter (Q3 2023: EUR 9.6 million). Lending new business in the first nine months totalled EUR 27.3 million (Q1 – Q3 2023: EUR 33.4 million). The lending new business consisted primarily of loans granted under the Microcredit Fund Germany ("Mikrokreditfonds Deutschland"), under which grenke Bank offers government-sponsored microfinancing between EUR 1,000 and EUR 25,000. While the new lending business of grenke Bank represents only a small portion of our overall new business in line with our strategy, grenke Bank primarily serves as a source of refinancing through deposits.

2.3.4 Currency effects

The changes in exchange rates resulted in positive currency effects of EUR 1.2 million on the leasing and factoring new business volume in the third quarter of 2024. Assuming unchanged exchange rates compared to the third quarter of 2023, leasing new business volume would have been EUR 0.59 million higher in the third quarter of 2024 and factoring new business volume would have been EUR 1.75 million lower. Currency effects primarily resulted from the appreciation in the Polish zloty, Swedish krone, Swiss franc, and British pound. These effects were offset by a depreciation in the Chilean peso, Hungarian forint, and Brazilian real. In the first nine months of 2024, we recorded positive currency effects of EUR 7.7 million.

2.4 Results of operations

The selected disclosures from the consolidated income statement are explained for the current quarter and the reporting period and are also presented on a segment basis.

2.4.1 Comparison of the third quarter of 2024 versus the third quarter of 2023

Interest and similar income from our financing business totalled EUR 147.8 million in the third quarter of 2024, amounting to a year-on-year increase of EUR 28.0 million (Q3 2023: EUR 119.8 million). This growth reflects the continued strong performance in new business over the past few quarters and the persistently solid margins resulting from adjustments in the conditions for leasing new business. Expenses from refinancing, including the deposit business, increased by EUR 21.6 million to EUR 55.0 million (Q3 2023: EUR 33.4 million), driven mainly by the comparably higher interest rate levels and the higher refinancing needs to support the strong new business.

The increase in interest expenses was exceeded by the rise in interest income, resulting in a rise in net interest income of EUR 6.3 million to EUR 92.8 million in the third quarter of 2024 (Q3 2023: EUR 86.5 million).

Expenses for settlement of claims and risk provision rose by EUR 13.3 million to EUR 37.8 million in the third quarter of 2024 compared to the same prior-year period (Q3 2023: EUR 24.5 million). The increase is attributable to the macroeconomic environment and a continuously rising number of insolvencies, particularly in our core markets of France, Spain, and Germany. This trend is evident even when considering the higher overall leasing volume. As a result, the loss rate (expenses for settlement of claims and risk provision relative to the lease volume) in the third quarter of 2024 equalled 1.5 percent (Q3 2023: 1.1 percent) and was within the range of the long-term average.

Although increased interest income offset the rise in interest expenses, the elevated expenses for settlement of claims and risk provision resulted in a decrease in net interest income after settlement of claims and risk provision of EUR 7.0 million to EUR 55.0 million in the reporting quarter (Q3 2023: EUR 62.0 million).

EURk	Q3 2024	Q3 2023	Change (%)
Interest and similar income from financing business	147,819	119,848	23.3
Expenses from interest on refinancing and deposit business	54,994	33,386	64.7
Net interest income	**92,825**	**86,462**	**7.4**
Settlement of claims and risk provision	37,804	24,482	54.4
Net interest income after settlement of claims and risk provision	**55,021**	**61,980**	**−11.2**
Profit from service business	37,545	34,636	8.4
Profit from new business	13,534	10,679	26.7
Gains (+) / losses (–) from disposals	2,826	1,771	59.6
Income from operating business	**108,926**	**109,066**	**−0.1**
Staff costs	49,164	43,220	13.8
of which total remuneration	40,944	35,567	15.1
of which fixed remuneration	34,573	30,819	12.2
of which variable remuneration	6,371	4,748	34.2
Selling and administrative expenses (excluding staff costs)	29,510	26,446	11.6
of which IT project costs	4,147	3,485	19.0
Group earnings before taxes	**15,619**	**30,548**	**−48.9**
Group earnings	**12,008**	**23,990**	**−49.9**
Earnings per share (in EUR; basic/diluted)	**0.30**	**0.53**	**−43.4**

The profit from our service business increased by EUR 2.9 million to EUR 37.5 million in the third quarter of 2024 (Q3 2023: EUR 34.6 million). This growth is a result of the positive performance of the leasing new business and the related increase in the lease portfolio. Our profit from new business increased by EUR 2.8 million to EUR 13.5 million in the reporting quarter (Q3 2023: EUR 10.7 million). The gains and losses from disposals were EUR 2.8 million (Q3 2023: EUR 1.8 million).

The higher net interest income and profit from new business, the service business, and gains and losses from disposals were offset by higher settlement of claims and risk provision, resulting in a slight decline of EUR 0.2 million in our income from operating business in the third quarter of 2024 to EUR 108.9 million (Q3 2023: EUR 109.1 million).

Staff costs were EUR 49.2 million in the third quarter of 2024, for a year-on-year increase of EUR 6.0 million (Q3 2023: EUR 43.2 million), primarily due to the higher number of employees and the increase in variable remuneration. Fixed remuneration totalled EUR 34.6 million in the reporting period (Q3 2023: EUR 30.8 million), and variable remuneration amounted to EUR 6.3 million (Q3 2023: EUR 4.7 million). The average number of employees, based on full-time equivalents, was 2,195 in the reporting quarter, which was 83 more than in the previous year (Q3 2023: 2,112) due to new hires. The average number of employees in the 2023 financial year was 2,068.

Our depreciation, amortisation and impairments increased in the reporting quarter to EUR 10.5 million (Q3 2023: EUR 6.5 million) due to an extraordinary effect from the impairment of goodwill in Spain in the amount of EUR 4.4 million.

Our selling and administrative costs in the third quarter rose to EUR 29.5 million (Q3 2023: EUR 26.4 million). This item contains the higher licence fees from the current cloud migration as part of our digitalisation programme and the accompanying effect of the phasing out of physical IT infrastructure. This transition has already resulted in lower maintenance expenses compared to the previous year and is expected to be reflected primarily in declining depreciation costs, particularly in the year ahead.

The balance of other operating income and expenses was EUR – 1.8 million in the third quarter of 2024 (Q3 2023: EUR 0.0 million). In the reporting quarter, other operating expenses were particularly impacted by currency effects. The greatest impact of EUR 0.5 million stemmed from the translation of the Turkish lira (TRY), primarily due to the impact of hyperinflation accounting in accordance with IAS 29. The impact of the United Arab Emirates dirham (AED) accounted for EUR 0.3 million and EUR 0.2 million each for the Chilean peso (CLP), the Swedish krona (SEK), the Hungarian forint (HUF), the Canadian dollar (CAD), and the Polish zloty (PLN).

These effects stemmed from derivative hedging transactions, which offset each other economically over the entire period. The effects are also partially offset periodically by currency translations recognised directly in other comprehensive income in the consolidated statement of comprehensive income. As this mainly relates to the translation of lease receivables in foreign currency countries, this effect is shown in a separate item from the aforementioned translation effects from derivatives. Lease receivables are translated at the exchange rate on the reporting date, whereas derivatives are measured at fair value based on the forward exchange rates applicable on the reporting date. This difference and the resulting valuation effects offset each other over the term of the hedging relationships.

Our operating result in the third quarter of 2024 was EUR 17.9 million, amounting to a decrease of EUR 15.0 million (Q3 2023: EUR 32.9 million). The balance of other interest income and expenses declined to EUR –0.1 million (Q3 2023: EUR 1.1 million), primarily resulting from the interest on the higher level of unutilised refinancing funds. A countereffect resulted from the deposit interest earned on Bundesbank accounts following the key interest rate hikes in 2022 and 2023.

Group earnings before taxes declined by EUR 14.9 million to EUR 15.6 million (Q3 2023: EUR 30.5 million).

Our tax rate increased to 23.1 percent (Q3 2023: 21.5 percent) due to impairment of goodwill. Group earnings were EUR 12.0 million, down EUR 12.0 million from the previous year's quarter (Q3 2023: EUR 24.0 million). The profit/loss attributable to non-controlling interests due to the consolidation of the franchise companies totalled EUR – 1.5 million (Q3 2023: EUR –0.6 million). Comparability is limited due to the acquisition of shares in several franchise companies in 2023. For more information, please refer to the explanations in Note 6.1 in the Annual Report 2023. Earnings per share decreased to EUR 0.30 in the third quarter of 2024 (Q3 2023: EUR 0.53).

Our cost-income ratio (CIR) increased in the third quarter, driven by the goodwill impairment, and rose by 3.8 percentage points year-on-year to 60.8

percent (Q3 2023: 57.0 percent). Excluding the extraordinary effect of the goodwill impairment in Spain, the CIR stands at 57.8 percent.

2.4.2 Comparison of the first nine months of 2024 versus the first nine months of 2023

The development of the selected disclosures from the consolidated income statement for the first nine months of 2024 was largely similar to their development in the third quarter.

Our net interest income in the first nine months increased by EUR 14.8 million to EUR 269.3 million (Q1 – Q3 2023: EUR 254.5 million). The increase was primarily attributable to the continuous growth in new business. Net interest income, in contrast, was burdened by the higher refinancing expenses.

Net interest income after settlement of claims and risk provision decreased by EUR 5.6 million to EUR 176.5 million (Q1 – Q3 2023: EUR 182.1 million). This decline resulted from the higher expenses for settlement of claims and risk provision, driven by the continuously rising number of insolvencies, particularly in our core markets of France, Spain, and Germany.

Accordingly, the loss rate increased to 1.3 percent (Q1 – Q3 2023: 1.0 percent).

Our income from operating business rose by EUR 14.7 million to EUR 332.5 million (Q1 – Q3 2023: EUR 317.8 million). Despite a less pronounced increase in costs, the impairment of goodwill in Spain caused our CIR for the nine-month period to rise to 58.4 percent (Q1 – Q3 2023: 57.9 percent), slightly exceeding the target CIR of below 58 percent. The CIR, excluding the extraordinary effect of the goodwill impairment in Spain, is 57.4 percent. We continue to expect to meet our full-year target.

Our Group earnings amounted to EUR 57.0 million, compared to EUR 64.4 million in the same period of the previous year.

EURk	Q1–Q3 2024	Q1–Q3 2023	Change (%)
Interest and similar income from financing business	420,234	341,916	22.9
Expenses from interest on refinancing and deposit business	150,909	87,421	72.6
Net interest income	**269,325**	**254,495**	**5.8**
Settlement of claims and risk provision	92,847	72,369	28.3
Net interest income after settlement of claims and risk provision	**176,478**	**182,126**	**–3.1**
Profit from service business	105,984	97,745	8.4
Profit from new business	42,700	35,269	21.1
Gains (+) / losses (–) from disposals	7,384	2,707	> 100
Income from operating business	**332,546**	**317,847**	**4.6**
Staff costs	144,074	128,488	12.1
of which total remuneration	117,870	105,257	12.0
of which fixed remuneration	101,356	91,068	11.3
of which variable remuneration	16,514	14,189	16.4
Selling and administrative expenses (excluding staff costs)	81,199	77,443	4.9
of which IT project costs	10,990	10,385	5.8
Group earnings before taxes	**73,195**	**82,324**	**–11.1**
Group earnings	**56,982**	**64,389**	**–11.5**
Earnings per share (in EUR; basic/diluted)	**1.10**	**1.27**	**–13.4**

2.4.3 Segment development

The operating segment income from the Leasing segment developed positively due, above all, to the past and continuing growth of leasing new business and the corresponding interest income generated. The profit from our service business, new business, and gains and losses from disposals have also developed positively. Settlement of claims and risk provision, in contrast, increased. Overall, operating income in this segment rose by EUR 9.3 million to EUR 297.6 million (Q1 – Q3 2023: EUR 288.3 million). The segment result declined primarily due to higher settlement of claims and risk provisions, as well as staff costs, which could not be offset by the rise in the remainder of operating income items. Additionally, an impairment of goodwill in Spain negatively impacted the segment result, which consequently fell by EUR 15.5 million to EUR 64.6 million (Q1 – Q3 2023: EUR 80.1 million).

The operating segment income from the Banking segment rose by EUR 1.9 million in the reporting period to EUR 31.0 million (Q1 – Q3 2023: EUR 29.1 million), primarily due to lower risk provisions for former loan portfolios. With slightly higher staff costs, lower selling and administrative costs, and lower currency effects, we achieved a segment result of EUR 16.1 million (Q1 – Q3 2023: EUR 12.6 million).

In the Factoring segment, our operating segment income increased by EUR 3.5 million to EUR 4.0 million in the reporting period (Q1 – Q3 2023: EUR 0.5 million). This improvement was primarily due to an extraordinary effect in the prior year related to an impairment, which did not recur in the current year. Expenses remained essentially unchanged, and the segment result improved to EUR –3.9 million (Q1 – Q3 2023: EUR –7.2 million).

2.5 Financial position

The equity ratio of 16.1 percent declined primarily due to the reporting date-related effect of the new benchmark bond issue at the end of September. This issue simultaneously increased the level of both liquidity and financial liabilities.

Our diversified refinancing mix provides us with a solid liquidity position.

Rising lease receivables reflect the positive growth in new business.

2.5.1 Capital structure

At the grenke Group, we place a special focus on maintaining adequate liquidity so that we have the flexibility we need to respond to market conditions. In addition, regulatory requirements oblige the Group to maintain a liquidity buffer.

On the liabilities side, the increase in total equity and liabilities was mainly driven by the increase of EUR 1,063.1 million in financial liabilities to EUR 6.5 billion (December 31, 2023: EUR 5.4 billion).

This increase was primarily due to the rise in current and non-current liabilities from refinancing, excluding the deposit business, to EUR 4.6 billion (December 31, 2023: EUR 3.8 billion) and the increase of EUR 257.6 million in current and non-current liabilities from refinancing from the grenke Bank deposit business to EUR 1.9 billion (December 31, 2023: EUR 1.6 billion).

Equity recorded a moderate decline to EUR 1.3 billion as of September 30, 2024 (December 31, 2023: EUR 1.4 billion) as a result of the completed share buyback. The Group earnings generated during the reporting period amounted to EUR 57.0 million. This was offset primarily by the dividend distribution (EUR 21.6 million), interest payments on hybrid capital (EUR 15.0 million), the effect of the market valuation of hedging instruments (EUR 4.4 million), and the buyback of own shares (EUR 55.6 million). On the positive side, currency translation effects recognised directly in equity contributed EUR 0.3 million. Due to the expansion in total assets relative to the decline in equity, the equity ratio decreased to 16.1 percent as of September 30, 2024 (December 31, 2023: 19.1 percent). Despite this, the equity ratio continues to be above the Company's target of at least 16 percent.

EURk	Sep. 30, 2024	Dec. 31, 2023	Change (%)
Current liabilities	**3,316,971**	**2,042,649**	**62.4**
of which financial liabilities	3,081,181	1,831,589	68.2
Non-current liabilities	**3,526,663**	**3,702,022**	**−4.7**
of which financial liabilities	3,400,860	3,587,328	−5.2
Equity	1,312,035	1,354,870	−3.2
Total liabilities and equity	**8,155,669**	**7,099,541**	**14.9**
Equity ratio (in percent)	16.1%	19.1%	−3.0 pp

Based on the Group earnings before taxes of EUR 73.2 million in the first nine months, we achieved a return on equity (RoE) before taxes of 7.3 percent, compared to 8.2 percent in the same prior-year period. This decline was due to the drop in earnings before taxes in the third quarter of 2024 and a reduction in equity, which had an offsetting effect.

2.5.2 Cash flow

In the first nine months of the 2024 financial year, our cash flow from operating activities totalled EUR 657.5 million, surpassing the level in the same prior-year period (Q1 – Q3 2023: EUR 595.0 million). This increase was mainly attributable to the following effects: the proceeds of payments from lessees amounting to EUR 1,914.8 million (Q1 – Q3 2023: EUR 1,795.3 million) in the first three quarters of the current year due to increased payment receipts resulting from a higher volume of lease receivables and the expansion of our refinancing (excluding the deposit business), which led to additional proceeds of EUR 2,841.2 million (Q1 – Q3 2023: EUR 1,790.2 million).

EURk	Q1–Q3 2024	Q1–Q3 2023	Change (%)
– Investments in new lease receivables	−2,260,336	−1,907,389	18.5
+ Addition of new refinancing (excl. deposit business)	2,841,314	1,790,185	58.7
+ Net inflows / outflows from deposit business	257,552	416,422	−38.2
(I) Cash flow new business	**838,530**	**299,218**	**> 100**
+ Payments by lessees	1,914,829	1,795,269	6.7
– Payments / Repayments of refinancing (excl. deposit business)	−2,162,605	−1,618,974	33.6
(II) Cash flow from existing business	**−247,776**	**176,295**	**<−100**
(III) Other cash flow from operating activities	**66,707**	**119,490**	**−44.2**
Cash flow from operating activities (I) + (II) + (III)	**657,461**	**595,003**	**10.5**
Cash flow from investing activities	−9,115	−21,663	−57.9
Cash flow from financing activities	−102,087	−43,990	> 100
Total cash flow	**546,259**	**529,350**	**3.2**

Cash flow from investments in new lease receivables comprises the net acquisition values for newly acquired lease objects and the costs directly incurred when concluding contracts. Due to the continued growth in new business volume, investments in new lease receivables rose to EUR 2,260.3 million in the first nine months of 2024 (Q1 – Q3 2023: EUR 1,907.4 million). These were offset by cash inflows from higher refinancing, amounting to EUR 2,841.2 million compared to EUR 1,790.2 million in the prior-year period. The cash flow from grenke Bank's deposit business decreased to EUR 257.6 million, down from EUR 416.4 million in the prior-year period. In total, our cash flow from investments in new business rose to EUR 838.5 million (Q1 – Q3 2023: EUR 299.2 million).

In the first nine months of 2024, a total of EUR 2,162.6 million (Q1 – Q3 2023: EUR 1,619.0 million) of refinancing was repaid. Payments from lessees increased to EUR 1,914.8 million (Q1 – Q3 2023: EUR 1,795.3 million).

Cash flow from investing activities amounted to EUR – 9.1 million in the reporting period (Q1 – Q3 2023: EUR – 21.7 million). This item comprised mainly payments for the acquisition of property, plant, and equipment and intangible assets totalling EUR 5.6 million (Q1 – Q3 2023: EUR 4.5 million). This item also includes payments of EUR 3.5 million (Q1 – Q3 2023: EUR 14.6 million) for the acquisition of subsidiaries. In addition, in the Q1 – Q3 2023 comparison period, a purchase price payment of EUR 3.1 million was made for the acquisition of a minority interest in Miete24 P4Y GmbH.

Cash flow from financing activities amounted to EUR – 102.1 million in the reporting period (Q1 – Q3 2023: EUR – 44.0 million). The dividend distribution for the previous financial year amounted to EUR 21.6 million (Q1 – Q3 2023: EUR 20.9 million). The interest payment on hybrid capital equalled EUR 15.0 million (Q1 – Q3 2023: EUR 12.9 million). Share buybacks under the share buyback programme resulted in a cash outflow of EUR 55.6 million (Q1 – Q3 2023: EUR 0.0 million). In addition, the repayment of lease liabilities resulted in a cash outflow of EUR 9.9 million (Q1 – Q3 2023: EUR 10.1 million).

As a result of the above items, the total cash flow in the first nine months of 2024 amounted to EUR 546.3 million (Q1 – Q3 2023: EUR 529.4 million). Cash and cash equivalents increased to EUR 1,243.4 million as of September 30, 2024, compared to EUR 696.9 million as of December 31, 2023.

2.5.3 Liquidity

Thanks to our balanced liquidity management, we maintain a strong liquidity position and a diversified refinancing structure and were able to meet our payment obligations at all times during the reporting period.

We have a wide range of refinancing instruments at our disposal that we utilise in accordance with the market conditions as part of our overall strategy. Our debt financing is essentially based on three pillars: senior unsecured instruments primarily based on our rating, such as bonds, notes, and commercial paper; the deposit business, including development loans at grenke Bank AG; and receivables-based financing, consisting primarily of ABCP programmes. We avoid maturity transformation at portfolio level, thereby minimising interest rate and follow-up financing risks at portfolio level. Due to our broad refinancing mix, we are able to utilise the individual pillars in a targeted manner and raise or lower their share of the mix, depending on our needs and the market situation. We also employ all three of the pillars for strategic reasons.

As of September 30, 2024, the breakdown of the refinancing mix based on grenke Group's refinancing pillars was as follows:

EURm	Sep. 30, 2024	Share in %	Dec. 31, 2023	Share in %
grenke Bank	1,858	28	1,624	29
Senior unsecured	3,591	55	2,748	50
Asset-backed	1,114	17	1,163	21
Total	**6,563**	**100**	**5,535**	**100**

The increase in refinancing volumes of EUR 1,028.4 million to EUR 6,562.9 million (December 31, 2023: EUR 5,534.5 million) was largely a result of the increase in new business and the related increase in refinancing requirements for our leasing business. This was mainly met through the issue of two new benchmark bonds, each in the amount of EUR 500 million in the second and third quarters.

The refinancing via customer deposits of grenke Bank AG increased to EUR 1,874.6 million as of September 30, 2024, compared to EUR 1,617.1 million as of December 31, 2023 and EUR 1,567.1 million at the same point in time in the previous year. This corresponds to an increase of 15.9 percent since December 31, 2023 due to more intensive use of grenke Bank in the current interest rate environment.

In the reporting period, in addition to the issue of the benchmark bonds, an existing bond was increased by EUR 50.0 million. In addition, the grenke Group had three promissory note issues amounting to CHF 20.0 million and GBP 30.0 million and 19 short-term commercial paper issues with a total volume of EUR 240.0 million. Three bonds in the amount of EUR 234.1 million, a promissory note in the amount of CHF 10.0 million, and commercial paper in the amount of EUR 175.0 million were repaid as scheduled in the reporting period. Bonds in the amount of EUR 123.2 million were repaid early.

With effect from January 31, 2024, the receivables agreement between GRENKE LEASING LIMITED, Guildford / United Kingdom, and Norddeutsche Landesbank Girozentrale, which had been in place since March 2010, was terminated and all receivables were repurchased.

Further information on our refinancing instruments and the refinancing measures taken in the reporting period can be found in Note 5 Financial liabilities in the notes to the consolidated financial statements.

The Group's unutilised credit lines (bank lines plus the available volume from bonds and commercial paper) amounted to EUR 2,888.8 million, HUF 540.0 million, and PLN 40.0 million as of the reporting date (December 31, 2023: EUR 3,667.4 million, HUF 540.0 million, and PLN 40.0 million).

2.6 Net assets

Our total assets as of September 30, 2024 compared to the end of the 2023 financial year increased by EUR 1,056.1 million to EUR 8.2 billion (December 31, 2023: EUR 7.1 billion).

The increase in our assets as of September 30, 2024, is primarily due to a rise in current and non-current lease receivables and an increase in cash of EUR 753 million. This was largely due to the issue of a benchmark bond shortly before the reporting date. Our largest balance sheet item, lease receivables, grew by EUR 530.2 million to EUR 6.2 billion (December 31, 2023: EUR 5.7 billion), driven by the continued positive development of new business.

Bundesbank deposit balances were higher at EUR 683.2 million as of the reporting date (December 31, 2023: EUR 484.7 million).

EURk	Sep. 30, 2024	Dec. 31, 2023	Change (%)
Current assets	**3,933,373**	**3,180,347**	**23.7**
of which cash and cash equivalents	1,243,772	697,202	78.4
of which lease receivables	2,307,162	2,076,719	11.1
Non-current assets	**4,222,296**	**3,919,194**	**7.7**
of which lease receivables	3,922,942	3,623,135	8.3
Total assets	**8,155,669**	**7,099,541**	**14.9**

This was countered by an increase in current financial liabilities of EUR 1,249.6 million to EUR 3,081.2 million (December 31, 2023: EUR 1,831.6 million).

3. Related party disclosures

For information on related party disclosures, please refer to Note 15 of the notes to the condensed interim consolidated financial statements.

4. Report on risks, opportunities and forecasts

4.1 Macroeconomic and sector environments

In the October 2024 issue of the World Economic Outlook, the International Monetary Fund (IMF) noted the remarkable resilience of economies to the recent disinflationary process driven by central banks, while also highlighting the downside risks to the global economy. The IMF warned that central banks may be too cautious in reversing interest rate policies. It also considered it likely that protectionist measures could dampen global trade. In addition, the war in the Middle East poses a significant risk to commodity markets.

For the euro area, the IMF forecasts moderate growth of 0.8 percent for 2024 (2023: 0.4 percent). For our home market of Germany, the IMF expects stagnation at 0.0 percent in 2024 (2023: −0.3 percent). For France and Italy, which are our largest markets next to Germany, the IMF anticipates slightly positive growth of 1.1 percent and 0.7 percent in 2024, respectively (2023: 1.1 percent and 0.7 percent). Among the major industrial nations within the eurozone, Spain, a popular holiday destination, is expected to grow the most, with a forecast of 2.9 percent (2023: 2.7 percent). The United States, where we opened a second location in the reporting quarter, is projected to grow by 2.8 percent in 2024, similar to the previous year's 2.9 percent.

At a projected 3.2 percent growth, the global economy is expected to be relatively resilient in 2024 (2023: 3.3 percent). Emerging Asian economies, in particular, are expected to benefit from increasing investments in artificial intelligence. China and India are especially supportive of this trend through their substantial added public investments.

The ifo Business Climate Index for the German leasing sector reached 8.6 points in September 2024. This is lower than the figure for the same month in the previous year (September 2023: 16.6 points). The index was also weaker on a sequential quarterly basis (June 2024: 14.6 points). The German Association of Leasing Companies (BDL) expects a 9.4 percent decline in private investments across the sector in 2024 due to dampened business sentiment. At the same time, according to the BDL, leasing as a form of financing that conserves equity generally performs somewhat better than total capital investments.

4.2 Risks and opportunities

4.2.1 Risks

The Board of Directors expects the planned new business growth for the 2024 financial year, as outlined in its guidance of EUR 3.0 billion to EUR 3.2 billion (see Chapter 4.3), will be achieved. Given the persistently challenging economic conditions in Europe, we are also observing an increased number of terminated contracts and insolvencies in our existing portfolio. This resulted in a loss rate (expenses for settlement of claims and risk provision relative to lease volume) of 1.5 percent in the third quarter of 2024 (Q3 2023: 1.1 percent).

grenke AG carefully monitors the development of the risk situation in individual countries and the impact on individual markets.

Furthermore, the ongoing war in Ukraine and the conflicts in the Middle East continue to pose macroeconomic risks. The grenke Group does not have any branches in Russia or Ukraine and has not had, nor currently has, any financial exposure to those countries. With regard to the conflict in the Middle East, which has reignited since October 2023, there is no direct risk for grenke, as there are no branches in Israel or in the neighbouring countries or regions directly affected by the conflict.

An escalating conflict in the Middle East, however, poses the risk of rising oil prices, which could increase inflationary pressures and the risk of recession. Instability in the region could also impact international trade, leading to potential disruptions in supply chains and higher transportation costs. Although market reactions have remained limited so far, further escalation could result in greater volatility and, consequently, reduced overall liquidity in the capital markets.

The Board of Directors continues to see sufficient flexibility for the grenke Group to ensure liquidity in the short, medium, and long term. This is based on the currently high level of liquidity and the consistently strong and diversified access to refinancing sources. Additionally, grenke always has the option, in principle, to manage leasing new business—and thus situational liquidity needs—by increasing its selectivity when approving lease applications in favour of optimising margins.

The relatively high volatility of the interest and currency markets could continue to lead to the recognition of transitory valuation effects on the balance sheet. These can temporarily affect the translation of foreign currency positions and the valuation of derivatives and goodwill. Nevertheless, the Board of Directors does not expect this to have any long-term negative impact on the profitability of the business model.

With regard to the future development of the Group and its subsidiaries, no particular risks associated with the business could be identified beyond the customary scope. For a more detailed description of risks, please refer to Chapter 5 “Risk report”, in our Annual Report 2023.

4.2.2 Opportunities

Leasing continues to be a global growth market. The simple and fast availability of resources for investments and the positive effects on liquidity and balance sheet structures remain key success factors for this financing model. This is especially true for smaller investments up to approximately EUR 50k, a segment known as the small-ticket segment, which is grenke's specialty.

The ECB's already more accommodative monetary policy could positively influence future investment behaviour and, in turn, boost leasing demand among SMEs in euro area countries.

In all our international markets, we pursue a strategy of organic growth by consistently expanding our business base and market share. The prerequisites for this strategy continue to be favourable, as underscored by growth forecasts in the eurozone. Therefore, despite the current increase in the number of non-performing contracts and insolvencies, we continue to expect stable demand for small-ticket leasing and our realised new business across Europe.

The US, Canada, and Australia are future core markets offering long-term, above-average growth potential. We continue to expand into these markets as planned. After operating in the United States out of Phoenix, Arizona, since 2019, we opened a second location in Chicago, Illinois, in the third quarter of this year.

Additional opportunities arise from the continuous expansion of our object portfolio, driven by trends in customer demand. We benefit from megatrends like medical technology and robotics, while our financing offers enable SMEs to invest in future technologies. A growing number of these objects stem from the green economy sector (see Chapter 2.3.1). We have established a solid foundation for refinancing green economy objects with the issue of our first green bond in September 2023. Of the total EUR 500 million volume of the Green Bond, we have already allocated EUR 350 million as of September 29, 2024; see our Green Bond Report from October 2024 for details. For more details on these and other growth opportunities, please refer to Chapter 6.1 “Opportunities Report”, in our Annual Report 2023.

4.3 Company forecast

The following statements on the future business development of the grenke Group and the assumptions regarding market and industry developments deemed to be material are based on assessments the Board of Directors currently considers to be realistic based on the information available. However, these assessments are generally subject to uncertainty and the unavoidable risk that the forecasts may not actually materialise in terms of their tendency or their extent. Given the geopolitical conflicts, political upheavals at home and abroad, and the strained economic situation in Europe, this outlook is subject to a high degree of uncertainty.

In January 2024, the Board of Directors resolved and announced its intention to focus on the leasing business in the future and therefore initiated the sale of all factoring companies. The Board of Directors does not expect the intended sale of the factoring companies to have a significant impact on the Group’s significant KPIs in the short term. Going forward, grenke will focus all its resources and investment power on the ongoing digitalisation and further growth of the leasing business. The banking business of grenke Bank AG will continue to play an important role, particularly in securing refinancing via deposits.

For the 2024 financial year, the Board of Directors expects leasing new business to be between EUR 3.0 billion and EUR 3.2 billion. This corresponds to expected growth of between 15 percent and 23 percent compared to the 2023 financial year. In the medium term, the volume of new business is expected to grow at a double-digit rate, averaging around 12 percent. This assumption is based on the substantial growth potential of the international leasing markets in general, as well as the long-term success of the business model targeting SMEs. For the 2024 financial year, we are aiming for a slight increase in the CM2 margin compared to the previous year (2023 financial year: 16.5 percent). The medium-term goal is to achieve a CM2 margin of around 17 percent. Refinancing costs and our terms and conditions for newly concluded leases are key factors here, as is the average ticket size. In the 2024 financial year, the average value per lease is expected to remain at around EUR 10k. The small-ticket definition now includes investments of up to EUR 50k, as new technologies in areas such as medicine and robotics are driving higher demand for smaller items up to EUR 50k. Our focus on small tickets will continue to remain an essential part of our strategy.

The Board of Directors expects the operating income of the leasing portfolio – consisting of the sum of net interest income after settlement of claims and risk provision, the profit from service business, the profit from new business and from gains and losses from disposals – to surpass the level of 2023 in the current financial year 2024 despite the increased interest rate level. This assessment is based on the assumption of continued strong momentum in the leasing new business as well as the ability to consistently pass on refinancing costs in the terms and conditions and continued risk-conscious pricing. A current recession-induced increase in corporate insolvencies and the temporary deterioration in payment behaviour have been considered in our risk provisioning in the current and previous quarters. Overall, given the currently relatively high number of corporate insolvencies, we anticipate corresponding expenses for risk provisioning as well as a loss rate of slightly below 1.5 percent per year. At the same time, we expect slightly higher staff costs due to the increase in salaries to offset high inflation and our intention to selectively strengthen our team to support current and future growth.

Due to higher expenses for settlement of claims and risk provision, the Board of Directors adjusted the forecast for Group earnings on October 29, 2024. It now expects Group earnings for the 2024 financial year to be in the range pf EUR 68 million and EUR 76 million (previously: EUR 95 million to EUR 115 million). The cause of this adjustment was the continuously higher number of insolvencies, particularly in the core markets of France, Spain, and Germany. Despite the ongoing scheduled investment in the digitalisation programme, we aim to improve the cost-income ratio (CIR) to below 58 percent in 2024, although the goodwill impairment in Spain should be taken into account here as an extraordinary effect. In the years that follow, the CIR is expected to tend towards a level of less than 55 percent based on efficiency gains and an increasing degree of digitalisation. In the long term, we are aiming for a CIR of 50 percent thanks to our new business profitability and sustainable growth, as well as to our digitalisation programme and strict cost discipline.

Based on the expected development of Group earnings, grenke continues to expect to achieve an equity ratio of over 16 percent.

Condensed interim consolidated financial

Consolidated income statement

EURk	Q3 2024	Q3 2023	Q1 – Q3 2024	Q1 – Q3 2023
Interest and similar income from financing business*	147,819	119,848	420,234	341,916
Expenses from interest on refinancing including deposit business	54,994	33,386	150,909	87,421
Net interest income	**92,825**	**86,462**	**269,325**	**254,495**
Settlement of claims and risk provision	37,804	24,482	92,847	72,369
of which impairment losses	10,330	–12,815	21,243	–13,873
Net interest income after settlement of claims and risk provision	**55,021**	**61,980**	**176,478**	**182,126**
Profit from service business	37,545	34,636	105,984	97,745
Profit from new business	13,534	10,679	42,700	35,269
Gains (+) / losses (–) from disposals	2,826	1,771	7,384	2,707
Income from operating business	**108,926**	**109,066**	**332,546**	**317,847**
Staff costs	49,164	43,220	144,074	128,488
Depreciation and impairment	10,499	6,481	23,106	19,904
Selling and administrative expenses (not including staff costs)	29,510	26,446	81,199	77,443
Other operating expenses	3,767	3,329	13,886	14,454
Other operating income	1,952	3,340	5,999	7,774
Operating result	**17,938**	**32,930**	**76,280**	**85,332**
Result from investments accounted for using the equity method	–112	–88	–347	–128
Expenses / income from fair value measurement	–2,060	–3,356	–4,834	–2,674
Other interest income	8,209	7,209	24,302	16,228
Other interest expenses	8,356	6,147	22,206	16,434
Group earnings before taxes	**15,619**	**30,548**	**73,195**	**82,324**
Income taxes	3,611	6,558	16,213	17,935
Group earnings	**12,008**	**23,990**	**56,982**	**64,389**
of which total comprehensive income attributable to ordinary shareholders and hybrid capital holders of grenke AG	13,472	24,597	60,794	68,193
of which total comprehensive income attributable to non-controlling interests	–1,464	–607	–3,812	–3,804
Earnings per share (basic / diluted in EUR)	0.30	0.53	1.10	1.27
Average number of shares outstanding	44,839,470	46,495,573	45,671,254	46,495,573

** Interest and similar income calculated according to the effective interest method EUR 7,472k (previous year: EUR 6,728k).*

Consolidated statement of comprehensive income

EURk	Q3 2024	Q3 2023	Q1 – Q3 2024	Q1 – Q3 2023
Group earnings	**12,008**	**23,990**	**56,982**	**64,389**
Items that may be reclassified to profit or loss in future periods				
Appropriation to / reduction of hedging reserve	–5,367	–1,905	–4,423	–2,146
thereof income tax effects	1,451	273	1,223	307
Change in currency translation differences / effects of high inflation	1,850	424*	343	3,695
thereof income tax effects	0	0	0	0
Items that may be reclassified to profit or loss in future periods				
Appropriation to / reduction of reserve for actuarial gains and losses	0	0	0	0
thereof income tax effects	0	0	0	0
Other comprehensive income	**–3,517**	**–1,481***	**–4,080**	**1,549**
Total comprehensive income	**8,491**	**22,509***	**52,902**	**65,938**
of which total comprehensive income attributable to ordinary shareholders and hybrid capital holders of grenke AG	9,665	22,897*	56,242	69,519
of which total comprehensive income attributable to non-controlling interests	–1,174	–388*	–3,340	–3,581

** Amounts adjusted.*

Consolidated statement of financial position

EURk	Sep. 30, 2024	Dec. 31, 2023
Assets		
Current assets		
Cash and cash equivalents	1,243,772	697,202
Derivative financial instruments that are assets	3,507	6,880
Lease receivables	2,307,162	2,076,719
Other current financial assets	127,366	135,734
Trade receivables	9,077	7,214
Lease assets for sale	22,658	19,702
Tax assets	22,148	20,956
Other current assets	197,683	215,940
Total current assets	**3,933,373**	**3,180,347**
Non-current assets		
Lease receivables	3,922,942	3,623,135
Derivative financial instruments that are assets	5,522	11,811
Other non-current financial assets	81,475	79,501
Investments accounted for using the equity method	2,559	2,906
Property, plant and equipment	97,172	88,829
Right-of-use assets	38,326	35,521
Goodwill	30,036	34,373
Other intangible assets	9,852	12,172
Deferred tax assets	32,931	29,366
Other non-current assets	1,481	1,580
Total non-current assets	**4,222,296**	**3,919,194**
Total assets	**8,155,669**	**7,099,541**

Consolidated statement of financial position

EURk	Sep. 30, 2024	Dec. 31, 2023
Liabilities and equity		
Liabilities		
Current liabilities		
Financial liabilities	3,081,181	1,831,589
Lease liabilities	11,453	11,576
Derivative liability financial instruments	7,709	5,235
Trade payables	51,549	41,680
Tax liabilities	7,340	7,480
Deferred liabilities	43,006	38,144
Other current liabilities	51,033	60,821
Deferred lease payments	63,700	46,124
Total current liabilities	**3,316,971**	**2,042,649**
Non-current liabilities		
Financial liabilities	3,400,860	3,587,328
Lease liabilities	27,792	24,500
Derivative liability financial instruments	19,281	17,081
Deferred tax liabilities	73,921	68,463
Pensions	4,809	4,650
Total non-current liabilities	**3,526,663**	**3,702,022**
Equity		
Share capital	46,496	46,496
Capital reserves	298,019	298,019
Retained earnings	834,194	813,586
Own shares	– 55,551	0
Other components of equity	6,325	10,877
Total equity attributable to shareholders of grenke AG	**1,129,483**	**1,168,978**
Additional equity components*	200,000	200,000
Non-controlling interests	– 17,448	– 14,108
Total equity	**1,312,035**	**1,354,870**
Total equity and liabilities	**8,155,669**	**7,099,541**

** Including AT1 bonds (hybrid capital), which are reported as equity under IFRS.*

Consolidated statement of cash flows

EURk		Q1 – Q3 2024	Q1 – Q3 2023
	Group earnings	**56,982**	**64,389**
	Non-cash items included in group earnings and reconciliation to cash flow from operating activities		
+	Depreciation, amortisation and impairment	23,106	19,904
– / +	Profit / loss from the disposal of property, plant and equipment and intangible assets	14	– 19
– / +	Other non-cash income / expenses	9,389	19,403
+ / –	Increase / decrease in deferred liabilities, provisions, and pensions	5,021	– 4,205
=	**Subtotal**	**94,512**	**99,472**
	Change in assets and liabilities from operating activities after adjustment for non-cash items		
+ / –	Lease receivables	– 530,250	– 248,676
+ / –	Loan receivables	9,759	3,154
+ / –	Factoring receivables	980	– 2,145
+ / –	Other assets	10,092	60,090
+ / –	Financial liabilities	1,062,992	664,414
+ / –	Other liabilities	22,331	29,801
+	Interest received	24,302	16,228
–	Interest paid	– 22,206	– 16,434
–	Income taxes paid	– 15,051	– 10,901
=	**Cash flow from operating activities**	**657,461**	**595,003**
–	Payments for the acquisition of property, plant and equipment and intangible assets	– 5,617	– 4,475
–	Payments for the acquisition of subsidiaries	– 3,569	– 14,609

Consolidated statement of cash flows (continued)

EURk		Q1 – Q3 2024	Q1 – Q3 2023
–	Payments for the acquisition of associated entities	0	–3,121
+	Proceeds from the sale of property, plant and equipment and intangible assets	71	542
=	**Cash flow from investing activities**	**–9,115**	**–21,663**
–	Repayment of lease liabilities	–9,919	–10,121
–	Interest coupon payments on hybrid capital	–14,989	–12,946
–	Payments for the acquisition of own shares	–55,551	0
–	Dividend payments to grenke shareholders	–21,628	–20,923
=	**Cash flow from financing activities**	**–102,087**	**–43,990**
	Cash and cash equivalents at beginning of period[1]	**696,930**	**448,605**
+	Cash flow from operating activities	657,461	595,003
+	Cash flow from investing activities	–9,115	–21,663
+	Cash flow from financing activities	–102,087	–43,990
+ / –	Change due to currency translation	179	178
=	**Cash and cash equivalents at end of period[1]**	**1,243,368**	**978,133**

[1] *Less current account liabilities with an amount of EUR 404k (previous year: EUR 1,898k).*

Consolidated statement of changes in equity

EURk	Share capital	Capital reserves	Retained earnings / Consolidated group earnings	own shares	Hedging reserve	Reserve for actuarial gains / losses	Currency translation	Revaluation for equity instruments	Total equity attributable to shareholders of grenke AG	Additional equity components	Non-controlling interests	Total equity
Equity as of Jan. 1, 2024	**46,496**	**298,019**	**813,586**		**3,064**	**137**	**10,901**	**−3,225**	**1,168,978**	**200,000**	**−14,108**	**1,354,870**
Group earnings			50,296						50,296	10,498	−3,812	56,982
Other comprehensive income					−4,423		−129		−4,552		472	−4,080
Total comprehensive income			**50,296**		**−4,423**		**−129**		**45,744**	**10,498**	**−3,340**	**52,902**
Dividend payment			−21,628						−21,628			−21,628
Interest coupon payment for hybrid capital										−14,989		−14,989
Interest coupon for hybrid capital			−4,491						−4,491	4,491		
Transactions with nci			−3,569						−3,569			−3,569
Purchase of own shares				−55,551					−55,551			−55,551
Equity as of Sep. 30, 2024	**46,496**	**298,019**	**834,194**	**−55,551**	**−1,359**	**137**	**10,772**	**−3,225**	**1,129,483**	**200,000**	**−17,448**	**1,312,035**
Equity as of Jan. 1, 2023	**46,496**	**298,019**	**799,475**		**13,201**	**1,171**	**6,165**	**−3,225**	**1,161,302**	**200,000**	**−29,135**	**1,332,167**
Group earnings			59,125						59,125	9,068	−3,804	64,389
Other comprehensive income					−2,146		3,472		1,326		223	1,549
Total comprehensive income			**59,125**		**−2,146**		**3,472**		**60,451**	**9,068**	**−3,581**	**65,938**
Dividend payment			−20,923						−20,923			−20,923
Interest coupon payment for hybrid capital										−12,946		−12,946
Interest coupon for hybrid capital			−3,878						−3,878	3,878		
Others			−38,267						−38,267		21,192	−17,075
Equity as of Sep. 30, 2023	**46,496**	**298,019**	**795,532**		**11,055**	**1,171**	**9,637**	**−3,225**	**1,158,685**	**200,000**	**−11,524**	**1,347,161**

Notes to the condensed interim consolidated financial statements

1. General information

grenke AG is a stock corporation with its registered office located at Neuer Markt 2, Baden-Baden, Germany. The Company is recorded in the commercial register of the District Court of Mannheim, Section B, under HRB 201836. The subject matter of grenke AG's condensed interim consolidated financial statements ("interim consolidated financial statements") as of September 30, 2024, is grenke AG, its subsidiaries and consolidated structured entities ("the grenke Group"). These interim consolidated financial statements have been prepared in accordance with the IFRSs applicable for interim reporting (IAS 34) as published by the International Accounting Standards Board ("IASB") and adopted by the European Union (EU) into European law.

These interim consolidated financial statements should be read in conjunction with the IFRS consolidated financial statements as of December 31, 2023. An audit review by definition of Section 115 of the German Securities Trading Act (WpHG) was performed of the condensed interim consolidated financial statements and the interim group management report as of September 30, 2024.

2. Accounting policies

The accounting policies applied to the interim consolidated financial statements are generally the same as those applied in the previous year. Exceptions relate to changes resulting from the mandatory application of new accounting standards discussed in the paragraphs below. Early application was waived for the amended standards and interpretations that will be mandatory as of the 2025 financial year or later. grenke AG will apply these standards to the consolidated financial statements at the time of their mandatory application. This application is not expected to have any material impact on the reporting.

The same accounting and valuation methods apply to these interim financial statements as to the consolidated financial statements as of December 31, 2023, that we refer to here. We have furthermore added the following supplemental information.

2.1 First-time applicable, revised and new accounting standards

For the 2024 financial year, the grenke Group takes into account all new and revised standards and interpretations whose application was mandatory for the first time as of January 1, 2024, as well as those already adopted into European law (endorsement), provided they were relevant for the grenke Group.

All of the following new and revised standards and interpretations have no or only an insignificant impact on the accounting and reporting of grenke AG's consolidated financial statements. For further explanations, please refer to the Annual Report 2023.

Amendments to IAS 1 "Presentation of Financial Statements" on the classification of liabilities as current or non-current and classification of non-current liabilities with ancillary conditions
The amendments to IAS 1 on the classification of liabilities as current or non-current were published in January 2020. The amendments to IAS 1 clarify that the classification of liabilities as current or non-current is based on the entity's existing rights at the reporting date.

In October 2022, the IASB published amendments to IAS 1 on the classification of non-current liabilities with ancillary conditions. The purpose of the amendment to IAS 1 is to clarify that ancillary conditions that must be met on or before the reporting date may have an impact on the classification as current or non-current. However, ancillary conditions that only need to be met after the reporting date have no effect on the classification as current or non-current.

Amendments to IFRS 16 "Leases" on the Measurement of Lease Liabilities in Sale and Leaseback Transactions
The amendments to IFRS 16 clarify the subsequent measurement of a lease liability in the event of a sale and leaseback transaction. In accordance with the amendments to IFRS 16, the lease liability must be measured in a manner that no gain or loss is realised on subsequent measurement insofar as this concerns the retained right of use.

Amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures" on supplier financing arrangements
The amendments relate to additional disclosures in the notes to the financial statements in connection with supplier financing agreements, which specifically include reverse factoring agreements. The amendments supplement the requirements already contained in IFRS and require companies to disclose terms and conditions, balance sheet items and carrying amounts at the beginning and end of the reporting period, as well as the range of payment terms, and concentrations of risk related to supplier financing agreements.

2.2 Accounting standards and interpretations already published but not yet implemented
The IASB has published the following new and amended standards or interpretations, the application of which will only become mandatory at a later date. Several of these standards have already been endorsed by the EU. The standards expressly permit voluntary early application. grenke AG does not make use of this option. The standards will be applied to the consolidated financial statements at the time of mandatory application.

The following amendments are not expected to have a material impact on the reporting in the consolidated financial statements of grenke AG, unless explicitly stated.

Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates" on recognition in the case of lack of exchangeability
The amendments to IAS 21 contain detailed provisions for determining whether one currency is exchangeable for another and how exchange rates are to be determined when there is a lack of exchangeability. The amendments are to be applied for financial years beginning on or after January 1, 2025. For companies that prepare their accounts in accordance with the IFRS applicable in the EU, the regulations will apply once they have been adopted into European law. EU endorsement is still pending.

Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" on the classification and measurement of financial instruments
The amendments to IFRS 9 and IFRS 7 relate to the derecognition of electronically transferred financial liabilities, the application of the cash flow criterion for the purposes of categorising financial instruments in various constellations, and additional disclosures in the notes in accordance with IFRS 7.

Concerning financial liabilities that have been repaid via an electronic payment channel, companies in the future will be granted an option regarding the derecognition date. The option will allow a financial liability to be derecognised before the settlement date if an electronic payment system is used. With regard to the classification of financial assets using the cash flow criterion, particularly in the case of certain contract conditions (e.g. ESG conditions) that could change the timing or level of contractual cash flows, adjustments are made to the criteria for distinction under IFRS 9. The amendments also include amendments to the classification of non-recourse assets and contractually linked instruments. The disclosures in the notes to the financial statements in accordance with IFRS 7 include, among others, additions regarding the reporting of equity instruments classified as "at fair value through other comprehensive income" (FVTOCI). The amendments also introduce disclosures on financial instruments with cash flows whose amount or timing depends on the occurrence or non-occurrence of a contingent event.

The amendments are to be applied for financial years beginning on or after January 1, 2026. For companies that prepare their accounts in accordance with the IFRS applicable in the EU, the regulations will apply after their adoption into European law. Adoption by the EU is still pending. grenke is currently reviewing the anticipated impact of the requirements on the consolidated financial statements.

IFRS 18 "Presentation and Disclosures in Financial Statements"
The IASB published IFRS 18 "Presentation and Disclosures in Financial Statements" on April 9, 2024. The new standard is intended to provide investors with more transparent and comparable information about the financial performance of companies in order to create a better basis for decision-making. The new IFRS 18 standard replaces the previous IAS 1 "Presentation of Financial Statements" standard and contains requirements for the presentation and disclosure of information in financial statements.

The main changes resulting from the introduction of IFRS 18 are briefly outlined below. With regard to the income statement, three new categories (operating, investing and financing) with corresponding allocation rules are introduced. Additionally, IFRS 18 requires the presentation of specific totals and subtotals in the income statement. Furthermore, the notes to the financial statements in the future must contain information on management-defined performance measures (MPMs) that have been publicly communicated, including a reconciliation to the nearest comparable IFRS subtotals. The new standard also introduces additional principles for the aggregation and disaggregation of items. Limited changes also affect IAS 7 “Statement of Cash Flows”, for example, by eliminating the previous allocation options for dividends and interest paid and received.

The amendments are to be applied for financial years beginning on or after January 1, 2027. For companies that prepare their accounts in accordance with the IFRS applicable in the EU, the regulations will apply after they are adopted into European law. Adoption by the EU is still pending. grenke is currently reviewing the anticipated impact of the requirements on the consolidated financial statements.

IFRS 19 “Subsidiaries Without Public Accountability: Disclosures”
On May 9, 2024, the IASB published the new standard IFRS 19 “Subsidiaries without Public Accountability: Disclosures”. The new standard allows certain subsidiaries, particularly those that are not financial institutions and are not capital market-oriented, to apply IFRS accounting standards with reduced disclosures in the notes. The application of IFRS 19 by a subsidiary requires that the subsidiary is not subject to public accountability and that its parent company prepares IFRS consolidated financial statements. The simplifications only apply to the disclosures in the notes. The provisions on recognition, measurement and disclosure in the other IFRS standards continue to apply.

The amendments are to be applied for financial years beginning on or after January 1, 2027. For companies that prepare their accounts in accordance with IFRS as applicable in the EU, the regulations will apply after they are adopted into European law. Adoption by the EU is still pending.

Annual amendments to IFRS
On July 18, 2024, the IASB published several amendments to existing IFRS standards as part of the “Improvements to IFRS” project, which include terminology adjustments and editorial corrections. The amendments affect IFRS 1 “First-time Adoption of International Financial Reporting Standards”, IFRS 7 “Financial Instruments: Disclosures”, as well as the implementation guidance for IFRS 7, IFRS 9 “Financial Instruments”, IFRS 10 “Consolidated Financial Statements”, and IAS 7 “Statement of Cash Flows”.

The amendments are applicable to financial years beginning on or after January 1, 2026. For companies reporting under IFRS as adopted in the EU, the regulations will apply once they are incorporated into European law. EU adoption is still pending. The Group is currently reviewing the impact of these changes on the consolidated financial statements.

3. Use of assumptions and estimates

In preparing the condensed interim consolidated financial statements, assumptions and estimates have been made that affect the recognition and the reported amounts of assets, liabilities, income, expenses and contingent liabilities.

The estimates and underlying assumptions are subject to regular reviews. Changes to estimates are prospectively recognised and have occurred in the areas that follow.

Determination of impairments for financial assets

The determination of impairment for financial assets is based on assumptions and estimates for default risks and expected loss rates. When determining these assumptions and selecting the inputs for the calculation of impairment, the Group exercises discretion based on past experience, existing market conditions and forward-looking estimates at the end of each reporting period. In accordance with the announcements made by various regulators (ESMA, EBA), an assessment of the modelling of IFRS 9 impairment and the estimation of expected credit losses (ECL) is carried out. The ECL model, including the input parameters and submodels, is validated at least once a year or based on the occasion and updated if necessary.

To determine risk provisions in accordance with IFRS 9, expected credit defaults amid various macroeconomic scenarios are weighted. For this purpose, the grenke Group calculates a negative, a positive and a baseline scenario. The development of gross domestic product assumed for each scenario is shown in the following table:

Gross domestic product	**Oct. 1, 2024 – Dec. 31, 2024**			**Jan. 1, 2025 – Dec. 31, 2025**			**Jan. 1, 2026 – Dec. 31, 2026**		
	Negative	**Baseline**	**Positive**	**Negative**	**Baseline**	**Positive**	**Negative**	**Baseline**	**Positive**
Eurozone	–6.3%	0.7%	2.5%	0.7%	1.3%	2.5%	1.3%	1.4%	2.5%
Germany	–3.8%	0.2%	2.2%	0.2%	1.3%	2.2%	1.3%	1.5%	2.2%
France	–7.5%	0.7%	2.3%	0.7%	1.4%	2.3%	1.4%	1.6%	2.3%
Italy	–9.0%	0.7%	1.8%	0.7%	0.7%	1.8%	0.7%	0.2%	1.8%
Spain	–11.2%	1.9%	3.6%	1.9%	2.1%	3.6%	2.1%	1.8%	3.6%
United Kingdom	–10.4%	0.5%	2.7%	0.5%	1.5%	2.7%	1.5%	1.7%	2.7%

The amount of the risk provision on current lease receivables for each scenario is shown in the following table:

	Scenarios as of Sep. 30, 2024		
EURk	**Negative**	**Baseline**	**Positive**
Risk provision	139,531	124,638	119,706

	Scenarios as of Dec. 31, 2023		
EURk	**Negative**	**Baseline**	**Positive**
Risk provision	147,476	124,364	104,158

Baseline scenario: A stable geopolitical situation and moderate trade relations promote a cautious economic recovery. Inflation remains under control, which allows central banks to take a cautious stance on monetary policy. The unemployment rate is slowly falling thanks to support from labour market and retraining programmes. Economic growth continues, but without explosive growth rates, driven by moderate investment in infrastructure and new technologies. Inflation stabilises within the ECB's target range (for the eurozone), and fiscal policy remains moderately expansionary to support growth. Unemployment gradually declines, supported by structural reforms and targeted programmes to promote employment.

Negative scenario: Persistent geopolitical uncertainty and trade conflicts reduce consumer and business confidence, leading to lower economic activity. Persistently high inflation, caused by supply chain problems and increased production costs, forces central banks to embrace restrictive monetary policy measures. These measures have a negative impact on investment in key industries and infrastructure projects and further worsen long-term growth prospects. The unemployment rate rises as companies reduce costs and cut jobs, exacerbating the economic weakness.

Positive scenario: A stable geopolitical situation and improved trade relations strengthen consumer and business confidence, leading to robust economic growth. Moderate inflation allows central banks to pursue a supportive monetary policy that promotes economic growth. Unemployment falls, supported by targeted labour market programmes and increasing investment in education and retraining. Sustainable growth is promoted by investment in green technologies and digitalisation, which increases productivity and competitiveness. Long-term economic growth is supported by technological innovation and ecological transformation, while robust labour markets and stable social security systems ensure long-term economic stability.

All scenarios take a variety of minimum default rates (floors) into account.

The probabilities of occurrence of the macro scenarios are determined on a country-by-country basis in order to take the respective country's economic and political circumstances into account. These scenario weightings are derived from public data provided by the ECB. By surveying various analysts, the ECB establishes a probability distribution for GDP for the years 2024 to 2026. Probabilities of occurrence for individual scenarios can be calculated from these probability distributions. In addition, publicly available GDP expectations and historical GDP observations of the IMF are used for the country-specific determination of the probabilities of occurrence.

As of September 30, 2024, the scenarios in the core markets of the grenke Group were weighted as follows:

Scenario weighting	**Oct. 1, 2024 – Dec. 31, 2024**			**Jan. 1, 2025 – Dec. 31, 2025**			**Jan. 1, 2026 – Dec. 31, 2026**		
	Negative	**Baseline**	**Positive**	**Negative**	**Baseline**	**Positive**	**Negative**	**Baseline**	**Positive**
Germany	40.0%	59.2%	0.8%	9.6%	78.7%	11.7%	8.2%	77.6%	14.2%
France	16.5%	81.7%	1.8%	8.7%	79.5%	11.8%	7.3%	78.4%	14.3%
Italy	17.3%	78.3%	4.4%	17.5%	75.3%	7.2%	41.3%	56.0%	2.7%
Spain	1.3%	97.4%	1.3%	4.4%	92.2%	3.4%	5.4%	92.5%	2.1%
United Kingdom	23.1%	76.3%	0.6%	8.0%	85.2%	6.8%	6.1%	84.4%	9.5%

Due to the higher economic uncertainty, various additional sensitivity analyses were conducted. These analyses examined the impact on risk provisions by adjusting different input parameters. Specifically, the probability of default (PD) was multiplied by a factor of 1.15, thereby adjusted higher or lower by 15 percent. A 15 percent increase in PD would lead to EUR 15,104k higher risk provisions. Conversely, a 15 percent decrease in PD would lead to EUR 14,731k lower risk provisions. The macroeconomic scenario was also adjusted 20 percent higher and lower. An improvement of 20 percent in the macroeconomic scenario would reduce risk provisions by EUR 465k, while a deterioration of 20 percent would increase risk provisions by EUR 442k.

In addition to the risk provisions calculated under the IFRS 9 model, management adjustments were made for future hard-to-predict or new risks ("novel risks"). These adjustments cover geopolitical risks and other uncertainties caused by a recession, supply and energy bottlenecks and inflation. As of the reporting date, these additional management adjustments totalled EUR 18,831k. These include an in-model adjustment of EUR 4,463k, which reflects the higher economic uncertainty due to the rise in the probability of default (PD) factors. In the standard scenario, the PD factors for current lease receivables were increased in line with economic uncertainties, and a post-model adjustment of EUR 14,368k was recognised, which is also taken into account in the level classification under IFRS 9.

This is determined based on a further sensitivity analysis to cover risks that are difficult to calculate. The stability of the supply chains and the criticalness of energy intensity were aggregated and evaluated on a country-specific basis to form an industry assessment. Due to the fact that some risks for the adjustments recognised have already been realised in the IFRS 9 model and the effects of geopolitical risks in the context of the Ukraine and Middle East conflicts were overestimated, the management adjustments were reduced in comparison to December 31, 2023, in line with new findings. The necessary adjustments are reviewed on an ongoing basis and updated accordingly when necessary.

Use of calculated residual values at the end of the lease term to determine the present value of lease receivables

Non-guaranteed (calculated) residual values are taken into account when determining the present value of lease receivables as defined in IFRS 16. The calculated residual values at the end of the lease term are determined based on the maturity group of the respective lease and include the expected subsequent business at the end of the term based on historical experience. For additions since January 1, 2024, the residual values amount to between 1 percent and 30 percent of the acquisition cost (previous year: between 1 percent and 25 percent since January 1, 2023). The calculated residual values are applied based on statistical analyses as part of a best estimate. In the event of a decrease in the proceeds actually achievable in the post-leasing business (consisting of disposal and post-leasing), impairment of the lease receivables is taken into account, whereas an increase is not taken into account.

Assumptions made in the context of the impairment tests in the measurement of existing goodwill

The cash flows used to measure goodwill under the discounted cash flow method are based on current business plans and internal plans. This involved making assumptions as to the future development of income and expenses. Future growth rates for the respective cash-generating unit are assumed based on past experience. Past income and expense trends are projected into the future, taking into account current and expected market developments. The projections reflect the best possible estimates for the future development of the macroeconomic environment and the respective cash-generating unit. The estimates made and the underlying methodology can have a considerable influence on the values determined.

Due to the current general political and economic environment, the estimates for the further development of new business and for the returns of the cash-generating units continue to involve added uncertainty. If significant assumptions deviate from actual values, this could lead to the future recognition of impairment losses in profit or loss.

The discount rates used to discount cash flows did not rise in comparison to the previous year’s impairment test. As of September 30, 2024, the risk-free interest rate equalled 2.5 percent, remaining below the 3.0 percent rate used in the last scheduled impairment test on October 1, 2023. However, if discount rates were to rise significantly again, this could result in impairment losses affecting profit or loss in future reporting periods.

As of the reporting date, the grenke Group examined whether there were any indications of impairment for the recognised goodwill. Considering changes in key valuation parameters and the economic developments of the cash-generating units, there was a need for impairment of the goodwill for the cash-generating unit in Spain. For the financial impact as of the reporting date, please refer to our comments under Note 11 “Impairment of Goodwill.”

Recognition of lease assets for sale at calculated residual values

The measurement of lease assets for sale is based on the average sales proceeds per age category realised in the past financial year in relation to the original acquisition cost. Lease assets for sale are measured at historical residual values, taking their actual saleability into account. The residual values recognised as of the reporting date were between 2.6 and 13.5 percent (previous year: between 2.5 and 14.7 percent) of the original acquisition costs. If a sale is considered unlikely due to the condition of the asset, the asset is impaired in profit and loss.

Fair value of financial instruments

The fair values of financial assets and financial liabilities, not derived from information on active markets, are determined using valuation models. The input parameters of these models are based on observable market data, if possible. If this is not possible, determining fair values requires a certain degree of judgement. This judgement relates to input parameters such as liquidity risk, credit risk, and volatility. Changes regarding the assumptions of these input parameters may have an effect on the recognised fair value of financial instruments. If observable prices and parameters are available, they are used to determine the fair value, which avoids the large-scale use of estimates.

Recognition and measurement of deferred taxes on tax-loss carryforwards

Deferred tax assets are recognised for all unused tax-loss carryforwards to the extent to which it is likely that taxable income will be available. This means that the tax-loss carryforwards may, in fact, be used. Determining the amount of the deferred tax assets requires considerable use of judgement on the part of the management with regard to the expected occurrence and level of the future taxable income, as well as to the future tax planning strategies.

Recognition and measurement of actual tax assets and tax liabilities

Due to the complexity of tax legislation, taxpayers and local tax authorities may have varying constructions and interpretations of the tax laws. This can lead to subsequent tax payments for prior financial years. Tax provisions are recognised in the event that the amounts stated in the tax declarations are not likely to be realised (uncertain tax items). The amount is determined from the best estimate of the anticipated tax payment. Tax receivables from uncertain tax items are recognised when probable and when adequately ensured they can be realised. The assumptions are based on the management’s assessment of the amount of uncertain tax items.

We refer to the accounting policies described in the notes to the consolidated financial statements as of December 31, 2023.

4. Lease receivables

The following overview shows the development of lease receivables:

EURk	Sep. 30, 2024	Dec. 31, 2023
Changes in lease receivables from current contacts		
Receivables at beginning of period	**5,714,698**	**5,285,022**
+ change during the period	491,460	429,676
Lease receivables (current + non-current) from current contracts at end of period	**6,206,158**	**5,714,698**
Changes in lease receivables from terminated contracts / contracts in arrears		
Gross receivables at beginning of period	**461,962**	**443,506**
+ additions to gross receivables during the period	127,454	115,361
– disposals of gross receivables during the period	68,034	96,905
Gross receivables at end of period	**521,382**	**461,962**
Total gross receivables (current and terminated)	**6,727,540**	**6,176,660**
Impairment at beginning of period	**476,806**	**484,584**
+ additions of accumulated impairment during the period	20,630	−7,778
Impairment at end of period	**497,436**	**476,806**
Lease receivables (carrying amount, current and non-current) at beginning of period	5,699,854	5,243,944
Lease receivables (carrying amount, current and non-current) at end of period	**6,230,104**	**5,699,854**

The overview below shows the gross amount of lease receivables and their impairment recognised according to the IFRS 9 impairment level. The grenke Group does not have any financial instruments classified as POCI (purchased or originated credit-impaired) as defined by IFRS 9:

	Sep. 30, 2024				Dec. 31, 2023
EURk	**Level 1**	**Level 2**	**Level 3**	**Total**	**Total**
Gross lease receivables					
Germany	1,219,364	57,511	36,763	1,313,638	1,248,638
France	1,241,715	82,909	150,097	1,474,721	1,355,908
Italy	730,146	50,244	143,649	924,039	900,684
Other countries	2,483,224	185,949	345,969	3,015,142	2,671,430
Total gross lease receivables	**5,674,449**	**376,613**	**676,478**	**6,727,540**	**6,176,660**
Impairment	68,551	33,672	395,213	497,436	476,806
Carrying amount	**5,605,898**	**342,941**	**281,265**	**6,230,104**	**5,699,854**

Gross lease receivables increased 8.9 percent compared to December 31, 2023 due to the growth in new business. Furthermore, impairments increased by 4.3 percent, primarily due to higher Level 3 impairments.

	Sep. 30, 2024				Dec. 31, 2023
EURk	**Level 1**	**Level 2**	**Level 3**	**Total**	**Total**
Gross receivables as of Jan. 1, 2024	**5,222,096**	**367,149**	**587,415**	**6,176,660**	**5,728,528**
Newly extended or acquired financial assets*	2,026,266	83,768	66,152	2,176,186	2,488,072
Reclassifications					
to Level 1	67,949	–54,330	–13,619	0	0
to Level 2	–136,978	175,755	–38,777	0	0
to Level 3	–142,092	–73,101	215,193	0	0
Change in risk provision due to change in level	–23,264	–47,648	–29,307	–100,219	–124,783
Mutual contract dissolution or payment for financial assets (without derecognition)	–1,786,938	–106,589	–43,784	–1,937,311	–2,200,443
Change in contractual cash flows due to modification (no derecognition)	0	0	0	0	0
Change in category in processing losses	0	0	–7,290	–7,290	–12,950
Change in models/risk parameters used in ECL calculation				0	–3
Derecognition of financial assets	–1,614	–1,070	–70,038	–72,722	–97,265
Currency translation and other differences	–10,603	1,457	–3,272	–12,418	4,505
Accrued interest	459,627	31,222	13,805	504,654	390,999
Gross receivables as of Sep. 30, 2024	**5,674,449**	**376,613**	**676,478**	**6,727,540**	**6,176,660**

** The values stated in Levels 2 and 3 relate to lease receivables newly extended in the financial year that were allocated at their time of acquisition to Level 1 but were reallocated to another level during the financial year.*

The following overview shows changes in the impairment of current and non-current lease receivables:

		Sep. 30, 2024			Dec. 31, 2023
EURk	**Level 1**	**Level 2**	**Level 3**	**Total**	**Total**
Impairment at start of period	**70,565**	**44,789**	**361,452**	**476,806**	**484,584**
Newly extended or acquired financial assets*	24,545	10,902	22,316	57,763	71,470
Reclassifications					
to Level 1	6,100	–4,406	–1,694	0	0
to Level 2	–2,546	10,822	–8,276	0	0
to Level 3	–2,750	–11,685	14,435	0	0
Change in risk provision due to change in level	–5,108	375	66,937	62,204	61,077
Mutual contract dissolution or payment for financial assets (without derecognition)	–27,162	–12,380	–16,504	–56,046	–64,991
Change in contractual cash flows due to modification (no derecognition)	0	0	0	0	0
Change in category in processing losses	0	0	24,814	24,814	1,542
Change in models/risk parameters used in ECL calculation	–408	–7,857	–10,382	–18,647	–12,717
Derecognition of financial assets	–16	–196	–57,512	–57,724	–73,928
Currency translation and other differences	–44	–29	–3,331	–3,404	193
Accrued interest	5,375	3,337	2,958	11,670	9,576
Impairment at end of period	**68,551**	**33,672**	**395,213**	**497,436**	**476,806**
thereof impairment on non-performing lease receivables	0	0	357,120	357,120	325,316
thereof impairment on performing lease receivables	68,551	33,672	38,093	140,316	151,490

** The values stated in Levels 2 and 3 relate to lease receivables newly extended in the financial year that were allocared at their time of acquisition to Level 1 but reallocated to another level during the financial year.*

As a supplement to the cash flow statement, the following shows the cash flows related to lease receivables:

EURk	Q1 – Q3 2024	Q1 – Q3 2023
Payments by lessees	1,914,829	1,795,269
Interest and similar income from leasing business	– 406,581	– 328,795
Additions of lease receivables / net investments	– 2,260,336	– 1,907,389
Subtotal	**– 752,088**	**– 440,915**
Disposals / reclassifications of lease receivables at residual carrying amounts	258,476	219,215
Decrease / increase in other receivables from lessees	– 38,790	– 20,430
Currency translation differences	2,152	– 6,546
Change in lease receivables	**– 530,250**	**– 248,676**

5. Financial liabilities

The grenke Group’s financial liabilities consist of the following current and non-current financial liabilities:

EURk	Sep. 30, 2024	Dec. 31, 2023
Current financial liabilities		
Asset-backed	405,259	432,085
Senior unsecured	1,438,610	744,434
Committed development loans	15,673	23,474
Liabilities from deposit business	1,221,235	631,324
Other bank liabilities	404	272
Total current financial liabilities	**3,081,181**	**1,831,589**
Non-current financial liabilities		
Asset-backed	555,659	567,739
Senior unsecured	2,185,313	2,019,594
Committed development loans	6,481	14,229
Liabilities from deposit business	653,407	985,766
Total non-current financial liabilities	**3,400,860**	**3,587,328**
Total financial liabilities	**6,482,041**	**5,418,917**

5.1 Asset-backed financial liabilities

5.1.1 Structured entities

The following consolidated structured entities were in place as of the reporting date: Opusalpha Purchaser II Limited (Helaba), Kebnekaise Funding Limited (SEB AB), CORAL PURCHASING (IRELAND) 2 DAC (DZ Bank), SILVER BIRCH FUNDING DAC (NordLB), FCT “GK”-COMPARTMENT “G2” (Unicredit), Elektra Purchase No 25 DAC, FCT “GK”-COMPARTMENT “G4” (HeLaBa) and FCT “GK”-COMPARTMENT “G5” (DZ Bank). All structured entities have been set up as asset-backed commercial paper (ABCP) programmes.

EURk	Sep. 30, 2024	Dec. 31, 2023
Programme volume in local currency		
EURk	1,089,452	1,089,452
GBPk	286,364	286,364
Programme volume in EURk	1,432,226	1,418,965
Utilisation in EURk	1,081,121	1,057,695
Carrying amount in EURk	933,475	900,898
thereof current	387,598	383,260
thereof non-current	545,877	517,638

5.1.2 Sales of receivables agreements

The following table shows the programme volumes, utilisation, and carrying amounts of sales of receivables agreements:

EURk	Sep. 30, 2024	Dec. 31, 2023
Programme volume in local currency		
EURk	16,500	16,500
GBPk	0	90,000
BRLk	210,000	210,000
Programme volume in EURk	51,208	159,227
Utilisation in EURk	33,039	105,014
Carrying amount in EURk	27,443	98,926
thereof current	17,661	48,825
thereof non-current	9,782	50,101

5.2 Senior unsecured financial liabilities

The following table provides an overview of the carrying amounts of the individual refinancing instruments:

EURk	Sep. 30, 2024	Dec. 31, 2023
Bonds	2,905,054	2,211,718
thereof current	925,917	380,794
thereof non-current	1,979,137	1,830,924
Promissory notes	207,104	166,831
thereof current	38,443	10,781
thereof non-current	168,661	156,050
Commercial paper	115,000	50,000
Revolving credit facility	295,550	266,044
thereof current	258,772	233,452
thereof non-current	36,778	32,592
Money market trading	38,000	20,000
thereof current	38,000	20,000
Overdrafts	12,061	12,712
Accrued interest	51,154	36,723
thereof current	50,417	36,695
thereof non-current	737	28

The following table provides an overview of the refinancing volumes of the individual instruments:

EURk	Sep. 30, 2024	Dec. 31, 2023
Bonds EURk	5,000,000	5,000,000
Commercial paper EURk	750,000	750,000
Syndicated revolving credit facility EURk	400,000	400,000
Revolving credit facility EURk	16,600	16,600
Revolving credit facility PLNk	150,000	150,000
Revolving credit facility HUFk	540,000	540,000
Revolving credit facility BRLk	280,000	140,000
Money market trading EURk	40,000	40,000

5.2.1 Bonds

In the financial year, two new EUR bonds were issued, each with a nominal volume of EUR 500,000k. An existing bond was increased by EUR 50,000k. Three bonds with a total nominal volume of EUR 234,141k were repaid on schedule, while a nominal volume of EUR 123,173k was repaid early.

5.2.2 Promissory notes

Three new promissory notes, with a nominal volume of GBP 30,000k and CHF 20,000k, have been issued so far in the financial year. A total of CHF 10,000k was repaid as scheduled.

5.2.3 Commercial paper

A total of 19 commercial paper issues, with a total volume of EUR 240,000k, have been issued so far in the financial year. A total of EUR 175,000k was repaid as scheduled.

5.3 Committed development loans

The table below shows the carrying amounts of the utilised development loans at different development banks.

EURk	Sep. 30, 2024	Dec. 31, 2023
NRW Bank	9,550	16,753
Thüringer Aufbaubank	1,966	2,597
KfW	10,389	17,895
Landeskreditbank Baden-Württemberg	152	301
Accrued interest	97	157
Total development loans	**22,154**	**37,703**

5.4 Supplementary disclosures on financial liabilities in the statement of cash flows

As a supplement to the cash flow statement, the following shows the cash flows related to the financial liabilities:

EURk	Q1 – Q3 2024	Q1 – Q3 2023
Financial liabilities		
Additions of liabilities / assumption of new liabilities from refinancing	2,841,314	1,790,185
Interest expenses from refinancing	126,146	71,040
Payment / repayment of liabilities to refinancers	–2,162,605	–1,618,974
Currency translation differences	585	5,741
Change in liabilities from refinancing	**805,440**	**247,992**
Additions / repayment of liabilities from deposit business	232,789	400,041
Interest expenses from deposit business	24,763	16,381
Change in liabilities from deposit business	**257,552**	**416,422**
Change in financial liabilities	**1,062,992**	**664,414**

6. Equity

grenke AG’s share capital remained unchanged compared to December 31, 2023 and continues to be divided into 46,495,573 registered shares.

Of this amount, 2,317,695 shares for a total volume of EUR 55.6 million were acquired in the reporting period within the scope of the share buyback programme announced in November 2023, corresponding to 4.98 percent of the share capital. This concluded the share buyback programme. Further information can be found in the table below. Treasury shares are openly deducted from equity.

	Number of shares acquired	Average price per share in EUR	Total amount of own shares in EURk
Status as of Jan.1, 2024	0	0.00	0
February	104,201	23.55	2,454
March	178,189	23.32	4,156
April	196,307	22.97	4,509
May	199,013	21.83	4,344
June	335,484	20.88	7,004
July	448,851	26.70	11,982
August	380,953	26.52	10,103
September	474,697	23.17	10,999
Status as of Sep. 30, 2024	**2,317,695**	**23.97**	**55,551**

7. Disclosures on financial instruments

7.1 Fair value hierarchy

The grenke Group uses observable market data to the extent possible to determine the fair value of an asset or a liability. The fair values are assigned to different levels of the valuation hierarchy based on the input parameters used in the valuation methods:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Measurement procedures in which all input factors having a significant effect on the recognition of fair value are directly or indirectly observable in the market

Level 3: Measurement procedures that use input factors that have a significant effect on the fair value recognised and are not based on observable market data

When input factors used to determine the fair value of an asset or a liability may be assigned to different levels of the valuation hierarchy, then the measurement at fair value is completely assigned to that level in the valuation hierarchy that corresponds to the input factor of the highest level that is material for the overall measurement.

The grenke Group recognises reclassifications between the different levels of the valuation hierarchy in the reporting period in which the change has occurred. There were no reclassifications between the three levels of the valuation hierarchy in the reporting period.

7.2 Fair value of financial instruments

7.2.1 Fair value of primary financial instruments

The following table presents the carrying amounts and fair values of financial assets and financial liabilities by category of financial instruments that are not measured at fair value. This table does not contain information on the fair value of financial assets and financial liabilities when the carrying amount represents an appropriate approximation to the fair value, which includes the following line items of the statement of financial position: cash and cash equivalents, trade receivables, and trade payables.

All primary financial instruments are assigned to Level 2 of the valuation hierarchy except for exchange-listed bonds that are included in refinancing liabilities, and which are assigned to Level 1 of the valuation hierarchy and the other investment that is assigned to Level 3 of the fair value hierarchy. The carrying amount and fair value of the exchange-listed bonds as of the reporting date were EUR 2,905,053k (December 31, 2023: EUR 2,211,718k) and EUR 2,949,368k (December 31, 2023: EUR 2,431,362k), respectively. Primary financial assets are measured in full at amortised cost (AC), with the exception of lease receivables, which are measured in accordance with IFRS 16, and other investments, which are allocated to the FVTOCI measurement category and thus measured at fair value. Financial liabilities are also measured at amortised cost.

EURk	Fair value Sep. 30, 2024	Carrying amount Sep. 30, 2024	Fair value Dec. 31, 2023	Carrying amount Dec. 31, 2023
Financial assets				
Lease receivables	6,765,606	6,230,104	6,161,352	5,699,854
Other financial assets	213,730	208,841	220,265	215,235
thereof receivables from lending business	115,504	110,615	125,404	120,374
Financial liabilities				
Financial liabilities	6,729,398	6,482,041	5,844,624	5,418,917
thereof refinancing liabilities	4,801,187	4,606,995	4,185,037	3,801,555
thereof liabilities from deposit business	1,927,807	1,874,642	1,659,315	1,617,090

7.2.2 Fair value of derivative financial instruments

At the end of the reporting period, all derivative financial instruments, which include interest rate derivatives (interest rate swaps), forward exchange contracts and cross-currency swaps, are carried at fair value in the grenke Group. All derivative financial instruments are assigned to Level 2 of the valuation hierarchy.

EURk	Fair value Sep. 30, 2024	Fair value Dec. 31, 2023
Financial assets		
Derivative financial instruments with hedging relationship		
Interest rate derivatives	72	6,020
Cross-currency swaps	3,972	5,063
Forward exchange derivatives	2,888	4,381
Derivative financial instruments without hedging relationship		
Interest rate derivatives	332	823
Forward exchange derivatives	1,765	2,404
Total	**9,029**	**18,691**
Financial liabilities		
Derivative financial instruments with hedging relationship		
Interest rate derivatives	5,566	3,399
Cross-currency swaps	11,199	8,773
Forward exchange derivatives	7,984	7,002
Derivative financial instruments without hedging relationship		
Interest rate derivatives	612	312
Forward exchange derivatives	1,629	2,830
Total	**26,990**	**22,316**

The grenke Group uses OTC derivatives (“over-the-counter”). These are directly concluded with counterparties having at least investment grade status. There are no quoted market prices available for these instruments.

Fair values are determined based on valuation models that include observable input parameters. Forward exchange contracts are measured on the basis of a mark-to-model valuation model. The fair value of interest rate derivatives is determined based on the net present value method. The input parameters applied are derived from market quotes. Interest rates with matching maturities in the traded currencies are used for forward exchange contracts, and interest rates are used for interest rate derivatives. To obtain the fair value of such OTC derivatives, the determined amounts are multiplied with the counterparty’s credit default swaps (CDSs) with coupons that are observable on the market or with their own credit risk using what is known as the “add-on method”.

7.3 Measurement methods and input factors used

The following table shows the valuation methods applied and the input factors and assumptions used to measure the fair values:

Category and level	Measurement method	Input factors
Fair value hierarchy Level 1		
Listed bonds	n.a.	Market price quoted in active markets as of the reporting date
Fair value hierarchy Level 2		
Other financial assets	Present value of estimated future cash flows	Available interest rates at comparable conditions and residual terms using the counterparty's credit risk
Financial liabilities (liabilities arising from refinancing of lease receivables, promissory notes and bank liabilities)	Present value of estimated future cash flows	Available interest rates at comparable conditions and residual terms using own credit risk (debt value adjustment [DVA])
Forward currency contracts / cross-currency swaps	Mark-to-market model	Available interest rates in the traded currencies at residual terms using own counterparty risk (debt value adjustment [DVA]) or the counterparty's credit risk (credit value adjustment [CVA]) derived from available credit default swap (CDS) quotes
Interest rate derivatives	Present value of estimated future cash flows	Available interest rates at comparable conditions and residual terms using own counterparty risk DVA (debt value adjustment) or the counterparty's credit risk CVA (credit value adjustment) derived from available credit default swap (CDS) quotes
Fair value hierarchy Level 3		
Other investments (investment in Finanzchef24 GmbH)	Discounted cash flow model Present value of estimated future cash flows	Business plan of Finanzchef24 GmbH to determine future cash flows; sustainable growth rate of future cash flows; parameters to determine the discount rate (in particular, risk-free interest rate, market risk premium, beta factor, adjustment factors)

8. Revenue from contracts with customers

The following table shows the revenue from contracts with customers (IFRS 15):

EURk	Segment	Q1 – Q3 2024	Q1 – Q3 2023
Revenue from contracts with customers (IFRS 15)			
Gross revenue from service and protection business (service business)	Leasing	117,017	106,195
Service fee for making lease assets available for use	Leasing	7,740	6,659
Revenue from reminder fees	Leasing	1,429	1,054
Revenue from reminder fees	Factoring	11	11
Other revenue from lessees	Leasing	655	653
Disposal of lease assets	Leasing	140,941	131,391
Commission income from banking business	Bank	443	387
Total		**268,236**	**246,350**

9. Income and other revenue

The following shows the revenue from contracts with customers (IFRS 15) and other revenue (IFRS 9, IFRS 16):

EURk	Q1 – Q3 2024	Q1 – Q3 2023
Revenue from contracts with customers (IFRS 15)	**268,236**	**246,350**
Other revenue (IFRS 9, IFRS 16)		
Interest and similar income from financing business	420,234	341,916
Revenue from operating leases	18,108	20,397
Portions of revenue from lease down payments	9,720	9,201
Total	**716,298**	**617,864**

10. Income taxes

The main components of the income tax expense for the consolidated income statement are the following:

EURk	Q1 – Q3 2024	Q1 – Q3 2023
Current taxes	13,719	17,177
Corporate and trade taxes (Germany)	–81	397
International income taxes	13,800	16,780
Deferred taxes	2,494	758
Germany	2,116	4,118
International	378	–3,360
Total	**16,213**	**17,935**

11. Impairment of goodwill

As of the reporting date, the grenke Group assessed whether there were any indications of impairment for the recognised goodwill. In this context, grenke identified an impairment need for the goodwill of the cash-generating unit in Spain in the third quarter of the 2024 financial year, resulting in a full impairment of the goodwill amounting to EUR 4,415k. The impairment loss was determined based on the value in use and is included under "depreciation, amortisation, and impairments" in the consolidated income statement. The impairment was driven by deteriorating return prospects, which were partly due to worsening loss development. The valuation was based on a discount rate of 12.5 percent (previous year: 14.1 percent) and a growth rate during the ramp-up phase and in perpetuity of 1.0 percent (previous year: 1.0 percent). No intangible assets with an indefinite useful life are assigned to the cash-generating unit in Spain. The impairment loss was allocated to the Leasing business segment.

12. Group segment reporting

EURk	Leasing segment		Banking segment		Factoring segment		Consolidation & Other		Consolidated Group	
January to September*	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Operating income										
External operating income	320,664	310,259	6,492	4,732	5,390	2,856	0	0	332,546	317,847
Internal operating income	–23,070	–21,947	24,483	24,347	–1,413	–2,400	0	0	0	0
Total operating income	**297,594**	**288,312**	**30,975**	**29,079**	**3,977**	**456**	**0**	**0**	**332,546**	**317,847**
thereof non-cash items	23,403	–6,739	–2,424	–11,152	264	4,018	0	0	21,243	–13,873
Non-interest expenses										
Staff costs	–132,143	–117,700	–7,046	–6,017	–4,885	–4,771	0	0	–144,074	–128,488
Depreciation/amortisation and impairment	–22,324	–19,331	–835	–428	–563	–481	616	336	–23,106	–19,904
Selling and administrative expenses	–72,931	–68,767	–7,790	–8,526	–2,830	–2,518	2,352	2,368	–81,199	–77,443
Other operating income (+) and expenses (–)	–5,561	–2,421	814	–1,478	389	112	–3,529	–2,893	–7,887	–6,680
Segment result	**64,635**	**80,093**	**16,118**	**12,630**	**–3,912**	**–7,202**	**–561**	**–189**	**76,280**	**85,332**
Result from companies accounted for using the equity method	–347	–128	0	0	0	0	0	0	–347	–128
Other financial result	0	0	0	0	0	0	–2,738	–2,880	–2,738	–2,880
Group earnings before taxes	**64,288**	**79,965**	**16,118**	**12,630**	**–3,912**	**–7,202**	**–3,299**	**–3,069**	**73,195**	**82,324**
As of September 30 (December 31, 2023)										
Segment assets	**7,425,498**	**6,515,993**	**2,355,571**	**2,074,496**	**103,888**	**108,859**	**–1,784,367**	**–1,650,129**	**8,100,590**	**7,049,219**
thereof investments accounted for using the equity method	2,559	2,906	0	0	0	0	0	0	2,559	2,906
Segment liabilities	**6,100,031**	**5,344,093**	**2,040,470**	**1,780,805**	**110,550**	**111,124**	**–1,488,678**	**–1,567,294**	**6,762,373**	**5,668,728**

** Income amounts are shown as positive numbers and expenses as negative numbers.*

12.1 Business segments

grenke Group's reporting on the development of its segments is aligned with the prevailing organisational structure within the grenke Group ("management approach"). Thus, operating segments are divided into Leasing, Banking, and Factoring based on the management of the Company's segments, which enables the key decision-maker, the Board of Directors of grenke AG, to assess the performance of the segments and make decisions about the allocation of resources to the segments. A regional breakdown of the business activities is provided annually in the grenke Group's consolidated financial statements of the respective financial year. Separate financial information is available for the three operating segments.

Intrasegment transactions are eliminated within the segment reporting in the column "Consolidation and other".

12.2 Reportable segments

12.2.1 Leasing

The Leasing segment contains all of the activities that are related to the Group's business as a lessor. The services offered consist of the provision of financing to commercial lessees, rental, service, protection and maintenance offerings, and the disposal of used equipment.

The grenke Group specialises mainly in small-ticket leasing, where the ticket size is less than EUR 50k. In addition to IT products such as PCs, notebooks, servers, monitors and other peripherals, our leasing portfolio includes other office communication products such as telecommunications and photocopy equipment, medical equipment, small machinery and other equipment, security equipment, and green economy objects such as wallboxes, photovoltaic systems and eBikes. Almost all of the lease contracts are concluded as full payout leases.

12.2.2 Banking

The Banking segment comprises the activities of grenke Bank AG (grenke Bank) as a financing partner, particularly to small and medium-sized companies (SMEs). In the context of cooperating with a variety of federal government and state development banks, grenke Bank offers business start-up financing. In addition, grenke Bank provides development loans to SMEs and self-employed professionals who want to finance new business purchases through lease financing. grenke Bank also offers investment products, such as fixed deposit products, to private and business customers via its website. The Bank's business is focused primarily on German customers. In addition to business with external customers, grenke Bank's activities largely include the internal refinancing of the grenke Group's Leasing and Factoring segments through the purchase of receivables and the issuance of loans.

12.2.3 Factoring

In the Factoring segment, grenke offers traditional factoring services with a focus on small-ticket factoring. Within non-recourse factoring, the segment offers both notification factoring, where the debtor is notified of the assignment of receivables, and non-notification factoring, where the debtor is not notified accordingly. In addition, the segment also offers receivables management without a financing function (non-recourse factoring), in which case the customer continues to bear the credit risk. Internal operating income results largely from internal refinancing.

grenke intends to sell the factoring companies and, in relation to this, is reviewing the composition of the segments.

12.3 Segment data

The accounting policies employed to gather segment information are the same as those used for the interim consolidated financial statements. Intragroup transactions are performed at standard market prices.

The Board of Directors of grenke AG is the responsible body for assessing the performance of the grenke Group. In addition to the growth of new business in the Leasing segment (total acquisition costs of newly acquired leased assets), the Board of Directors has determined the deposit volume for grenke Bank and the gross margin for the Factoring segment as key performance indicators. The performance indicators of the segments are presented in the interim group management report. Other measures include operating segment income, non-interest expenses, segment result before other financial result, as well as staff costs, selling and administrative expenses, and depreciation and amortisation. Other financial result and tax expense/income are the main components of the consolidated statement of income that are not included in the individual segment information.

The segment income of the individual segments is composed as follows:

- // Leasing — Net interest income after settlement of claims and risk provision, profit from service business, profit from new business and gains/losses from disposals
- // Banking — Net interest income after settlement of claims and risk provision

// Factoring — Net interest income after settlement of claims and risk provision

The non-cash items represent impairment losses.

The segment assets include the assets required for operations. Segment liabilities correspond to liabilities attributable to the respective segment.

Segment assets and liabilities do not take into account tax positions.

13. Changes in the scope of consolidation in the 2024 financial year

In the first three quarters of the 2024 financial year, there were no changes to the scope of consolidation.

14. Payments to hybrid capital holders

On March 28, 2024, grenke AG made a scheduled coupon payment of EUR 14,989k (March 30, 2023: EUR 12,946k) to the hybrid capital holders. The distribution is presented directly in equity.

15. Related party disclosures

The Supervisory Board of grenke AG concluded a phantom stock agreement with all members of the Board of Directors in office. Payments under these agreements during the financial year to date amounted to EUR 271k an (Q1 – Q3 2023: EUR 0k).

As of September 30, 2024, the value of all existing phantom stock agreements amounted to EUR 109k (December 31, 2023: EUR 271k). This amount is recognised under staff costs in the consolidated income statement and is included under variable remuneration components.

Transactions with associated companies and subsidiaries

Transactions of grenke AG with its subsidiaries are related party transactions. In the event that the transaction is eliminated in consolidation, no disclosure is required. Transactions of the grenke Group with associated companies are to be disclosed as related party transactions.

Expenses of EURk 34 (Q1 – Q3 2023: EUR 0k) were incurred with associates from commission payments.

There were no reportable transactions with subsidiaries as of September 30, 2024 or December 31, 2023.

Transactions with persons in key positions

Persons in key positions are individuals who have direct or indirect authority and responsibility for planning, managing, or overseeing the activities of the grenke Group. Persons in key positions are exclusively members of the Board of Directors and Supervisory Board of grenke AG who were active in the financial year, as well as related parties such as family members.

As of the September 30, 2024 reporting date, grenke Bank AG had deposits and current account balances of EUR 134k (December 31, 2023: EUR 130k) from key management personnel and related parties. The related interest expense totalled EUR 3k (Q1 – Q3 2023: EUR 0k).

Transactions with other related parties

Other related parties include subsidiaries and joint ventures of persons in key positions or persons related to this group of persons. Other related parties include persons who have been declared as related parties in accordance with IAS 24.10 due to the economic substance of the relationship.

There are current accounts with other related parties. Credit lines for current accounts were utilised in the amount of EUR 849k (December 31, 2023: EUR 830k) with a current account credit limit of EUR 840k (December 31, 2023: EUR 840k). This resulted in interest income of EUR 25k (Q1 – Q3 2023: EUR 8k). Income from other related parties in the amount of EUR 2k (Q1 – Q3 2023: EUR 1k) resulted from lease agreements and employee loans. Receivables from other related parties also existed and resulted mainly from collateral payments to other related parties in the amount of EUR 3,988k as of September 30, 2024 (December 31, 2023: 2023 EUR 3,986k).

16. Contingent liabilities

There were no material changes to contingent liabilities as of the reporting date compared to the level as of December 31, 2023.

17. Employees

In the interim reporting period, the grenke Group's headcount (excluding the Board of Directors) averaged 2,275 employees (Q1 – Q3 2023: 2,138). A further 71 employees (Q1 – Q3 2023: 53) are in training.

18. Subsequent events

On October 2, 2024, a repurchase of bonds maturing on January 9, 2025, July 9, 2025, and January 7, 2026, was carried out. The transaction involved a nominal volume of EUR 140.0 million.

As the process for divesting the factoring business has become increasingly concrete, the requirements of IFRS 5 were cumulatively met after the reporting date of September 30, 2024. For individual units, the customary regulatory approvals are still pending, or they are not yet in a saleable condition, so the requirements of IFRS 5 have not yet been met. Both of the parties involved agreed on the key terms in October 2024. The divestment is scheduled to take place within the next 12 months. We do not expect any significant impact on the consolidated financial statements from the resulting application of IFRS 5.

In an ad hoc announcement on October 29, 2024, grenke AG announced an adjustment to the forecast for Group earnings for the 2024 financial year. The Company now expects Group earnings in the range of EUR 68 million and EUR 76 million (previously: EUR 95 million to EUR 115 million) for the 2024 financial year. The adjustment was a result of the higher expenses for settlement of claims and risk provision, driven by the continuously rising number of insolvencies, particularly in the core markets of France, Spain, and Germany. The forecast for new business in 2024 of EUR 3.0 billion to EUR 3.2 billion remained unchanged.

No other significant events occurred after the reporting date.

Review report

To grenke AG, Baden-Baden

We have reviewed the condensed interim consolidated financial statements comprising the statement of financial position, income statement, statement of comprehensive income, statement of cash flows, statement of changes in equity and selected explanatory notes, as well as the interim group management report of grenke AG, Baden-Baden, for the period from January 1, 2024 to September 30, 2024, which are part of the quarterly financial report pursuant to Section 115 WpHG ("Wertpapierhandelsgesetz": German Securities Trading Act). The preparation of the condensed interim consolidated financial statements in accordance with the IFRSs applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports is the responsibility of the Company's management. Our responsibility is to issue a report of the audit review of the condensed interim consolidated financial statements and interim group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany [IDW]) and additionally in compliance with the International Standard on Review Engagements "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE 2410). Those standards require that we plan and perform the review so that we can preclude through critical evaluation and with moderate assurance that the condensed interim consolidated financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable from a financial statement audit. As in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that would cause us to presume that the condensed interim consolidated financial statements have not been prepared, in all material respects, in accordance with the IFRSs applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim group management reports.

Frankfurt am Main, November 12, 2024

BDO AG
Wirtschaftsprüfungsgesellschaft

Grunwald	Büning
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Calendar of events

January 8, 2025 // New Business Figures Q4 2024

March 13, 2025 // Annual Report 2024

April 3, 2025 // New Business Figures Q1 2025

May 7, 2025 // Annual General Meeting

May 15, 2025 // Quarterly Statement for Q1 2025

July 3, 2025 // New Business Figures Q2 2025

August 14, 2025 // Half-year Financial Report 2025

October 2, 2025 // New Business Figures Q3 2025

November 13, 2025 // Quarterly Statement for Q3 and Q1–Q3 2025

Imprint

Information and contact

grenke AG
Team Investor Relations

Neuer Markt 2
76532 Baden-Baden

Phone: +49 7221 5007-8611
Fax: +49 7221 5007-4218
Email: investor@grenke.de

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Disclaimer

The figures in this financial report are generally presented in EURk and EUR millions. Rounding differences may occur in individual figures compared to the actual EUR amounts. Such differences are not significant in nature.

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grenke AG
Headquarters
Neuer Markt 2
76532 Baden-Baden
Germany

Phone +49 7221 5007-8611
Fax +49 7221 5007-4218
investor@grenke.de

www.grenke.com