grenke

Quarterly statement

for the 1st quarter of 2025

Group key figures

	Unit	Q1 2025	Q1 2024	Change (%)
Leasing new business	**EURk**	**740,642**	**669,815**	**10.6**
DACH	EURk	167,196	138,636	20.6
Western Europe (without DACH)	EURk	200,863	187,409	7.2
Southern Europe	EURk	176,791	167,329	5.7
Northern/Eastern Europe	EURk	144,982	134,953	7.4
Other regions	EURk	50,810	41,489	22.5
Contributions margin 2 (CM2) on leasing new business	**EURk**	**130,289**	**112,660**	**15.6**
DACH	EURk	24,225	18,776	29.0
Western Europe (without DACH)	EURk	36,622	33,057	10.8
Southern Europe	EURk	32,361	27,335	18.4
Northern/Eastern Europe	EURk	26,507	24,443	8.4
Other regions	EURk	10,573	9,049	16.8
Further information leasing				
Number of new contracts	Units	76,086	72,476	5.0
Mean acquisition value	EUR	9,734	9,242	5.3
Mean term of contract as of end of period	Months	49.8	49.6	0.3
Volume of leased assets as of end of period	EURk	10,256,118	9,503,500	7.9
Number of current contracts as of end of period	Units	1,100,611	1,054,336	4.4
Factoring new business[1]	**EURk**	**194,658**	**212,941**	**–8.6**
Lending new business[2]	**EURk**	**11,259**	**8,729**	**29.0**

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

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

1 grenke announced its intention to sell the factoring companies on January 31, 2024. At the beginning of April 2025, an agreement was reached with Teylor AG; see Note 18 of the notes.

2 The lending business is offered through grenke Bank AG.

	Unit	Q1 2025	Q1 2024	Change (%)
Income Statement				
Interest and similar income from financing business	EURk	159,816	132,138	20.9
Expenses from interest on refinancing including deposit business	EURk	59,976	46,060	30.2
Operating expenses	EURk	87,969	77,190	14.0
Result from settlement of claims and risk provision	EURk	−47,590	−26,742	78.0
Operating result	EURk	14,005	24,898	−43.8
Group earnings before taxes	EURk	13,205	24,916	−47.0
Group earnings	**EURk**	**10,202**	**19,807**	**−48.5**
Group earnings attributable to ordinary shareholders[1]	**EURk**	**−693**	**10,422**	**−106.6**
Group earnings attributable to hybrid capital holders[2]	**EURk**	**11,994**	**10,498**	**14.3**
Group earnings attributable to non-controlling interests	**EURk**	**−1,099**	**−1,113**	**1.3**
Earnings per share (basic and diluted)[3]	EUR	−0.02	0.22	−109.1
Return on equity before tax	Percent	4.0	7.4	−3.4 pp
Cost-income ratio	Percent	56.8	58.1	−1.3 pp
Staff costs	EURk	51,855	46,796	10.8
of which total remuneration	EURk	41,922	37,935	10.5
of which fixed remuneration	EURk	35,258	33,241	6.1
of which variable remuneration	EURk	6,664	4,694	42.0
Average number of employees in full-time equivalents (FTEs)	Employees	2,296	2,156	6.5

1 *Hybrid interest already deducted for one year (for one entire year in the first quarter).*

2 *Hybrid interest for an entire year.*

3 *Includes coupon payment for the hybrid capital, which is paid in the first quarter and therefore only effects the first quarter.*

	Unit	Mar. 31, 2025	Dec. 31, 2024	Change (%)
Statement of Financial Position				
Total assets	EURm	8,353	8,219	1.6
Lease receivables	EURm	6,654	6,516	2.1
Deposit volume grenke Bank	EURm	2,375	2,229	6.6
Equity pursuant to statement of financial position[1]	EURm	1,335	1,323	0.9
Equity pursuant to CRR	EURm	1,214	1,168	3.9
Equity ratio	Percent	16.0	16.1	−0.1 pp
Embedded value, leasing contract portfolio (excl. equity before taxes)	EURm	579	560	3.4
Embedded value, leasing contract portfolio (incl. equity after taxes without hybrid capital)[2]	EURm	1,528	1,519	0.6

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

2 *Previous year's figure adjusted, as hybrid capital is not included in the calculation.*

Key figures Q1 2025:

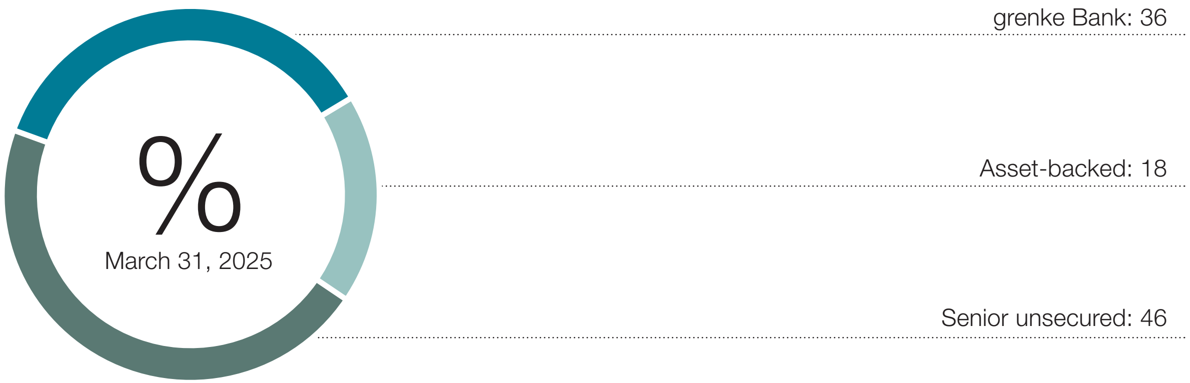
Embedded value
1.5 EUR billion

Group earnings
10.2 EUR million

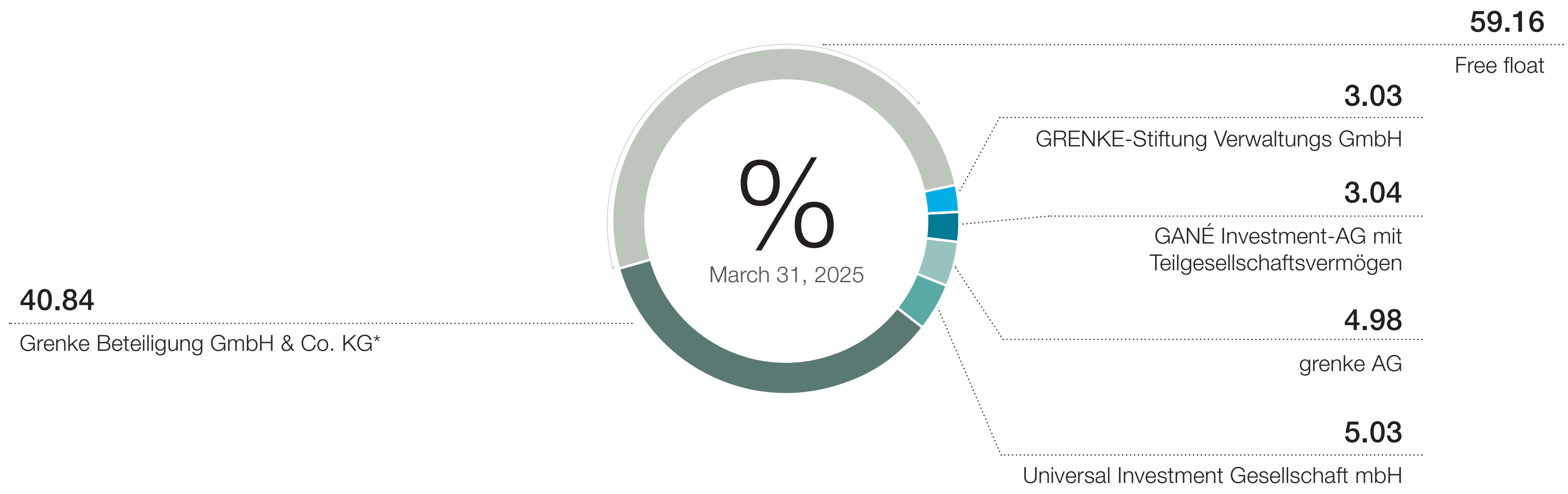
Equity ratio
16.0 percent

Refinancing base:

Three pillars: grenke Group refinancing mix



Shareholder structure:



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

Free float according to Section 5.7.2 of the current “Guide to the Equity Indices of Deutsche Börse”.

The above information is not guaranteed and is based on the voting rights notifications received by the Company pursuant to the German Securities Trading Act (WpHG).

Contents

Interim Group management report

1. Consolidated Group principles

1.1 grenke overview

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 around 2,400 employees in more than 30 countries.

1.2 Business model

In our core business of leasing, we focus mainly on small tickets, defined as contracts for financed objects with an acquisition value of less than EUR 50k. In the first quarter of 2025, new business in this category accounted for over 97 percent of all of our lease contracts. The average volume of the contracts concluded in the reporting quarter was around EUR 9.7k. The focus of the new contracts in our leasing portfolio is on IT and office communication products. In recent years, we have also expanded our business model to cover additional product groups such as small machinery and equipment, medical technology devices, security systems, and above all, green economy objects, including, for example, wall boxes, photovoltaic systems, and especially eBikes.

By the end of the first quarter of 2025, our leasing new business operated a total of 130 locations in 31 countries across five continents. Our presence is primarily concentrated in Europe, where we are active in key leasing markets and where we generated 93.1 percent of our leasing new business in the first quarter of this year. Outside of Europe, we have entered the markets in Australia, North and South America, and in Asia via our operation in Dubai.

We are able to manage our business with agility by adjusting our acceptance strategy for leasing applications. This enables us to actively steer both the quality and quantity of our new business, among others, by focusing strictly on lower-risk transactions during periods of economic weakness and avoiding deals with riskier industries and customer segments. We also have the flexibility to adapt our terms to reflect market developments and macroeconomic conditions. As a result, our business model has proven resilient to market fluctuations. We were able to maintain risk-adequate margins and operate profitably on a sustainable basis, even during the financial market crisis of 2009 and the corona pandemic in 2020 and 2021.

1.3 Segments

We offer financial services for SMEs in the areas of leasing, factoring, and banking. Following the initiated sale of the factoring companies, the Annual Report 2024 introduced a new structure for the previously defined segments. The Group's new segmentation is based on the regional distribution of the leasing business and is divided into the segments DACH, Western Europe without DACH, Southern Europe, Northern/Eastern Europe, and Other Regions. The activities of the factoring business and grenke Bank are included in the segment entitled "Other". 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.

1.4 Shareholder structure

As a family-owned company with strong medium-sized business roots, we have a major shareholder in Grenke Beteiligung GmbH & Co. KG, which is owned by Anneliese Grenke, Company founder Wolfgang Grenke, and their three adult sons, Moritz, Roland, and Oliver Grenke. As of March 31, 2025, Grenke Beteiligung GmbH & Co. KG held 40.84 percent of the Company's shares, while the GRENKE foundation owned 3.03 percent. Following the completion of the share buyback programme on September 30, 2024, grenke AG held 4.98 percent of its own shares. Other shareholders who, as of the respective publication date of their voting rights notification, held more than 3 percent of the shares were: Universal Investment Gesellschaft mbH (5.03 percent) and GANÉ Investment-AG mit Teilgesellschaftsvermögen (3.04 percent). The free float, as defined by Section 5.7.2 of the current DAX Equity Index Methodology Guide, amounted to 59.16 percent. The shareholding of the Board of Directors and Supervisory Board as of the reporting date was approximately 0.23 percent.

1.5 Targets and strategy

With our services, we aim to meaningfully contribute as a leading partner for small and medium-sized enterprises by making leasing a seamless and natural choice for small-scale investments. In doing so, we are pursuing a globally leading position in the small-ticket segment.

For the 2025 financial year, the Board of Directors is targeting leasing new business of EUR 3.2 billion to EUR 3.4 billion, based on the growth strategy and current economic forecasts. The mid-point of the range represents growth of just over 10 percent. In addition, the Board of Directors is also forecasting Group earnings of EUR 71 million to EUR 81 million for 2025.

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.

Managing liquidity and refinancing also play a key strategic role for us.

We have a broad set of instruments at our disposal, which are deployed within the framework of our overall strategy depending on market conditions. Our debt-based financing is essentially based on the following three pillars:

- // Senior unsecured instruments largely based on our investment grade rating. These instruments include bonds – currently one green bond, 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 make use of the various pillars of refinancing as needed and in response to market conditions. 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 2024.

2. Economic report

- // Leasing new business grows by 10.6 percent year-on-year in the first quarter of 2025 to EUR 740.6 million
- // Group earnings after tax amounts to EUR 10.2 million
- // CM2 margin reaches 17.6 percent
- // Loss rate equals 1.9 percent
- // Cost-income ratio improves to 56.8 percent
- // Equity ratio is 16 percent

2.1 Significant events and transactions year-to-date

On January 16, 2025, we issued a new Additional Tier 1 bond (AT1) with a nominal volume of EUR 200.0 million. In connection with this new issue, repurchases of previous AT1 bonds were carried out in the first quarter of the financial year under the repurchase offer announced on January 8, 2025, and through scheduled terminations with a total nominal volume of EUR 183.2 million.

On January 28, 2025, grenke AG entered into a strategic partnership with INTESA SANPAOLO S.p.A. (ISP), one of Italy’s largest banks, aimed at the Italian operating lease market. Under the agreement, Intesa Sanpaolo Rent ForYou S.p.A. (RFY), a subsidiary of ISP, will be contributed in full into grenke Locazione S.r.l., grenke AG’s Italian subsidiary, by the middle of the 2025 financial year. In return, ISP will receive a 17 percent stake in the capital of grenke Locazione. As of the end of the first quarter, the partnership was still subject to the approval of the relevant authorities. grenke’s business model remains unchanged and focuses on small-ticket leasing, with the acquisition value of contracts averaging under EUR 10,000. The partnership is intended to help both companies strengthen their competitive position in this segment, accelerate growth, and expand their joint market share.

2.2 Macroeconomic environment

The macroeconomic environment in the first quarter of this year was marked by heightened uncertainty.

This was driven in large part by the announcement of massive tariff increases on the part of the United States and the ensuing international reaction. Discussions about higher tariffs disrupt trade flows, and increased uncertainty makes it harder for businesses to plan, thereby dampening investment demand. Insolvencies in key core regions continued to increase and remained at an elevated level. The ongoing wars between Russia and Ukraine and in the Middle East had numerous direct and indirect effects on economic activity.

Continued monetary easing by the European Central Bank (ECB), on the other hand, resulted in further economic stimulus effects.

The benchmark interest rate in the euro area stood at 2.5 percent at the end of the reporting quarter – significantly below the previous year's level (March 2024: 4.0 percent). In April 2025, the ECB implemented another rate cut to 2.25 percent – its sixth consecutive rate move. The inflation rate stood at 2.2 percent in March 2025 (March 2024: 2.4 percent). After falling below the 2 percent threshold in September 2024 (1.7 percent) for the first time since 2021, the inflation rate had risen to 2.5 percent by January and went on to ease again in the first quarter. In March 2025, core inflation, which excludes the volatile food and energy components, was at 2.4 percent, recording its lowest level since January 2022. The ECB remains confident that it will reach its 2 percent target in the medium term. With regard to the tariff debate, the ECB sees a risk that exports may decline, and economic growth could weaken.

Industrial production across the euro area showed a surprisingly positive result in February 2025, with year-on-year growth of 1.2 percent. This positive trend was less evident in the markets we consider to be very important; namely, France (– 0.3 percent), Spain (– 1.7 percent), Italy (– 2.7 percent), and Germany (– 3.7 percent).

The Purchasing Managers' Index (PMI) for the manufacturing and services sectors in the euro area stood at 50.9 points in March (March 2024: 50.3 points), reaching its highest level since August 2024 (51.0 points). The index is based on a survey in which purchasing managers in the manufacturing and services sectors are asked monthly about new orders, production, employment, deliveries received, and inventory levels. The PMI is considered a leading indicator, with a value above 50 indicating increasing production and a value below 50 indicating declining production in the sectors surveyed.

The ifo Business Climate Index for Germany, which summarises companies' assessments of their current business situation and their expectations for the subsequent six-month period, declined to 86.7 points in March 2025 compared to the same month of the previous year (March 2024: 87.7 points), but improved from the end of the previous quarter (December 2024: 84.7 points). In March 2025, the business expectations of the surveyed companies for the subsequent six months were more favourable at 87.7 points than their assessment of their current business situation, which was 85.7 points.

The KfW-ifo Credit Constraint Indicator for German companies continued to rise in the first quarter of 2025. A total of 33.8 percent of surveyed companies reported that banks were showing restraint in credit negotiations. This is the highest figure since the survey began in 2017.

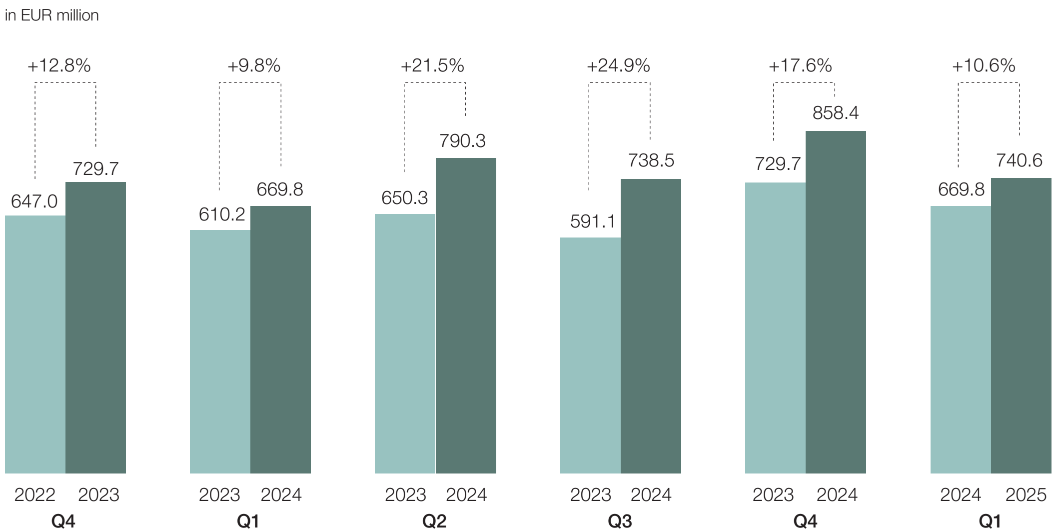
For the euro area, the EU's statistical office, Eurostat, reported a further increase in corporate insolvencies in its most recently available data. The relevant index reached 174.1 points in the fourth quarter of 2024 (Q4 2023: 163.5 points). France exceeded the aggregate value with 257.8 points, while Germany (161.7 points), Spain (131.2 points), and Italy (109.4 points) performed better than the euro area as a whole.

2.3 New business

2.3.1 Leasing new business

Leasing new business – defined as the total acquisition cost of newly acquired leased assets – reached a volume of EUR 740.6 million in the first quarter of 2025, an increase of 10.6 percent compared to the prior-year figure of EUR 669.8 million. A key driver of this growth was our dense dealer network, which we were able to expand. We currently collaborate with over 35,000 specialist reseller partners and suppliers in the more than 30 countries in which we operate. We revised our definition of "active specialist reseller partner" specifically for sales management purposes as of the first quarter of 2025 by taking into account all partners who have submitted at least one application to grenke within the past 365 days.

Leasing new business since Q4 2022



Leasing new business

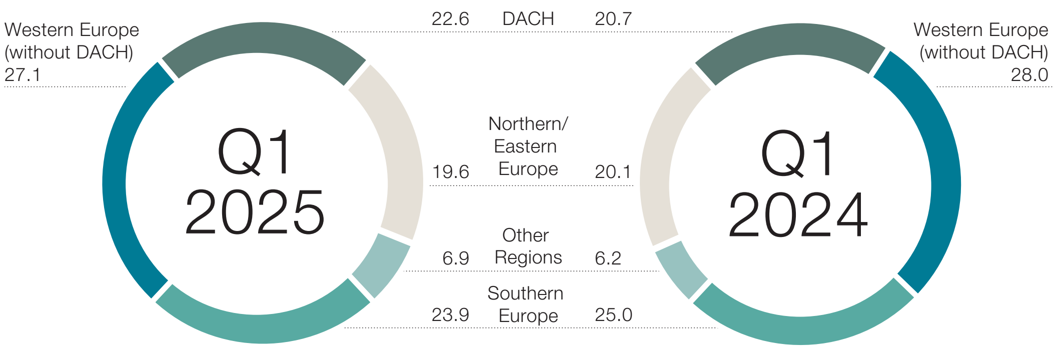
EURm	Q1 2025	Q1 2024	Change (%)
Leasing new business	**740.6**	**669.8**	**10.6**
DACH	167.2	138.6	20.6
Western Europe (without DACH)	200.9	187.4	7.2
Southern Europe	176.8	167.3	5.7
Northern/Eastern Europe	145.0	135.0	7.4
Other regions	50.8	41.5	22.5

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

* *Consolidated franchise companies for which the acquisition of shares is still outstanding as at 31 March 2025*

Share of leasing new business by region

in percent



We are particularly pleased that we achieved this growth while also improving profitability. The contribution margin 1 (CM1) from our leasing new business rose 27.6 percent in the reporting quarter to EUR 90.5 million.

The CM1 margin in the reporting quarter was 12.2 percent, well above the 10.6 percent recorded in the same quarter of the prior year. Despite the slight decline in market interest rates, contract pricing remained almost unchanged year-on-year, enabling an increase in the CM1 margin. This resulted in a significant 15.6 percent increase in the contribution margin 2 (CM2) from leasing new business to EUR 130.3 million. The CM2 margin increased from 16.8 percent in the previous year to 17.6 percent.

CM margins in leasing new business

percent	Q1 2025	Q1 2024	Change (pp)
CM1 margin	**12.2**	**10.6**	**1.6**
CM2 margin	**17.6**	**16.8**	**0.8**
DACH	14.5	13.5	1.0
Western Europe (without DACH)	18.2	17.7	0.5
Southern Europe	18.3	16.3	2.0
Northern/Eastern Europe	18.3	18.1	0.2
Other regions	20.8	21.8	–1.0

Contribution margins in leasing new business

EUR million	Q1 2025	Q1 2024	Change (%)
CM1	**90.5**	**70.9**	**27.6**
CM2	**130.3**	**112.7**	**15.6**
DACH	24.2	18.8	29.0
Western Europe (without DACH)	36.6	33.1	10.8
Southern Europe	32.4	27.3	18.4
Northern/Eastern Europe	26.5	24.4	8.4
Other regions	10.6	9.0	16.8

As described in Chapter 1.1.1 of the Annual Report 2024, grenke AG realigned its segments in light of the planned divestment of the factoring business and the related realigned management approach. Under this segmentation, the leasing segments align with the established division into regions.

The first segment is the DACH region, which includes Germany, Austria, and Switzerland. Leasing new business in this region rose by 20.6 percent year-over-year to EUR 167.2 million. The DACH segment was thus the third-largest by volume within the grenke Group. The CM2 margin for the segment stood at 14.5 percent in the reporting period, marking a one-percentage-point increase over the prior-year quarter.

In the Western Europe segment without DACH, leasing new business increased by 7.2 percent in the reporting quarter to EUR 200.9 million. With a share of 27.1 percent, Western Europe without DACH accounted for the largest portion of Group-wide leasing new business in the first quarter of 2025. The CM2 margin improved by 0.5 percentage points to reach 18.2 percent in this segment.

The Southern Europe segment increased its leasing new business in the reporting quarter by 5.7 percent to EUR 176.8 million. The CM2 margin increased the most in this segment, rising to 18.3 percent, or 2 percentage points above the level of the same prior-year quarter.

In the Northern/Eastern Europe segment, leasing new business rose by 7.4 percent in the reporting quarter to EUR 145.0 million. The CM2 margin in the Northern/Eastern Europe segment stood at 18.3 percent, remaining relatively stable compared to the same quarter of the previous year.

In the Other Regions segment, leasing new business volume rose by 22.5 percent in the first quarter of 2025 to EUR 50.8 million. This segment includes the future growth markets of the USA, Canada, and Australia. The CM2 margin in this segment was 20.8 percent, representing a decrease of 1 percentage point compared to the same quarter of the previous year.

Lease applications and contracts

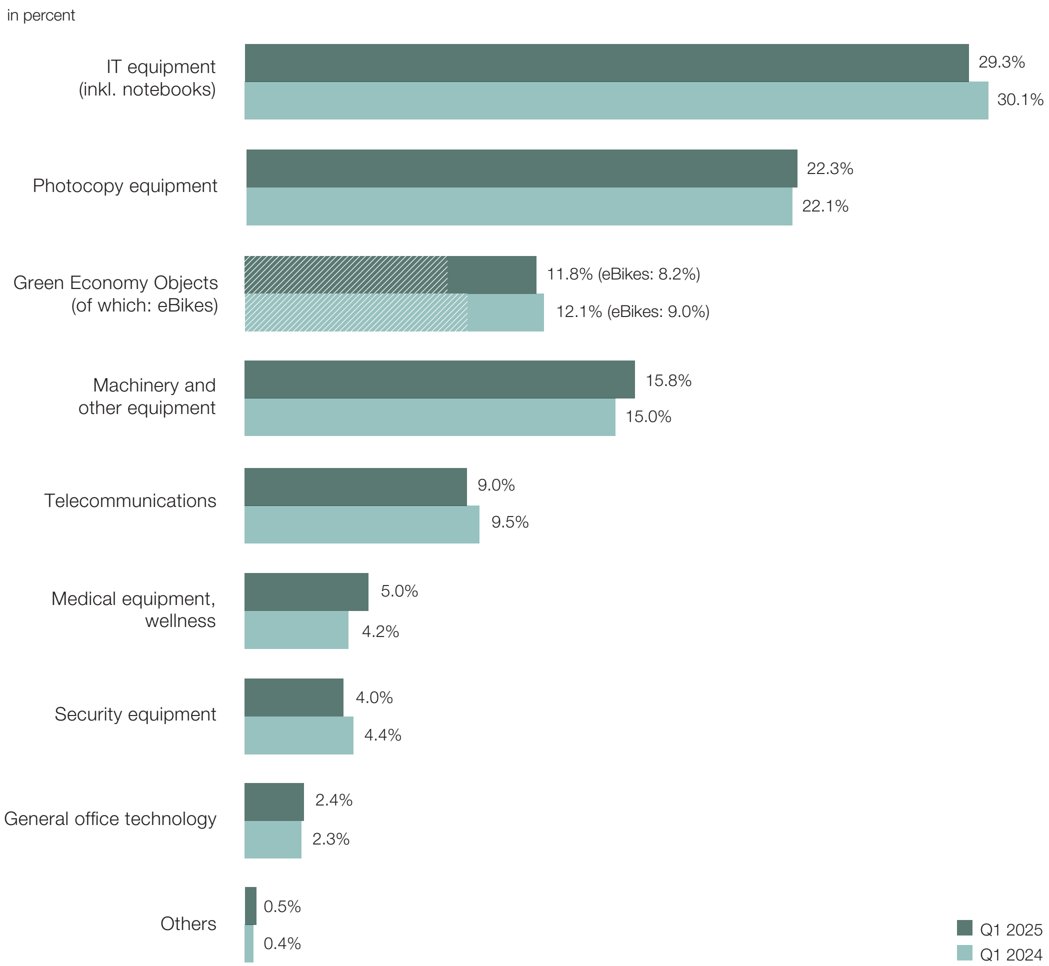
	Unit	Q1 2025	Q1 2024	Change
Leasing applications	Units	171,112	159,932	7.0%
Leasing contracts	Units	76,086	72,476	5.0%
Conversion rate	Percent	44.5	45.3	–0.8 pp
Average NAV	EUR	9,734	9,242	5.3%
eSignature quota	Percent	43.2	42.8	0.4 pp

Demand for leasing to finance and realise investments, particularly in the small-ticket segment, remains strong internationally. In the reporting quarter, we recorded 171,112 leasing applications, representing an increase of 7.0 percent over the prior-year quarter. This was due to consistent market development, which was accompanied by the acquisition of new partners, the expansion of existing partnerships, and business activities in newer object categories such as green economy objects. The total number of newly concluded lease contracts was 76,086, an increase of 5.0 percent, with a slightly declining conversion rate (applications into contracts) of 44.5 percent.

The mean value per lease contract increased by 5.3 percent to EUR 9,734, remaining within the defined target range that reflects our focus on small tickets with an average size of approximately EUR 10,000. The definition of small tickets now includes investments of up to EUR 50,000, as new technologies – such as those in the medical and robotics sectors – have driven increased demand for smaller objects of up to EUR 50,000. The focus on small tickets continues to be a core element of our strategy.

The share of lease contracts that can be fully processed digitally using grenke’s standard eSignature process was 43.2 percent in the reporting quarter, slightly above the level of the same quarter in the previous year.

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



The structure of our portfolio remained stable compared to the same prior-year period. The object groups with the three largest shares were IT equipment, printing and copying technology, as well as machinery and equipment. Green economy objects continued to be represented in the portfolio, still with a high proportion of eBikes.

We observed slight shifts in the portfolio in terms of object categories. While IT equipment, green economy objects, telecommunications devices, and security equipment showed a slight decline, there was a slight increase in machinery and equipment, medical technology and wellness, and printing and photocopying technology. Other changes were marginal.

Year-on-year changes in the average exchange rates of foreign currencies against the euro led to negative currency effects of EUR –0.9 million for the leasing new business volume in the first quarter. These effects stemmed primarily from the appreciation of the Polish zloty and the British pound, while the depreciation of the Brazilian real had an offsetting effect.

2.3.2 Factoring and grenke Bank new business

Following the change in segment reporting in the 2024 financial year, the Other segment includes the lending business of grenke Bank AG as well as the factoring business held for sale.

In the first quarter of 2025, factoring recorded new business with a purchased receivables volume of EUR 194.7 million (Q1 2024: EUR 212.9 million). This represented a year-on-year decline of 8.6 percent.

With an average duration from purchase to maturity of around 45 days, these receivables turn over approximately 8.1 times per year (365 days/45 days), which is why the factoring business, with a receivables volume of EUR 78.4 million, continued to have an immaterial share in the consolidated balance sheet.

The income in relation to the net acquisition values result in the gross margin of the factoring business. The refinancing requirement was lower than for the refinancing of leasing new business due to the revolving purchase of receivables and the resulting lower volume. The gross margin remained nearly unchanged in the reporting quarter at 1.6 percent compared to the same prior-year quarter (Q1 2024: 1.5 percent).

Lending new business at grenke Bank primarily consisted of loans granted under the “Mikrokreditfonds Deutschland” (Microcredit Fund Germany) programme. Through this programme, grenke Bank offers government-sponsored microfinancing of between EUR 1,000 and EUR 25,000. Total lending volume at grenke Bank rose by nearly 30 percent to EUR 11.3 million (previous year: EUR 8.7 million).

2.4 Results of operations

The selected figures from the consolidated income statement are explained for the current quarter and based on the segment results.

In the Annual Report 2024, the structure of the income statement and segment reporting was revised. The prior-year figures were adjusted accordingly.

2.4.1 Comparison of the first quarter of 2025 versus the first quarter of 2024

Interest and similar income from our financing business totalled EUR 159.8 million in the first quarter of 2025, which was EUR 27.7 million above the prior-year figure (Q1 2024: EUR 132.1 million). This performance reflects, above all, the continuously strong growth in new business during recent quarters. Expenses from interest on refinancing including deposit business rose by EUR 13.9 million to EUR 60.0 million (Q1 2024: EUR 46.1 million), mainly driven by the higher refinancing needs resulting from strong new business. The volume effect of the refinancing funds outweighs the price effect – specifically, the interest rate level – which now results in interest expenses rising much less sharply from quarter to quarter.

EURk	Q1 2025	Q1 2024	Change (%)
Interest and similar income from financing business	159,816	132,138	20.9
Expenses from interest on refinancing and deposit business	59,976	46,060	30.2
Net interest income	**99,840**	**86,078**	**16.0**
Profit from service business	35,960	32,783	9.7
Profit from new business	14,733	11,828	24.6
Gains (+) / losses (–) from disposals	4,453	2,216	> 100
Income from operating business	**154,986**	**132,905**	**16.6**
Staff costs	51,855	46,796	10.8
of which total remuneration	41,922	37,935	10.5
of which fixed remuneration	35,258	33,241	6.1
of which variable remuneration	6,664	4,694	42.0
Selling and administrative expenses	30,179	24,141	25.0
of which IT project costs	4,432	3,072	44.3
Total operating expenses	**87,969**	**77,190**	**14.0**
Operating result before settlement of claims and risk provision	**67,017**	**55,715**	**20.3**
Result from settlement of claims and risk provision	–47,590	–26,742	78.0
Group earnings before taxes	**13,205**	**24,916**	**–47.0**
Group earnings	**10,202**	**19,807**	**–48.5**
Earnings per share (in EUR; basic/diluted)	**–0.02**	**0.22**	**< –100**

The higher interest expenses are more than offset by the higher interest income, enabling net interest income to rise by EUR 13.7 million to EUR 99.8 million in the first quarter of 2025 (Q1 2024: EUR 86.1 million).

The profit from our service business increased by EUR 3.2 million to EUR 36.0 million in the first quarter of 2025 (Q1 2024: EUR 32.8 million). This increase is attributable to the positive development of new business and the associated increase in the leasing portfolio. Our profit from new business rose by EUR 2.9 million to EUR 14.7 million in the reporting quarter (Q1 2024: EUR 11.8 million). Gains and losses from disposal amounted to EUR 4.5 million (Q1 2024: EUR 2.2 million).

The higher net interest income and the profit from new business, profit from service business, and gains and losses from disposals led overall to an increase in our income from operating business of EUR 22.1 million to EUR 155.0 million in the first quarter of 2025 (Q1 2024: EUR 132.9 million).

Staff costs amounted to EUR 51.9 million in the first quarter of 2025, which was EUR 5.1 million higher than the previous year’s figure (Q1 2024: EUR 46.8 million). This increase primarily resulted from the higher number of employees. Fixed compensation amounted to EUR 35.3 million in the reporting period (Q1 2024: EUR 33.2 million) and variable compensation to EUR 6.7 million (Q1 2024: EUR 4.7 million). The average number of employees on a full-time equivalent basis in the reporting quarter was 2,296, which is 140 more than in the same prior-year quarter (Q1 2024: 2,156) due to new hires. The average number of employees in the 2024 financial year was 2,196.

Our selling and administrative expenses rose to EUR 30.2 million in the first quarter (Q1 2024: EUR 24.1 million). This includes the increase in licence fees and data line costs resulting from the ongoing migration to the cloud within the scope of our digitalisation programme. Selling expenses also increased due to the rise in new business.

Our depreciation and amortisation decreased to EUR 5.9 million (Q1 2024: EUR 6.3 million) in connection with the conversion of the IT infrastructure.

As a result, total operating expenses amounted to EUR 88.0 million, compared to EUR 77.2 million in the first quarter of the previous year.

The cost-income ratio improved to 56.8 percent (Q1 2024: 58.1 percent) due to the disproportionately higher increase in the income from operating business relative to operating expenses.

Our operating result before settlement of claims and risk provision in the first quarter of 2025 was EUR 67.0 million, improving by EUR 11.3 million (Q1 2024: EUR 55.7 million).

The result from settlement of claims and risk provision decreased EUR 20.9 million in the first quarter of 2025 compared to the same prior-year period to EUR –47.6 million (Q1 2024: EUR –26.7 million). This item consists of the derecognition of bad debts and impairments for expected losses as risk provisions. The deterioration in the reporting period is attributable to the macroeconomic environment and a continuously rising number of credit losses and insolvencies in many markets. This increase is also evident when considering the higher leasing volume. This resulted in a loss rate (result from settlement of claims and risk provision in relation to the volume of leased assets) of 1.9 percent in the first quarter of 2025 (Q1 2024: 1.1 percent) and is expected to continue at that level in the second quarter, thereby placing a noticeable burden on earnings in the first half of 2025 compared to the first half of 2024.

Other operating result decreased by EUR 1.3 million to EUR –5.4 million (Q1 2024: EUR –4.1 million), mainly due to higher non-period expenses in the context of revenue reductions. Other operating income remained essentially unchanged at EUR 1.8 million (Q1 2024: EUR 1.9 million).

Currency effects in the reporting quarter are largely contained in other operating expenses. Currency effects in the amount of EUR 0.6 million were attributable to the translation of the Turkish lira (TRY), mainly due to the effects of hyperinflation accounting under IAS 29. Currency effects of EUR 0.5 million are attributable to the United Arab Emirates dirham (AED), EUR 0.5 million to the Canadian dollar (CAD), EUR 0.4 million to the Australian dollar (AUD), EUR 0.3 million to the Czech koruna (CZK) and EUR 0.3 million to the Polish zloty (PLN). These arose from derivative hedging transactions, which offset one another economically over the full period. The effects are also partially offset periodically by currency translation 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.

The operating result thus decreased by EUR 10.9 million to EUR 14.0 million (Q1 2024: EUR 24.9 million).

Other net interest income declined to EUR 0.0 million (Q1 2024: EUR 1.5 million), mainly due to interest on higher unutilised refinancing funds.

Group earnings before taxes decreased by EUR 11.7 million to EUR 13.2 million (Q1 2024: EUR 24.9 million).

Our tax rate rose to 22.7 percent (Q1 2024: 20.5 percent). Group earnings amounted to EUR 10.2 million, which was EUR 9.6 million lower than in the same prior-year quarter (Q1 2024: EUR 19.8 million).

Earnings per share fell to EUR –0.02 in the first quarter of 2025 (Q1 2024: EUR 0.22). This figure includes the coupon payment for hybrid capital of EUR 12.0 million (Q1 2024: EUR 10.5 million), which only affects the first quarter of each year.

2.4.2 Segment development

Segment reporting has been revised in line with the Consolidated Group's new structure, which is centred on the leasing business. Five reportable segments have been identified: DACH, Western Europe (without DACH), Southern Europe, Northern/Eastern Europe, and Other Regions. For further details, see Note 8 Segment reporting, and Note 9.8 Events after the reporting date, in the notes to the consolidated financial statements in the Annual Report 2024.

The external operating income of the leasing companies, as a whole, developed positively, driven primarily by interest income from the growing new business of past years, as well as improved profit from service business, profit from new business, and gain/losses from disposals. External operating income from the leasing business increased in the current financial year by EUR 21.1 million to EUR 150.6 million (Q1 2024: EUR 129.5 million) primarily due to the continued positive new business development and the resulting increase in interest income. A particularly strong increase in absolute figures was recorded in the Northern/Eastern Europe segment, which was up 22.9 percent, and in the Southern Europe segment, which was 18.4 percent higher. This growth was largely driven by the positive development in net interest income in countries such as Italy (Southern Europe), the United Kingdom and Finland (Northern/Eastern Europe).

Operating selling expenses, consisting of staff costs, selling and administrative expenses, and depreciation and amortisation, increased by 14.8 percent to EUR 83.2 million (Q1 2024: EUR 72.5 million). These expenses are allocated to the segments based on internal cost accounting. An increase was recorded in all segments. The largest absolute increase was 17.2 percent for the Western Europe without DACH segment, as well as 15.6 percent for the Northern/Eastern Europe segment, which was attributable to intensified sales activity.

The result from settlement of claims and risk provision for the leasing companies deteriorated by 72.5 percent to EUR –47.2 million (Q1 2024: EUR –27.5 million). This development was evident in almost all segments. The DACH and Western Europe (without DACH) segments, with the countries Germany and France, experienced a particular deterioration due to increased impairments.

EURk	Q1 2025	Q1 2024	Change (%)
External operating income			
DACH region	25,494	21,649	17.8
Western Europe (without DACH)	44,611	41,937	6.4
Southern Europe	35,648	30,106	18.4
Northern/Eastern Europe	30,357	24,691	22.9
Other Regions	14,478	11,243	28.8
Operating expenses			
DACH region	–18,155	–15,834	14.7
Western Europe (without DACH)	–18,358	–15,661	17.2
Southern Europe	–19,127	–17,558	8.9
Northern/Eastern Europe	–19,143	–16,558	15.6
Other Regions	–8,370	–6,805	23.0
Result from settlement of claims and risk provision			
DACH region	–5,933	845	< –100
Western Europe (without DACH)	–17,420	–11,170	55.9
Southern Europe	–7,641	–8,675	–11.9
Northern/Eastern Europe	–10,393	–4,483	> 100
Other Regions	–5,918	–3,945	50.0
Segment result			
DACH region	1,406	6,661	–78.9
Western Europe (without DACH)	8,833	15,106	–41.5
Southern Europe	8,880	3,875	> 100
Northern/Eastern Europe	821	3,650	–77.5
Other Regions	190	493	–61.6

2.5 Financial position

Our equity ratio, at 16.0 percent, remains within our expectations. We have a solid liquidity position as a result of our diversified refinancing mix. Rising lease receivables reflect the positive growth in new business.

2.5.1 Capital structure

At the grenke Group, we place a particular focus on maintaining an adequate level of liquidity to give us the flexibility to respond to market conditions. Regulatory requirements also require the Consolidated Group to maintain a liquidity buffer.

On the liabilities side, the moderate increase in total equity and liabilities is reflected, among other things, in the rise in financial liabilities by a total of EUR 28.5 million to EUR 6.5 billion (December 31, 2024: EUR 6.5 billion).

This is mainly due to the increase in current and non-current liabilities from the deposit business of grenke Bank by EUR 146.0 million to EUR 2.4 billion (December 31, 2024: EUR 2.2 billion). In contrast, current and non-current refinancing liabilities (excluding the deposit business) decreased to EUR 4.2 billion (December 31, 2024: EUR 4.3 billion).

Equity recorded a minor increase as of March 31, 2025, to EUR 1.3 billion (December 31, 2024: EUR 1.3 billion). Group earnings of EUR 10.2 million generated during the reporting period was primarily offset by the repayment of AT1 bonds (EUR 182.0 million), the interest payment for hybrid capital (EUR 17.1 million), and issuance costs for AT1 bonds (EUR 0.6 million). Positive effects came from the issuance of AT1 bonds (EUR 198.2 million), currency translation recognised directly in equity (EUR 1.6 million), and the impact from the market valuation of hedging instruments under hedge accounting (EUR 1.4 million). Due to the stronger increase in total assets relative to equity, the equity ratio decreased to 16.0 percent as of March 31, 2025 (December 31, 2024: 16.1 percent). Thus, the equity ratio is exactly at the Group's self-defined target level of at least 16 percent.

EURk	Mar. 31, 2025	Dec. 31, 2024	Change (%)
Current liabilities	**3,499,269**	**3,466,543**	**0.9**
of which financial liabilities	3,149,759	3,198,394	–1.5
Non-current liabilities	**3,518,819**	**3,429,344**	**2.6**
of which financial liabilities	3,388,384	3,311,214	2.3
Equity	1,334,823	1,323,173	0.9
Total liabilities and equity	**8,352,911**	**8,219,060**	**1.6**
Equity ratio (in percent)	16.0%	16.1%	–0.1 pp

2.5.2 Cash flow

Our cash flow from operating activities amounted to EUR –14.6 million in the first three months of 2025 and was below the prior-year figure (Q1 2024: EUR 28.7 million). The cause for this was higher investments in new lease receivables resulting from the sustained new business growth. In addition, there were higher refinancing repayments compared to the same prior-year quarter. The selected figures from the consolidated cash flow statement and their development are explained below.

EURk	Q1 2025	Q1 2024	Change (%)
- Investments in new lease receivables	–764,731	–686,293	11.4
+ Addition of new refinancing (excl. deposit business)	523,110	432,359	21.0
+ Net inflows / outflows from deposit business	146,047	70,742	> 100
(I) Cash flow new business	**–95,574**	**–183,192**	**–47.8**
+ Payments by lessees	683,708	626,243	9.2
- Payments / repayments of refinancing (excl. deposit business)	–682,277	–552,498	23.5
(II) Cash flow from existing business	**1,431**	**73,745**	**–98.1**
(III) Other cash flow from operating activities	**79,513**	**138,144**	**–42.4**
Cash flow from operating activities (I) + (II) + (III)	**–14,630**	**28,697**	**< –100**
Cash flow from investing activities	–2,544	–1,147	> 100
Cash flow from financing activities	–5,037	–24,852	–79.7
Total cash flow	**–22,211**	**2,698**	**< –100**

Cash flow from investments in new lease receivables includes the net acquisition costs of newly acquired leased objects and the costs directly incurred upon contract conclusion. Due to the persistently high volume of new business, investments in new lease receivables rose to EUR 764.7 million in the first three months of 2025 (Q1 2024: EUR 686.3 million). These were offset by proceeds from the higher level of refinancing of EUR 523.1 million, compared to EUR 432.4 million in the same prior-year period. Cash flow from the deposit business of grenke Bank increased to EUR 146.0 million compared to EUR 70.7 million in the same prior-year period. Overall, our cash flow from investments in new business amounted to EUR –95.6 million, which is significantly above the figure for the first quarter of 2024 (EUR –183.2 million).

In the first three months of 2025, refinancing repayments amounted to EUR 682.3 million (Q1 2024: EUR 552.5 million). At the same time, payments from lessees rose to EUR 683.7 million, exceeding the figure for the same prior-year quarter of EUR 626.2 million (Q1 2024). This positive development is due to the continuous growth of our new business in recent years. As a result, cash flow from existing business decreased to EUR 1.4 million, compared to EUR 73.7 million in the first quarter of 2024.

Cash flow from investing activities was EUR –2.5 million in the reporting period (Q1 2024: EUR –1.1 million). This figure consisted mainly of payments for the acquisition of property, plant, and equipment and intangible assets totalling EUR 2.5 million (Q1 2024: EUR 1.2 million).

Cash flow from financing activities amounted to EUR – 5.0 million in the reporting period (Q1 2024: EUR – 24.9 million). This primarily resulted from interest payments on hybrid capital amounting to EUR 17.1 million (Q1 2024: EUR 15.0 million) and the repurchase of AT1 bonds totalling EUR 182.0 million (Q1 2024: EUR 0). Offsetting this were net inflows from the issue of hybrid capital totalling EUR 197.6 million (Q1 2024: EUR 0). In addition, the repayment of lease liabilities resulted in a cash outflow of EUR 3.5 million (Q1 2024: EUR 3.3 million).

Based on the aforementioned results, the total cash flow in the first three months of 2025 amounted to EUR – 22.2 million (Q1 2024: EUR 2.7 million). Cash and cash equivalents declined to EUR 951.4 million as of March 31, 2025, compared to EUR 973.4 million as of December 31, 2024.

2.5.3 Liquidity

Thanks to our balanced liquidity management, we have a solid liquidity position and a diversified refinancing structure and met our payment obligations at all times during the reporting period.

We have a wide range of refinancing instruments at our disposal that we utilise depending on the market conditions as part of our overall strategy. Our debt financing is essentially based on three pillars: senior unsecured instruments, such as bonds, debentures and commercial paper, which are primarily based on our ratings; the deposit business, including grenke Bank AG development loans; and receivables-based financing, consisting primarily of asset-backed commercial paper (ABCP) programmes. We avoid maturity transformation at portfolio level and thus minimise interest rate and follow-up financing risks at the portfolio level. Thanks to our broad refinancing mix, we can utilise the individual pillars in a targeted manner and expand or reduce the share depending on requirements and the market situation. At the same time, we want to be active in all three pillars for strategic reasons.

The refinancing mix as of March 31, 2025, based on the grenke Group's refinancing pillars, was distributed as follows:

EURm	Mar. 31, 2025	Share in %	Dec. 31, 2024	Share in %
grenke Bank	2,360	35.8	2,211	33.6
Senior unsecured	3,014	45.7	3,135	47.6
Asset-backed	1,220	18.5	1,234	18.8
Total	**6,594**	**100**	**6,580**	**100**

The refinancing volume as of the reporting date had increased only slightly to EUR 6,594.3 million (December 31, 2024: EUR 6,579.9 million). This was primarily due to the scheduled maturity of a bond with a total nominal volume of EUR 328.4 million. As a result of the placement of two benchmark bonds in the previous financial year, sufficient refinancing funds were available during the reporting period.

Refinancing via customer deposits at grenke Bank AG also increased as of March 31, 2025, to EUR 2,374.5 million, compared to EUR 2,228.5 million as of December 31, 2024, and EUR 1,687.8 million for the same prior-year period. This corresponds to an increase of 6.6 percent since December 31, 2024, due to more extensive use of grenke Bank in the current interest rate environment.

No new bonds or promissory notes were issued or increased during the reporting period. In the short-term segment, five commercial paper issues were completed with a total volume of EUR 60.0 million. A bond in the amount of EUR 328.4 million and commercial paper totalling EUR 30.0 million were repaid, as scheduled, during the reporting period.

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

The Group's available credit lines (i.e. bank lines plus the available volume from bonds and commercial paper) amounted to EUR 3,505.5 million as of the reporting date (December 31, 2024: EUR 3,323.1 million, HUF 540.0 million, and PLN 40.0 million).

2.6 Net assets

Compared to the end of the 2024 financial year, our total assets increased by EUR 133.9 million to EUR 8.4 billion as of March 31, 2025 (December 31, 2024: EUR 8.2 billion).

The increase in assets as of March 31, 2025, was mainly due to the rise in non-current lease receivables, which had more than compensated for the decline in cash and cash equivalents and current lease receivables. Our largest balance sheet item, lease receivables, rose by EUR 137.6 million to EUR 6.7 billion (December 31, 2024: EUR 6.5 billion) due to continued strong new business growth.

Cash and cash equivalents showed a moderate decline to EUR 951.6 million (December 31, 2024: EUR 974.6 million) while remaining at a high level. Of this amount, EUR 778.2 million (December 31, 2024: EUR 484.7 million) was held in accounts at the Deutsche Bundesbank as of March 31, 2025.

EURk	Mar. 31, 2025	Dec. 31, 2024	Change (%)
Current assets	**3,596,960**	**3,980,428**	**–9.6**
of which cash and cash equivalents	951,628	974,551	–2.4
of which lease receivables	2,264,080	2,594,088	–12.7
Non-current assets	**4,755,951**	**4,238,632**	**12.2**
of which lease receivables	4,389,791	3,922,154	11.9
Total assets	**8,352,911**	**8,219,060**	**1.6**

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

Global macroeconomic conditions at the beginning of 2025 remained challenging. Several of our core regions are experiencing persistently high insolvency rates. The Russian war of aggression against Ukraine and the conflict in the Middle East continue to pose significant uncertainties for the global economy. Tariffs and trade restrictions announced by the new U.S. administration, along with the U.S. withdrawal from international organisations, present a risk factor for global trade and are prompting responses from national and international economic policies. It is too early to assess the economic and political consequences of the U.S.'s fundamental realignment.

Conversely, monetary policy easing by the European Central Bank (ECB) is expected to have a stimulative effect on the economy. According to an ECB survey, following the ECB's reduction in the benchmark interest rate to 2.25 percent in mid-April, financial markets anticipate a further rate cut to 2 percent by mid-2025, followed by a stabilisation at that level.

In its forecast published on April 22, 2025, the International Monetary Fund (IMF) significantly downgraded its outlook for global economic growth. For 2025, it projected growth of 2.8 percent, down from its January 2025 estimate of 3.3 percent. The April forecast incorporates tariff announcements made by the United States through April 2, 2025 but excludes further developments such as the escalation of tariffs with China. Globally, unprecedented uncertainty continues to dampen demand from both consumers and businesses.

The IMF expects growth of 1.8 percent for the U.S. In the first quarter of 2025, U.S. GDP contracted by 0.3 percent on an annualised basis. The IMF further expects that in 2025, the United Kingdom will grow by 1.1 percent and the eurozone by 0.8 percent. Within the eurozone, growth prospects for Spain are above average at 2.5 percent due to its strong services sector, while France and Italy are below the aggregate value at 0.6 percent and 0.4 percent, respectively. The export-oriented German economy brings up the rear with a forecast of zero growth. In Germany, higher defence and infrastructure spending is expected to boost domestic demand, but production activity is expected to remain weak due to persistently high energy prices.

According to a study published by Allianz Trade on March 18, 2025, global insolvencies are expected to rise by 6 percent in 2025. The forecast anticipates continued increases in insolvency cases for Italy (+17 percent), Germany (+10 percent), Spain (+3 percent), France (+2 percent), and the U.S. (+11 percent), while conditions in the United Kingdom (–3 percent) are expected to ease somewhat. Allianz Trade warns that elevated uncertainty may lead to delayed decision-making by businesses, thereby dampening economic activity and putting already weakened firms at greater risk.

The ifo Business Climate Index for the leasing sector in Germany improved significantly in March 2025, rising to 15.7 points from 4.9 points in March 2024. This improvement was largely attributable to an 18.4-point increase compared to the previous month. Business expectations for the next six months showed marked improvement, reaching 11.8 points in March 2025 (March 2024: –21.6 points). The assessment of the current situation was 19.7 points (March 2024: 35.3 points). According to the Federal Association of German Leasing Companies (BDL), this optimism likely stems from hopes for a more business-friendly government and the constitutional amendment – already passed at the time of the survey – which enables the creation of new special funds.

4.2 Risks and opportunities

4.2.1 Risks

According to the expectations of the Board of Directors, the first half of the current 2025 financial year will continue to be shaped by persistently strained economic conditions in Europe. The continued high number of insolvencies and credit defaults in many of our markets will remain accompanied by a higher number of terminations in the existing portfolio. In relation to this, the loss rate (expenses for settlement of claims and risk provision in relation to the volume of leased assets) rose to 1.9 percent in the first quarter of 2025 (Q1 2024: 1.1 percent).

Despite these challenging conditions, the Board of Directors expects to achieve planned new business growth for the 2025 financial year within the guidance range of EUR 3.2 to 3.4 billion (see Chapter 4.3). grenke AG closely monitors developments in country-specific risk situations and their impact on individual markets and responds with targeted management actions as needed.

In addition to the ongoing economic challenges in Europe, the current tariff policy of the U.S.

government is introducing further uncertainty. Measures that have been implemented or announced have placed a burden on international trade in the first quarter of 2025 and caused noticeable turbulence in financial markets. The comparatively high volatility in interest rate and currency markets may continue to result in temporary balance sheet-related valuation effects. Should this situation persist, the capital market conditions for refinancing the planned new business may also temporarily shift. In principle, grenke always retains the option to manage its leasing new business – and the associated liquidity needs – in a margin-optimised manner through more selective acceptance of lease applications. Overall, the Board of Directors therefore does not expect any long-term impairment of the business model.

The ongoing war in Ukraine and the conflicts in the Middle East also continue to pose macroeconomic risks. However, the grenke Group has no branches in Russia, Ukraine, or other countries directly affected by the Middle East conflict and has neither had nor currently has any financial exposure in these regions.

Despite the prevailing geopolitical and economic uncertainties, the Board of Directors does not consider the achievement of long-term business objectives or the sustainability of the business model to be at risk. For a more detailed overview of risks, please refer to Chapter 5 Risk Report in our Annual Report 2024.

4.2.2 Opportunities

For the remainder of the year, the Board of Directors assumes that, despite ongoing geopolitical and economic uncertainties, market conditions will develop within the expected range and, beyond that, the long-term growth prospects of the business model will remain unchanged. Accordingly, the growth trajectory for 2025 is to be maintained in line with the guidance.

As, in our own assessment, a leading provider of small-ticket leasing in Europe, we are growing in our core markets primarily by gaining market share. Opportunities arise especially where competitors partially or fully withdraw from markets – due, for example, to increased regulatory requirements or a lack of cost efficiency in high-volume business. Our location management is becoming increasingly efficient, as we can cover an ever-broader sales network without additional branches through the digital presence and sales staff working from home.

We see above-average growth potential, particularly in our future core markets – the USA, Canada, and Australia – in the niche segment of high-volume small-ticket leasing for SMEs. In Italy, grenke is entering into a strategic partnership with Italy's largest bank, INTESA SANPAOLO S.p.A., to serve the local market. This partnership includes collaboration with ISP's branch network and its approximately 1.2 million business customers, as well as joint refinancing of future activities. In the past financial year, Italy was grenke Group's third-largest market, with new business exceeding EUR 400 million, following France and Germany. Double-digit growth rates are expected for future new business in Italy over the next few years.

As a financing partner for SMEs with over 45 years of experience, we have a deep understanding of our customers' evolving needs. We use this experience to continuously and flexibly develop our service offerings, providing financing options for a growing portfolio of objects. We also focus specifically on megatrends, such as the green transformation of the economy and the increasing use of intelligent robotics. This approach is creating growing opportunities for us, even in already established markets.

We maintain long-term business relationships with numerous SMEs and resellers that go beyond individual contracts. Many SMEs are repeat partners, often managed at the branch or country level, and increasingly across multiple countries simultaneously.

Beyond the growth of new business and the overall contract portfolio, there is potential for efficiency gains through digital approaches. To leverage this, we launched our "Digital Excellence" programme. Designed as a three-year initiative, the programme focuses on efficiency improvements and was launched in the 2023 financial year with a total investment volume of EUR 45 million to EUR 50 million. In the 2025 financial year, it is expected to achieve further efficiency gains in selling and administrative expenses.

Due to strong growth in leasing new business over the past three years, we have a solid foundation for future interest income that will exceed cost developments. Through these measures, we are pursuing the strategic goal of sustainably expanding the grenke brand and our global market position.

More details on these and other growth potentials can be found in Chapter 6.1 Opportunities report in our Annual Report 2024.

4.3 Company forecast

The following statements about the future business development of the grenke Group are based on assumptions regarding key market and industry trends. They reflect the Board of Directors' current assessment of what is considered realistic given the information available at this time.

These assessments involve uncertainties, especially since the underlying assumptions could change at short notice if conditions shift. Therefore, the developments forecasted below may not unfold as expected.

In January 2024, the Board of Directors announced its intention to focus exclusively on the leasing business and resolved to initiate the sale of all factoring companies. Based on the agreement reached in early April 2025 with Teylor AG regarding the acquisition of the factoring business, the Board does not expect any material impact on the Company's KPIs in 2025. Going forward, we intend to concentrate all resources and investment capacity on continued digitalisation and further growth in the leasing segment. In this context, the banking operations of grenke Bank AG continue to play an important role in securing refinancing through deposits.

For the 2025 financial year, the Board of Directors expects a growth rate in leasing new business of slightly over 10 percent. Based on the 2024 financial year, this corresponds to leasing new business between EUR 3.2 billion and EUR 3.4 billion.

A CM2-margin of more than 16.5 percent is targeted. Key factors in achieving this goal include refinancing costs, the terms of newly signed leasing contracts, and the average ticket size. For the 2025 financial year, the average value per leasing contract is expected to remain around EUR 10,000. The focus on small tickets continues to be a core part of our strategy.

We intend to expand our object portfolio. However, we do not expect any significant shifts in object categories in 2025. We will remain flexible in responding to new customer demands and, if necessary, will offer new object categories for lease financing, as we have already done during the green transformation with products such as eBikes, wall boxes, and solar panels. At the same time, the ongoing digital transformation will enable us to achieve further growth in our core areas of IT and office communications.

The Board of Directors expects a positive income performance for the 2025 financial year. The strong leasing new business from the past financial year provides a solid foundation for income growth in 2025. The monetary policy easing already implemented should positively impact the development of operating income from the leasing portfolio – which includes net interest income, profit from the service business, profit from new business, and gains and losses from disposals – during the 2025 financial year.

Although the first half of 2025 will reflect the fact that the loss rate was significantly better in the first half of 2024 – leading to lower quarterly results compared to the previous year – the Board of Directors expects moderate profit growth for the 2025 financial year. Group earnings after taxes are expected to reach EUR 71 million to EUR 81 million for the full year 2025. This earnings forecast for 2025 is based on the assumption that the loss rate will be around 1.6 percent for full-year 2025 in a challenging market environment, taking into account political and macroeconomic uncertainties. Despite this, the expected loss rate remains at a historically average level. The cost-income ratio is expected below 60 percent under this earnings outlook. In the medium term, the CIR is expected to decrease to below 55 percent due to efficiency gains and an increasing level of digitalisation.

As a result of ongoing growth and investments in digitalisation, staff costs, and selling and administrative expenses are also expected to continue rising. To further advance our successful international expansion strategy, we will continue investing in the digitalisation of our entire value chain across more than 30 countries. The foundation of the digitalisation programme – and the largest single initiative, accounting for one-third of the investments – is the transition to cloud technology. The remaining investment funds will be allocated to automating all core processes related to the leasing business.

Based on the expected development of Group earnings, grenke continues to aim for an equity ratio of around 16 percent. This figure serves as a benchmark rather than a strict limit for the Consolidated Group's capital management.

The Board of Directors expects unchanged stable cash flow from operating activities, which can be used to fully finance the planned investments internally. The Board of Directors also assumes that the grenke Group's solid equity base and cash flow development will enable it to refinance the expected volume of new business in 2025 at risk-adequate conditions in parts through its access to various money and capital market instruments and in parts through the deposit business.

The forecast for the 2025 financial year is based on the above expectations and assumptions regarding overall economic developments and the specific market and industry developments described above. Our forecast is also based on the assumption that geopolitical tensions will not increase further. The Board of Directors firmly believes that the grenke Group is well positioned to continue its profitable growth trajectory and further expand its position as one of the leading providers of financial services for SMEs with a focus on small-ticket financing.

The Digital Excellence digitalisation programme, launched in spring 2023, continues to move forward. The focus is on end-to-end digitalisation in the core leasing business, with the automation of all core processes for leasing in over 30 countries. This is intended to enable a significant increase in efficiency and greater use of cloud technologies.

The Board of Directors considers the grenke Group to be very well positioned to pursue its international growth ambitions profitably and at scale beyond 2025.

Further details on the Company forecast can be found in Chapter 6.1 Forecast report of our Annual Report 2024.

Condensed interim consolidated financial statements

Consolidated income statement

EURk	Q1 2025	Q1 2024[1]
Interest and similar income from financing business[2]	159,816	132,138
Expenses from interest on refinancing including deposit business	59,976	46,060
Net interest income	**99,840**	**86,078**
Profit from service business	35,960	32,783
Profit from new business	14,733	11,828
Gains (+) / losses (–) from disposals	4,453	2,216
Income from operating business	**154,986**	**132,905**
Staff costs	51,855	46,796
Selling and administrative expenses (not including staff costs)	30,179	24,141
Depreciation and amortisation	5,935	6,253
Total operating expenses	**87,969**	**77,190**
Operating result before settlement of claims and risk provision	**67,017**	**55,715**
Result from claims settlement and risk provision	–47,590	–26,742
of which impairment loss(–) / income(+)	–28,450	–7,083
Impairment of goodwill	0	0
Other operating result	–5,422	–4,075
Operating result	**14,005**	**24,898**
Result from investments accounted for using the equity method	–112	–101
Result from market valuation	–682	–1,334
Other net interest income	–6	1,453
Group earnings before taxes	**13,205**	**24,916**
Income taxes	3,003	5,109
Group earnings	**10,202**	**19,807**
of which attributable to ordinary shareholders and hybrid capital holders of grenke AG	11,301	20,920
of which attributable to non-controlling interests	–1,099	–1,113
Earnings per share (basic / diluted in EUR)	–0.02	0.22
Average number of shares outstanding	44,177,878	46,418,644

[1] As of December 31, 2024 a revision of the income statement in accordance with IAS 8 was carried to present "settlement of claims and risk provision" and "goodwill impairment" as separate line items within operating result. Subtotal figures have been changed accordingly compared to respective quarter of previous year (for more details please refer to Chapter 2.3 of the Annual Report 2024).

[2] Interest and similar income calculated according to the effective interest method EUR 2,315k (previous year: EUR 2,459k).

Consolidated statement of comprehensive income

EURk	Q1 2025	Q1 2024
Group earnings	**10,202**	**19,807**
Items that may be reclassified to profit or loss in future periods		
Appropriation to / reduction of hedging reserve	1,398	1,030
thereof income tax effects	–233	–2,532
Change in currency translation differences / effects of hyperinflation	1,613	–1,227
thereof income tax effects	0	0
Items that will not be reclassified to profit or loss in future periods		
Changes in fair value of equity instruments measured (optionally) directly in equity	0	0
thereof income tax effects	0	0
Appropriation to / reduction of reserve for actuarial gains and losses	0	0
thereof income tax effects	0	0
Other comprehensive income	**3,011**	**–197**
Total comprehensive income	**13,213**	**19,610**
of which attributable to ordinary shareholders and hybrid capital holders of grenke AG	13,780	20,267
of which attributable to non-controlling interests	–567	–657

Consolidated statement of financial position

EURk	Mar. 31, 2025	Dec. 31, 2024
Assets		
Current assets		
Cash and cash equivalents	951,628	974,551
Derivative financial instruments that are assets	9,666	4,555
Lease receivables	2,264,080	2,594,088
Other current financial assets	64,865	102,012
Trade receivables	10,405	9,706
Lease assets for sale	33,273	26,272
Tax assets	27,397	27,935
Other current assets	207,211	208,056
Non-current assets held for sale	28,435	33,253
Total current assets	**3,596,960**	**3,980,428**
Non-current assets		
Lease receivables	4,389,791	3,922,154
Derivative financial instruments that are assets	8,851	12,969
Other non-current financial assets	119,707	79,776
Investments accounted for using the equity method	2,332	2,444
Property, plant and equipment	97,492	98,445
Right-of-use assets	36,961	37,958
Goodwill	30,036	30,052
Other intangible assets	9,942	9,837
Deferred tax assets	55,977	42,569
Other non-current assets	4,862	2,428
Total non-current assets	**4,755,951**	**4,238,632**
Total assets	**8,352,911**	**8,219,060**

Consolidated statement of financial position

EURk	Mar. 31, 2025	Dec. 31, 2024
Liabilities and equity		
Liabilities		
Current liabilities		
Financial liabilities	3,149,759	3,198,394
Lease liabilities	11,470	11,625
Derivative liability financial instruments	7,721	6,416
Trade payables	46,430	57,373
Tax liabilities	30,363	28,557
Deferred liabilities	40,725	46,220
Other current liabilities	67,245	67,994
Deferred lease payments	136,041	43,244
Liabilities related to disposal groups classified as held for sale	9,515	6,720
Total current liabilities	**3,499,269**	**3,466,543**
Non-current liabilities		
Financial liabilities	3,388,384	3,311,214
Lease liabilities	26,601	27,376
Derivative liability financial instruments	21,967	19,758
Deferred tax liabilities	76,283	65,452
Pensions	5,584	5,544
Total non-current liabilities	**3,518,819**	**3,429,344**
Equity		
Share capital	46,496	46,496
Capital reserves	298,019	298,019
Retained earnings	842,282	849,344
Own shares	−55,551	−55,551
Other components of equity	6,993	4,514
Total equity attributable to shareholders of grenke AG	**1,138,239**	**1,142,822**
Additional equity components*	216,800	200,000
Non-controlling interests	−20,216	−19,649
Total equity	**1,334,823**	**1,323,173**
Total equity and liabilities	**8,352,911**	**8,219,060**

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

Consolidated statement of cash flows

EURk		Q1 2025	Q1 2024
	Group earnings	**10,202**	**19,807**
	Non-cash items included in group earnings and reconciliation to cash flow from operating activities		
+	Depreciation, amortisation and impairment of goodwill	5,935	6,253
–/+	Profit / loss from the disposal of property, plant and equipment and intangible assets	–5	–7
–/+	Other non-cash income / expenses	6,011	3,433
+/–	Increase / decrease in deferred liabilities, provisions and pensions	–5,455	–8,650
=	**Subtotal**	**16,688**	**20,836**
	Change in assets and liabilities from operating activities after adjustment for non-cash items		
+/–	Lease receivables	–137,629	–102,392
+/–	Loan receivables	–2,303	3,643
+/–	Factoring receivables	5,016	–1,001
+/–	Other assets	–9,989	30,883
+/–	Financial liabilities	29,533	–13,326
+/–	Other liabilities	87,414	92,378
+	Interest received	8,595	7,935
–	Interest paid	–8,601	–6,482
–	Income taxes paid	–3,354	–3,777
=	**Cash flow from operating activities**	**–14,630**	**28,697**

Consolidated statement of cash flows (continued)

EURk		Q1 2025	Q1 2024
–	Payments for the acquisition of property, plant and equipment and intangible assets	–2,544	–1,177
+	Proceeds from the sale of property, plant and equipment and intangible assets	0	30
=	**Cash flow from investing activities**	**–2,544**	**–1,147**
–	Repayment of lease liabilities	–3,474	–3,253
–	Repurchase of AT1 bonds	–182,046	0
+	Net proceeds from hybrid capital	197,608	0
–	Interest coupon payments on hybrid capital	–17,125	–14,989
–	Payments for the acquisition of own shares	0	–6,610
=	**Cash flow from financing activities**	**–5,037**	**–24,852**
	Cash and cash equivalents at beginning of period[1]	**973,361**	**696,930**
+	Cash flow from operating activities	–14,630	28,697
+	Cash flow from investing activities	–2,544	–1,147
+	Cash flow from financing activities	–5,037	–24,852
+/–	Change due to currency translation	286	490
=	**Cash and cash equivalents at end of period[1]**	**951,436**	**700,118**

[1] *Less current account liabilities with an amount of EUR 192k (previous year: EUR 330k).*

Consolidated statement of changes in equity

EURk	Share capital	Capital reserves	Retained earnings/ Group earnings	Own shares	Hedging reserve	Reserve for actuarial gains/ losses	Currency translation/ effects from hyper inflation	Revaluation reserve equity instruments	Total equity attributable to share-holders of grenke AG	Additional equity compo-nents	Non-con-trolling interests	Total equity
Equity as of Jan. 1, 2025	**46,496**	**298,019**	**849,344**	**−55,551**	**−2,865**	**−382**	**10,486**	**−2,725**	**1,142,822**	**200,000**	**−19,649**	**1,323,173**
Group earnings			−693						−693	11,994	−1,099	10,202
Other comprehensive income					1,398		1,081		2,479		532	3,011
Total comprehensive income			**−693**		**1,398**		**1,081**		**1,786**	**11,994**	**−567**	**13,213**
Issuance of AT1 bond			−1,800						−1,800	200,000		198,200
Cost of issuance of AT1 bond			−592						−592			−592
Repayment of AT1 bonds			1,154						1,154	−183,200		−182,046
Interest coupon payment for hybrid capital										−17,125		−17,125
Tax share for hybrid capital			−5,131						−5,131	5,131		
Equity as of Mar. 31, 2025	**46,496**	**298,019**	**842,282**	**−55,551**	**−1,467**	**−382**	**11,567**	**−2,725**	**1,138,239**	**216,800**	**−20,216**	**1,334,823**
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			10,422						10,422	10,498	−1,113	19,807
Other comprehensive income					1,030		−1,683		−653		456	−197
Total comprehensive income			**10,422**		**1,030**		**−1,683**		**9,769**	**10,498**	**−657**	**19,610**
Interest coupon payment for hybrid capital										−14,989		−14,989
Tax share for hybrid capital			−4,491						−4,491	4,491		
Purchase of own shares				−6,610					−6,610			−6,610
Equity as of Mar. 31, 2024	**46,496**	**298,019**	**819,517**	**−6,610**	**4,094**	**137**	**9,218**	**−3,225**	**1,167,646**	**200,000**	**−14,765**	**1,352,881**

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 March 31, 2025, 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, 2024. 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 March 31, 2025.

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 2026 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, 2024, 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 2025 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, 2025, 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 our Annual Report 2024.

Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates" on accounting in cases of a lack of exchangeability

The amendments to IAS 21 address detailed rules for determining whether a currency is exchangeable into another and how exchange rates should be established when exchangeability is lacking. In the current financial year, there are no cases of application arising from this for the grenke Group.

2.2 Accounting standards and interpretations already issued – not yet adopted

The IASB has issued the following new and amended standards or interpretations, the application of which will only become mandatory at a later date. Some of these standards have already been endorsed into European law ("endorsement") by the EU. Early voluntary application of these standards is explicitly permitted. The grenke AG generally does not make use of this option. These standards will be implemented in the consolidated financial statements at the time of mandatory application.

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

Amendments to IFRS 9 “Financial Instruments” and IFRS 7 “Financial Instruments: Disclosures” regarding classification and measurement of financial instruments
The amendments to IFRS 9 and IFRS 7 address the derecognition of electronically transferred financial liabilities, the application of the cash flow criterion for categorising financial instruments in various scenarios, and additional disclosure requirements under IFRS 7.

For financial liabilities settled via electronic payment systems, companies will be granted an option regarding the timing of derecognition. This option allows the derecognition of a financial liability using an electronic payment system before the settlement date. In terms of the classification of financial assets under the cash flow criterion, particularly when specific contractual terms (e.g., ESG-related conditions) affect the timing or amount of contractual cash flows, adjustments will be made to the IFRS 9 criteria. The amendments also include changes to the classification of non-recourse assets and contractually linked instruments. For disclosures in the notes under IFRS 7, the amendments introduce additional reporting requirements, including enhanced reporting on equity instruments classified as “at fair value through other comprehensive income” (FVtOCI). Furthermore, new disclosures are introduced for 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 to financial years beginning on or after January 1, 2026. For companies preparing financial statements in accordance with IFRS as adopted by the EU, the provisions will apply following their incorporation into European law. Adoption by the EU is still pending. The amendments are not expected to have any or only an immaterial impact on the consolidated financial statements.

IFRS 18 “Presentation and Disclosure in Financial Statements”
On April 9, 2024, the IASB published IFRS 18 “Presentation and Disclosure in Financial Statements”. The new standard aims to provide investors with more transparent and comparable information about a company’s financial performance to support better decision-making. The new standard, IFRS 18, replaces the previous standard, IAS 1 “Presentation of Financial Statements”, and includes requirements for the presentation and disclosure of information in financial statements.

The key 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) are introduced, each with specific allocation rules. Additionally, IFRS 18 requires the presentation of certain totals and subtotals in the income statement.

In addition, the notes to the financial statements must include information on management-defined, publicly communicated performance measures (management-defined performance measures – MPMs), along with a reconciliation to the closest comparable IFRS subtotal. Additional principles for the aggregation and disaggregation of items are also introduced. Limited amendments affect IAS 7 “Statement of Cash Flows”, including the removal of the previous options for the classification of dividends and interest received or paid. IFRS 18 also results in targeted changes to other IFRSs, including IAS 33 “Earnings per share.”

The changes are applicable for financial years beginning on or after January 1, 2027. For companies preparing financial statements under IFRS as adopted by the EU, the regulations will apply once incorporated into European law. EU endorsement is still pending. grenke is currently assessing the expected impact of these requirements on the consolidated financial statements.

IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
On May 9, 2024, the IASB issued the new standard IFRS 19 “Subsidiaries without Public Accountability: Disclosures”. The new standard allows certain subsidiaries, particularly those that are neither financial institutions nor publicly listed, to apply IFRS accounting standards with reduced disclosure requirements in the notes. The application of IFRS 19 by a subsidiary is contingent upon the subsidiary not having public accountability and its parent company preparing IFRS consolidated financial statements. The simplifications apply only to the notes to the financial statements. The recognition, measurement and presentation requirements of other IFRS standards continue to apply.

The amendments are to be applied for financial years beginning on or after January 1, 2027. For companies preparing financial statements in accordance with IFRS as adopted by the EU, the provisions will apply after their incorporation into European law. Adoption by the EU is still pending. The amendments will not have any impact on the consolidated financial statements

Annual IFRS Improvements

On July 18, 2024, as part of the "Improvements to IFRS" project, the IASB published several amendments to existing IFRS standards. These include adjustments in terminology 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 apply to financial years beginning on or after January 1, 2026. For companies reporting under IFRS as adopted by the EU, the provisions will apply once incorporated into European law. Adoption of these amendments by the EU is still pending.

Amendments to IFRS 9 and IFRS 7

On December 18, 2024, the IASB published amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" for contracts for price-dependent natural resources. The amendments primarily address the classification and measurement of such contracts, as well as the related disclosure requirements. The objective of the amendments is to provide a clearer distinction between financial and non-financial contracts and to enhance transparency for users of financial statements.

The amendments are applicable for financial years beginning on or after January 1, 2026. For companies reporting under IFRS as adopted in the EU, the provisions will apply once they are incorporated into European law. EU endorsement is still pending.

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 Consolidated 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	Apr. 1, 2025 – Dec. 31, 2025			Jan. 1, 2026 – Dec. 31, 2026			Jan. 1, 2027 – Dec. 31, 2027		
	Negative	Baseline	Positive	Negative	Baseline	Positive	Negative	Baseline	Positive
Eurozone	–6.3%	1.3%	2.6%	1.3%	1.3%	2.6%	1.3%	1.3%	2.6%
Germany	–4.1%	0.3%	2.3%	0.3%	1.1%	2.3%	1.1%	1.1%	2.3%
France	–7.6%	0.8%	2.4%	0.8%	1.1%	2.4%	1.1%	1.4%	2.4%
Italy	–8.9%	0.7%	1.8%	0.7%	0.9%	1.8%	0.9%	0.6%	1.8%
Spain	–10.9%	2.3%	3.5%	2.3%	1.8%	3.5%	1.8%	1.6%	3.5%
United Kingdom	–10.3%	1.6%	2.7%	1.6%	1.5%	2.7%	1.5%	1.5%	2.7%

In the table above, the base effect should be taken into account. In the negative scenario, this may lead to growth in the second or third year that may be higher than in the comparable base scenario due to the sharp decline in the first year.

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

	Scenarios as of Mar. 31, 2025		
EURk	Negative	Baseline	Positive
Risk provision	158,428	142,265	136,994

	Scenarios as of Dec. 31, 2024		
EURk	Negative	Baseline	Positive
Risk provision	147,217	131,527	126,298

Baseline scenario: The geopolitical situation remains tense but without major escalation. Trade disputes between major economic powers occur sporadically but do not result in widespread punitive tariffs or sweeping sanctions. International supply chains remain stable. Inflation remains within the central banks' target range, enabling prudent monetary policy management. Companies are selectively investing in digitalisation and automation to safeguard against potential future trade barriers. Government programmes provide support for strategically important sectors such as sustainable energy, semiconductor manufacturing, and critical infrastructure. The unemployment rate is gradually declining but remains elevated in some sectors. Structural job losses continue, particularly in traditional industries more affected by trade tensions, while new jobs are being created in growth sectors.

Negative scenario: Persistent geopolitical tensions, particularly between the U.S., China, and the EU, result in new punitive tariffs and trade sanctions that significantly disrupt global trade. Escalating conflicts in geopolitically sensitive regions are fuelling further uncertainty. Persistently high inflation driven by rising commodity prices and bottlenecks in global supply chains is forcing central banks worldwide to raise interest rates aggressively. The result is widespread layoffs in economically sensitive and capital-intensive industries. Unemployment rises sharply, especially in countries with high export dependency. Companies severely affected by international supply chain disruptions and rising production costs are increasingly turning to automation and relocating operations, leading to further job losses. In many countries, social tensions are exacerbating the economic downturn, as rising unemployment continues to suppress consumer spending.

Positive scenario: A global easing of geopolitical tensions and improved multilateral cooperation lead to the removal of trade barriers and tariffs. International trade in goods is significantly simplified. New free trade agreements between major economic regions boost exports and foster economic stability. At the same time, governments roll out additional support programmes to invest specifically in future-oriented technologies such as renewable energy, the hydrogen economy, semiconductor production, and artificial intelligence. Tax incentives for businesses and public subsidies for research and development trigger a wave of innovation, while infrastructure projects enhance both digital and physical connectivity. The unemployment rate declines gradually as companies expand in response to a stable investment climate. Positive economic momentum drives wage growth, which in turn stimulates consumption and further reinforces economic stability.

All scenarios take into account different minimum default rates (floors).

The probabilities of occurrence of the macro scenarios are determined on a country-by-county 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 in the subsequent three years. 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 March 31, 2025, the scenarios in the core markets of the grenke Group were weighted as follows:

Scenario weighting	Apr. 1, 2025 – Dec. 31, 2025			Jan. 1, 2026 – Dec. 31, 2026			Jan. 1, 2027 – Dec. 31, 2027		
	Negative	Baseline	Positive	Negative	Baseline	Positive	Negative	Baseline	Positive
Germany	52.3%	46.9%	0.8%	10.5%	83.3%	6.2%	9.9%	82.2%	8.0%
France	21.7%	77.1%	1.2%	10.5%	84.9%	4.6%	7.6%	83.3%	9.1%
Italy	27.6%	69.9%	2.5%	12.3%	78.1%	9.6%	21.2%	72.6%	6.1%
Spain	0.8%	97.0%	2.1%	4.6%	93.3%	2.1%	5.8%	91.9%	2.3%
United Kingdom	6.9%	90.2%	2.8%	7.0%	87.4%	5.7%	7.3%	86.5%	6.2%

In light of increased economic uncertainty, several additional sensitivity analyses were conducted. These analyses assessed the impact on risk provisioning resulting from adjustments to various input parameters. Specifically, the probability of default (PD) was multiplied by a factor of 1.15, representing a 15 percent upward or downward shift. A 15 percent increase in PD would result in EUR 17,398k higher risk provisioning, while a 15 percent decrease in PD would reduce risk provisioning by EUR 18,604k. Additionally, the macroeconomic scenario was adjusted by ±20 percent. A 20 percent improvement in the macro scenario would lower risk provisioning by EUR 518k, whereas a 20 percent deterioration would increase it by EUR 516k.

In addition to the risk provisioning calculated under the IFRS 9 model, management adjustments were made for future, difficult-to-quantify or novel risks (so-called novel risks). These adjustments cover, among other things, uncertainties arising from inflation, recession, supply and energy shortages, as well as geopolitical risks. As of the reporting date, these additional management adjustments totalled EUR 22,191k (December 31, 2024: EUR 26,894k. These include an in-model adjustment of EUR 4,772k, which reflects increased economic uncertainty through the adjustment of PD factors. For current lease receivables, PD factors were increased in the base scenario in line with economic uncertainties. In addition, post-model adjustments totalling EUR 17,419k were made, which are also taken into account in the level classification under IFRS 9. These are determined to cover difficult-to-quantify risks based on additional sensitivity analyses. In this context, for current lease receivables, the stability of supply chains and the criticality of energy intensity were aggregated and assessed at the country group level to form a sector evaluation, while for non-performing lease receivables, macroeconomic country-specific factors were specifically increased and included in the calculation. In addition, an expert estimate was used to account for macroeconomic uncertainties due to the growing use of tariffs. As some of the risks associated with recognised adjustments had already partially materialised in the IFRS 9 model, the management adjustments for what is referred to as “novel risks” were reduced by EUR 4,702k compared to December 31, 2024. These adjustments are reviewed on an ongoing basis and updated as needed.

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. Additions since January 1, 2025 amount to 1 percent to 30 percent of the acquisition cost (previous year: 1 percent to 25 percent since January 1, 2024). 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 underlying cash flows for the discounted cash flow method used to measure goodwill 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.

As of the reporting date, the grenke Group examined whether there was any indication of an impairment of recognised goodwill. As of the reporting date, there was no need to recognise an impairment loss on goodwill, also in light of the changes in the measurement parameters and the economic developments of the cash-generating units. The risk-free interest rate relevant for determining recoverability rose to 3.1 percent as of March 31, 2025. During the last scheduled impairment test on October 1, 2024, the risk-free interest rate was still 2.5 percent. Based on total return expectations observed in the market, however, a further reduction in the market risk premium was also noted. As such, the market risk premium declined to 6.25 percent as of March 31, 2025, compared to 6.75 percent on October 1, 2024. Overall, therefore, no material increase in the interest rate level was observed compared to the last scheduled impairment test on October 1, 2024, and thus there were no indications of a potential impairment of goodwill. However, if discount rates were to rise sharply again, this could result in impairment losses affecting profit or loss in future reporting periods. No significant negative developments were identified in the new business growth rates during the detailed planning phase, the ramp-up phase, or the perpetuity growth rate that would lead to an impairment of the recognised 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 2.8 and 12.3 percent (previous year: between 2.3 and 13.6 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 in active markets, they are used to determine fair value without the need for significant judgment, as a functioning (liquid) market must exist in addition to the price.

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, 2024.

4. Lease receivables

The following overview shows the development of lease receivables:

EURk	Mar. 31, 2025	Dec. 31, 2024
Lease receivables from current contracts (performing)	6,633,809	6,492,236
Lease receivables in arrears (non-performing)	20,191	27,854
Lease receivables from terminated contracts (non-performing)	545,105	513,194
Gross lease receivables	**7,199,105**	**7,033,284**
Impairment on performing lease receivables	–155,445	–148,059
Impairment on non-performing lease receivables	–389,789	–368,983
Impairment	**–545,234**	**–517,042**
Carrying amount lease receivables	**6,653,871**	**6,516,242**
thereof current lease receivables	2,264,080	2,594,088
thereof non-current lease receivables	4,389,791	3,922,154

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:

	Mar. 31, 2025				Dec. 31, 2024
EURk	**Level 1**	**Level 2**	**Level 3**	**Total**	**Total**
Gross lease receivables					
Germany	1,259,213	73,844	37,984	1,371,041	1,350,245
France	1,335,519	110,356	139,415	1,585,290	1,537,826
Italy	781,912	63,113	130,711	975,736	954,996
Other countries	2,650,360	252,066	364,612	3,267,038	3,190,217
Total gross lease receivables	**6,027,004**	**499,379**	**672,722**	**7,199,105**	**7,033,284**
Impairment	70,623	60,269	414,342	545,234	517,042
Carrying amount	**5,956,381**	**439,110**	**258,380**	**6,653,871**	**6,516,242**

Gross lease receivables increased by 2.4 percent compared to December 31, 2024, due to new business growth. In addition, impairments rose by 5.5 percent. This was primarily due to higher impairments in Level 2.

	Mar. 31, 2025				Dec. 31, 2024
EURk	**Level 1**	**Level 2**	**Level 3**	**Total**	**Total**
Gross receivables as of Jan. 1, 2025	**5,941,886**	**393,528**	**697,870**	**7,033,284**	**6,176,660**
Newly extended or acquired financial assets	736,490	27,983	258	764,731	3,148,122
Reclassifications					
to Level 1	46,194	−35,718	−10,476	0	0
to Level 2	−184,041	223,497	−39,456	0	0
to Level 3	−12,998	−58,692	71,690	0	0
Mutual contract dissolution or payment for financial assets (without derecognition)	−644,963	−62,324	−24,365	−731,652	−2,758,015
Derecognition of financial assets	−391	−198	−26,372	−26,961	−91,608
Currency translation and other differences	2,949	179	938	4,066	1,977
Interest income	141,878	11,124	2,635	155,637	556,148
Gross receivables as of Mar. 31, 2025	**6,027,004**	**499,379**	**672,722**	**7,199,105**	**7,033,284**

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

	Mar. 31, 2025				Dec. 31, 2024
EURk	**Level 1**	**Level 2**	**Level 3**	**Total**	**Total**
Impairment at start of period	**71,770**	**36,981**	**408,291**	**517,042**	**476,806**
Newly extended or acquired financial assets	10,206	4,568	384	15,158	88,059
Reclassifications					
to Level 1	4,468	–3,467	–1,001	0	0
to Level 2	–3,335	8,712	–5,377	0	0
to Level 3	–207	–11,005	11,212	0	0
Change in risk provision due to change in level	–3,503	22,554	14,705	33,756	77,004
Mutual contract dissolution or payment for financial assets (without derecognition)	–11,068	–1,764	–11,125	–23,957	–64,110
Change in contractual cash flows due to modification (no derecognition)	0	0	0	0	0
Change in risk provision due to change in the processing category of losses	0	0	15,276	15,276	26,063
Change in models/risk parameters used in ECL calculation	–3,585	–162	–656	–4,403	–18,376
Derecognition of financial assets	–4	2	–22,647	–22,649	–74,556
Currency translation and other differences	–126	–33	1,124	965	–5,103
Accrued interest	6,007	3,883	4,156	14,046	11,255
Impairment at end of period	**70,623**	**60,269**	**414,342**	**545,234**	**517,042**
thereof impairment on non-performing lease receivables	0	0	389,789	389,789	368,983
thereof impairment on performing lease receivables	70,623	60,269	24,553	155,445	148,059

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

EURk	Q1 2025	Q1 2024
Payments by lessees	683,708	626,243
Interest and similar income from leasing business	–155,636	–127,634
Additions of lease receivables / net investments	–764,731	–686,293
Subtotal	**–236,659**	**–187,684**
Disposals / reclassifications of lease receivables at residual carrying amounts	47,944	42,118
Change in other receivables from lessees	–6,165	5,025
Non-cash income / expenses	57,251	38,149
Change in lease receivables	**–137,629**	**–102,392**

Non-cash income and expenses include derecognitions totalling EUR 26,960k (Q1 2024: EUR 20,181k), changes in impairments totalling EUR 28,192k (Q1 2024: EUR 6,842k), and currency translation differences of EUR 2,099k (Q1 2024: EUR 11,126k).

5. Financial liabilities

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

EURk	Mar. 31, 2025	Dec. 31, 2024
Current financial liabilities		
Asset-backed	450,248	561,227
Senior unsecured	1,157,791	1,104,417
Committed development loans	14,728	12,995
Liabilities from deposit business	1,526,800	1,518,565
Other bank liabilities	192	1,190
Total current financial liabilities	**3,149,759**	**3,198,394**
Non-current financial liabilities		
Asset-backed	606,278	506,824
Senior unsecured	1,929,877	2,089,837
Committed development loans	4,482	4,618
Liabilities from deposit business	847,747	709,935
Total non-current financial liabilities	**3,388,384**	**3,311,214**
Total financial liabilities	**6,538,143**	**6,509,608**

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	Mar. 31, 2025	Dec. 31, 2024
Programme volume in local currency		
EURk	1,119,296	1,089,452
GBPk	286,364	286,364
Programme volume in EURk	1,462,099	1,434,809
Utilisation in EURk	1,185,606	1,198,332
Carrying amount in EURk	1,027,781	1,038,070
thereof current	434,110	543,955
thereof non-current	593,671	494,115

5.1.2 Sales of receivables agreements

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

EURk	Mar. 31, 2025	Dec. 31, 2024
Programme volume in local currency		
EURk	16,500	16,500
BRLk	210,000	210,000
Programme volume in EURk	50,096	49,183
Utilisation in EURk	34,807	35,362
Carrying amount in EURk	28,745	29,981
thereof current	16,138	17,272
thereof non-current	12,607	12,709

5.2 Senior unsecured financial liabilities

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

EURk	Mar. 31, 2025	Dec. 31, 2024
Bonds	2,294,451	2,625,383
thereof current	565,610	752,742
thereof non-current	1,728,841	1,872,641
Promissory notes	215,659	221,762
thereof current	69,871	38,661
thereof non-current	145,788	183,101
Commercial paper	90,000	60,000
Revolving credit facility	358,393	203,071
thereof current	304,957	170,106
thereof non-current	53,436	32,965
Money market trading	35,000	0
thereof current	35,000	0
Overdrafts	9,031	12,037
Accrued interest	85,134	72,001
thereof current	83,322	70,871
thereof non-current	1,812	1,130

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

EURk	Mar. 31, 2025	Dec. 31, 2024
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 CLPk	15,000,000	0
Revolving credit facility HUFk	800,000	540,000
Revolving credit facility BRLk	406,000	280,000
Money market trading EURk	38,000	38,000

5.2.1 Bonds

No bonds were issued or increased in the first quarter. A bond with a total nominal volume of EUR 328,447k was repaid as scheduled.

5.2.2 Promissory notes

No new promissory notes have been issued so far in the financial year. No scheduled repayments were made.

5.2.3 Commercial paper

Five commercial paper issues, with a total volume of EUR 60,000k, have been issued so far in the financial year. A total of EUR 30,000k 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	Mar. 31, 2025	Dec. 31, 2024
NRW Bank	6,359	7,957
Thüringer Aufbaubank	4,163	1,816
KfW	7,214	7,628
Landeskreditbank Baden-Württemberg	1,399	123
Accrued interest	75	89
Total development loans	**19,210**	**17,613**

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 2025	Q1 2024
Financial liabilities		
Additions of liabilities/ assumption of new liabilities from refinancing	523,110	432,359
Interest expenses from refinancing	47,861	37,208
Payment / repayment of liabilities to refinancers	−682,277	−552,498
Currency translation differences	−5,208	−1,137
Change in liabilities from refinancing	**−116,514**	**−84,068**
Additions / repayment of liabilities from deposit business	133,932	61,890
Interest expenses from deposit business	12,115	8,852
Change in liabilities from deposit business	**146,047**	**70,742**
Change in financial liabilities	**29,533**	**−13,326**

6. Equity

The share capital of grenke AG remains unchanged compared to December 31, 2024, and is divided into 46,495,573 registered shares.

The number of treasury shares remains unchanged compared to December 31, 2024, at 2,317,695 shares, representing 4.98 percent of the share capital. Treasury shares are directly deducted from equity. The shares were repurchased in 2024 for a total volume of EUR 55.6 million. There are currently no further share buyback programmes in place.

Additional information is provided in the table below.

	Number of shares acquired	Average price per share in EUR	Total amount of own shares in EURk
Status as of Jan. 1, 2025	2,317,695	23.97	55,551
Status as of Mar. 31, 2025	**2,317,695**	**23.97**	**55,551**

On January 16, 2025, grenke AG issued an unsecured and subordinated hybrid bond (non-cumulative, perpetual Additional Tier 1, or AT1 bond—also referred to as hybrid capital) with a nominal volume of EUR 200 million and a coupon rate of 8.75 percent. Interest payments on this bond are based on the nominal amount and are fixed for the period from the issue date until the first possible early redemption date. After that, the interest rate is reset every five years. Interest payments may be wholly or partially omitted, are non-cumulative, and at the issuer's discretion. Payments in subsequent years will not be increased to compensate for any missed interest payments in previous years. The bonds do not have a maturity date and are therefore perpetual. grenke AG may redeem the bonds on the first possible early redemption date and thereafter on any interest payment date. The first possible early redemption date is March 31, 2031. Early redemption is also permitted under certain conditions. Bondholders do not have a right of termination. The bonds are subject to the terms set forth in the applicable prospectus, which include, among other things, that grenke AG may only redeem the bonds in full – not in part – if specific regulatory or tax conditions are met. Any early redemption is subject to prior approval from the competent supervisory authority. The redemption amount and nominal value of the bonds may be written down in the event of a trigger event. A trigger event is defined as the grenke Group's Common Equity Tier 1 capital ratio falling below 5.125 percent. Under certain conditions, the bonds may be written up again following such an event.

During the first quarter of the financial year and as part of the new issue in the amount of EUR 200 million, grenke AG repurchased existing AT1 bonds issued on July 22, 2015, September 27, 2017, and December 5, 2019, with a total nominal volume of EUR 183.2 million. The repurchase included accrued interest in each case (see Note 14).

The remaining nominal amount of the still outstanding and not yet redeemed bonds of EUR 16.8 million, which were neither repaid early by mutual agreement nor terminated, pertains to the AT1 bond issued on December 5, 2019.

Transaction costs of EUR 2,392k for the new issue and valuation effects of EUR 1,154k from the repurchase of the previous AT1 bonds were directly recognised in retained earnings.

7. Assets held for sale and related liabilities

As of the March 31, 2025 reporting date, there are no changes to the designation of the disposal group classified in accordance with IFRS 5 compared to the Annual Report as of December 31, 2024. The affected factoring companies in Ireland, the United Kingdom, and Poland continue to be recognised as held for sale. The following sections present the assets and liabilities of the disposal group classified in accordance with IFRS 5.

The key assets within the disposal group are receivables from the factoring business, which are classified as financial assets within the scope of IFRS 9 in accordance with IFRS 5.5(c). As a result, the measurement requirements of IFRS 5 do not apply in this case, and no valuation effects arise.

EURk	Mar. 31, 2025
Assets	
Current assets	
Cash and cash equivalents	4,368
Receivables from factoring business	23,760
Other current assets	47
Total current assets	**28,175**
Property, plant and equipment	29
Right-of-use assets	231
Total non-current assets	**260**
Total assets	**28,435**

The disposal group classified under IFRS 5 also includes liabilities to affiliated companies totalling EUR 21,760k, which were eliminated during the group consolidation. These comprise EUR 21,584k in internal loans and EUR 176k in intercompany clearing balances.

EURk	Mar. 31, 2025
Liabilities	
Current liabilities	
Financial liabilities	4,873
Lease liabilities	129
Trade payables	2,703
Deferred liabilities	85
Other current liabilities	1,614
Total current liabilities	**9,404**
Non-current liabilities	
Lease liabilities	111
Total non-current liabilities	**111**
Total liabilities	**9,515**

8. Disclosures on financial instruments

8.1 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 which 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.

8.2 Fair value of financial instruments

8.2.1 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 of the listed bonds as of the reporting date was EUR 2,294,451k (December 31, 2024: EUR 2,625,383k), while the fair value amounts to EUR 2,334,741k (December 31, 2024: EUR 2,660,939k). All primary financial assets are measured at amortised cost (AC), with the exception of lease receivables, which are measured in accordance with IFRS 16 in conjunction with IFRS 9 (impairment and derecognition), and the other equity investment, which is assigned to the FVtOCI measurement category and therefore measured at fair value. Financial liabilities are likewise measured at amortised cost.

EURk	Fair value Mar. 31, 2025	Carrying amount Mar. 31, 2025	Fair value Dec. 31, 2024	Carrying amount Dec. 31, 2024
Financial assets				
Lease receivables	7,258,726	6,653,871	7,093,264	6,516,242
Other financial assets	187,090	184,072	185,431	181,288
thereof receivables from lending business	117,681	114,663	116,502	112,359
Financial liabilities				
Financial liabilities	6,791,911	6,538,143	6,761,030	6,509,608
thereof refinancing liabilities	4,367,151	4,163,404	4,474,755	4,279,918
thereof liabilities from deposit business	2,424,568	2,374,547	2,285,085	2,228,500

8.2.2 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 Mar. 31, 2025	Fair value Dec. 31, 2024
Financial assets		
Derivative financial instruments with hedging relationship		
Interest rate derivatives	1,244	1,709
Cross-currency swaps	6,260	9,123
Forward exchange derivatives	9,758	5,169
Derivative financial instruments without hedging relationship		
Interest rate derivatives	181	283
Forward exchange derivatives	1,074	1,240
Total	**18,517**	**17,524**
Financial liabilities		
Derivative financial instruments with hedging relationship		
Interest rate derivatives	4,992	5,258
Cross-currency swaps	12,707	12,649
Forward exchange derivatives	8,892	4,103
Derivative financial instruments without hedging relationship		
Interest rate derivatives	542	512
Forward exchange derivatives	2,555	3,652
Total	**29,688**	**26,174**

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 (CDS) with coupons that are observable on the market, or with their own credit risk using what is known as the “add-on method”.

8.3 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	Valuation method	Input factors
Fair value hierarchy Level 1		
Listed bonds	n.a.	In active markets quoted market price 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 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-model Present value of estimated future cash flows	Available interest rates at the end of the term in the traded currencies using the own counterparty risk (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 the own counterparty risk (DVA) or the counterparty's credit risk (CVA) derived from available 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)

9. Revenue from contracts with customers

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

EURk	Q1 2025	Q1 2024
Revenue from contracts with customers (IFRS 15)		
Gross revenue from service and protection business (service business)	40,127	36,353
Service fee for making lease assets available for use	2,343	2,405
Revenue from reminder fees (leasing)	547	407
Revenue from reminder fees (factoring)	4	4
Other revenue from lessees	309	233
Disposal of lease assets	62,144	47,151
Commission income from banking business	214	166
Total	**105,688**	**86,719**

10. Revenue from contracts with customers and other revenue

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

EURk	Q1 2025	Q1 2024
Revenue from contracts with customers (IFRS 15)	**105,688**	**86,719**
Other revenue (IFRS 9, IFRS 16)		
Interest and similar income from financing business	159,816	132,138
Revenue from operating leases	5,902	5,938
Portions of revenue from lease down payments	3,291	2,895
Total	**274,697**	**227,690**

11. Income taxes

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

EURk	Q1 2025	Q1 2024
Current taxes	5,698	6,561
Corporate and trade taxes (Germany)	–57	750
International income taxes	5,755	5,811
Deferred taxes	–2,695	–1,452
Germany	–6,239	–3,605
International	3,544	2,153
Total	**3,003**	**5,109**

12. Group segment reporting

EURk	DACH region	Western Europe (without DACH)	Southern Europe	Northern/ Eastern Europe	Other Regions	Reconciliation	Consolidated Group
January to March 2025							
External operating income	25,494	44,611	35,648	30,357	14,478	4,398	154,986
of which interest income	15,059	26,921	21,990	20,888	10,368	4,614	99,840
of which interest from financing business	29,725	44,001	35,511	32,631	13,810	4,138	159,816
of which expenses from interest on refinancing	−14,665	−17,081	−13,521	−11,743	−3,442	476	−59,976
Operating expenses							
Staff costs	−11,114	−11,279	−10,659	−11,399	−4,462	−2,942	−51,855
Selling and administrative expenses	−6,141	−5,674	−7,049	−6,363	−3,344	−1,608	−30,179
Depreciation / amortisation	−900	−1,405	−1,419	−1,381	−564	−266	−5,935
Result from settlement of claims and risk provision	−5,933	−17,420	−7,641	−10,393	−5,918	−285	−47,590
Segment result	**1,406**	**8,833**	**8,880**	**821**	**190**	**−703**	**19,427**
Reconciliation to the consolidated income statement							
Impairment of goodwill	0	0	0	0	0	0	0
Other operating result						−5,422	−5,422
OPERATING RESULT							**14,005**
Contribution margin 2 (CM2) on leasing new business	**24,225**	**36,622**	**32,361**	**26,507**	**10,573**	**0**	**130,288**
As of Mar. 31, 2025							
Segment assets	1,868,382	2,088,652	1,736,622	1,372,000	407,986	795,895	8,269,537
of which lease receivables	1,614,208	1,880,032	1,488,218	1,292,568	378,845	0	6,653,871
Segment liabilities	1,509,384	1,771,007	1,318,415	1,229,813	425,338	657,485	6,911,442

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

EURk	DACH region	Western Europe (without DACH)	Southern Europe	Northern/ Eastern Europe	Other Regions	Transition	Consolidated Group
January to March 2024							
External operating income	21,649	41,937	30,106	24,691	11,243	3,279	132,905
of which interest income	14,496	23,509	20,438	16,400	7,705	3,530	86,078
of which interest from financing business	25,787	36,368	30,778	24,590	10,111	4,504	132,138
of which expenses from interest on refinancing	−11,292	−12,859	−10,340	−8,190	−2,406	−973	−46,060
Operating expenses							
Staff costs	−10,043	−9,687	−9,974	−10,115	−3,955	−3,022	−46,796
Selling and administrative expenses	−4,822	−4,627	−5,922	−5,045	−2,202	−1,523	−24,141
Depreciation / amortisation	−969	−1,347	−1,662	−1,398	−648	−229	−6,253
Result from settlement of claims and risk provision	845	−11,170	−8,675	−4,483	−3,945	686	−26,742
Segment result	**6,661**	**15,106**	**3,875**	**3,650**	**493**	**−812**	**28,973**
Reconciliation to the consolidated income statement							
Impairment of goodwill	0	0	0	0	0	0	0
Other operating result						−4,075	−4,075
OPERATING RESULT							**24,898**
Contribution margin 2 (CM2) on leasing new business	**18,776**	**33,057**	**27,335**	**24,443**	**9,049**	**0**	**112,660**
As of Dec. 31, 2024							
Segment assets	1,839,187	1,995,761	1,698,417	1,344,895	397,834	872,462	8,148,556
of which lease receivables	1,599,596	1,828,022	1,459,499	1,260,126	368,999	0	6,516,242
Segment liabilities	1,463,104	1,689,141	1,298,398	1,207,388	417,963	725,884	6,801,878

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

12.1 Description of reportable segments

The grenke Group's segment reporting reflects the dominant organisational structure of the Group and is based on the management approach.

Segment information supports the decision-making of the Board of Directors of grenke AG by providing a basis for evaluating segment performance and allocating resources accordingly.

In line with the reporting structure for leasing new business, the Group's leasing operations are divided into the following five geographic segments, reflecting the different economic, regulatory, and cultural conditions in each market:

// DACH (Austria, Germany, Switzerland)

// Western Europe (without DACH) (Belgium, France, Luxembourg, Netherlands)

// Southern Europe (Italy, Croatia, Malta, Portugal, Slovenia, Spain)

// Northern/Eastern Europe (Denmark, Finland, United Kingdom, Ireland, Latvia, Norway, Poland, Romania, Sweden, Slovakia, Czechia, Hungary)

// Other Regions (Australia, Brazil, Chile, Canada, Singapore, Turkey, USA, UAE)

All segments contain all of the activities that are related to the Consolidated 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.

The "Reconciliation" column includes operating income and expenses from the refinancing and factoring units, as well as the elimination of intercompany transactions between segments. Separate financial information is available for each operating segment, based on both external and internal accounting data.

12.2 Segment data

The accounting policies employed to gather segment information are the same as those used for the 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.

Growth in leasing new business (total acquisition costs of newly acquired leased assets) and contribution margin 2 (CM2), a key indicator of the future profitability of new business, have been defined as the primary performance metrics. The performance components of the segments are detailed in the Group management report.

Additional performance metrics include external operating income and operating expenses. Operating income comprises net interest income, profit from service business, profit from new business, and gains or losses from disposals. Net interest income, as a key performance measure, is shown separately and further broken down into interest income from the financing activities and interest expense from refinancing. Operating expenses consist of staff costs, selling and administrative expenses, and depreciation and amortisation. These items are allocated to the respective segments based on internal cost accounting and the number of leasing employees per country. The result from the settlement of claims and risk provision is also included in the segment result. The items "result from investments accounted for using the equity method," "result from fair value measurement," "other interest result," and "income taxes" are reported in the consolidated income statement and are not part of the segment result.

Segment assets include the assets required for operations. Segment liabilities represent the attributable liabilities.

Segment assets and liabilities do not include tax items.

13. Changes in the scope of consolidation in the 2025 financial year

In the first quarter of the 2025 financial year, there were no changes to the scope of consolidation.

14. Payments to hybrid capital holders

As part of the repurchase of AT1 bonds issued on July 22, 2015, September 27, 2017, and December 5, 2019 with a total nominal volume of EUR 183.2 million, grenke AG made coupon payments of EUR 5,948k on January 20, 2025 (March 28, 2024: EUR 7,360k) and EUR 6,726k on March 31, 2025 (March 28, 2024: EUR 6,726k) to holders of hybrid capital.

In addition, scheduled coupon payments were made on March 31, 2025 totalling EUR 903k for the remaining nominal volume (EUR 16.8 million) of the AT1 bond issued on December 5, 2019 (March 28, 2024: EUR 903k), and EUR 3,548k for the AT1 bond newly issued on January 16, 2025 (total volume EUR 200 million).

These distributions are recognised directly in equity not affecting profit or loss.

15. Related party disclosures

The Supervisory Board of grenke AG has entered into a phantom stock agreement with all current members of the Board of Directors. No payments under these agreements were made in the current financial year (Q1 2024: EUR 271k).

As of March 31, 2025, the value of all existing phantom stock agreements amounted to EUR 17k (December 31, 2024: EUR 5k). The expenses are recognised in the income statement under staff costs and reported under variable compensation components.

Transactions with associated companies and subsidiaries

Transactions between grenke AG and its subsidiaries qualify as related third-party transactions. If such transactions are eliminated during the consolidation process, no disclosure is required. Transactions between the grenke Group and associated companies must be disclosed as related third-party transactions.

As of the reporting date, there was a receivable from an associated company related to a convertible loan, including accrued interest, amounting to EUR 750k (December 31, 2024: EUR 769k). No interest income was generated from this in the current financial year (Q1 2024: EUR 0k).

As of the reporting date, the Group had liabilities to associated companies totalling EUR 9k (December 31, 2024: EUR 0k), arising from the acquisition of leased assets and commission payments. Expenses of EUR 306k (Q1 2024: EUR 11k) were incurred with associated companies in connection with the acquisition of leased assets and commission payments, which are capitalised in the consolidated financial statements under lease receivables.

There were no disclosable transactions with subsidiaries as of either March 31, 2025 or December 31, 2024.

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 March 31, 2025 reporting date, grenke Bank AG had deposits and current account balances of EUR 138k (December 31, 2024: EUR 135k) from key management personnel and related parties. The related interest expense totalled EUR 3k (Q1 2024: EUR 3k).

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.

Current accounts exist with other related parties. As of the reporting date, EUR 862k (December 31, 2024: EUR 856k) of the available EUR 880k (December 31, 2024: EUR 840k) credit line had been utilised. Impairment of EUR 391k (December 31, 2024: EUR 388k) was recognised for these receivables. In the current financial year, this resulted in impairment expenses of EUR 3k (Q1 2024: EUR – 15k).

Interest income of EUR 8k was recognised (Q1 2024: EUR 8k). Income of EUR 1k (Q1 2024: EUR 1k) from other related parties resulted from lease agreements and employee loans. Additionally, receivables from other related parties – primarily from collateral payments – amounted to EUR 3,989k as of March 31, 2025 (December 31, 2024: EUR 3,988k).

16. Contingent liabilities

Irrevocable loan commitments amounted to EUR 2,316k (December 31, 2024: EUR 6,968k) and resulted from the lending business; they include unused fixed-term overdraft lines and undrawn loan commitments and relate to the risk concentration country Germany. The amount also represents the maximum credit risk.

Beyond this, there were no significant changes in contingent liabilities as of the reporting date compared to December 31, 2024.

17. Personnel

During the interim reporting period, the grenke Group had an average headcount of 2,402 employees (excluding the Board of Directors) (Q1 2024: 2,254). An additional 93 employees (Q1 2024: 72) were in vocational training.

18. Subsequent events

On April 2, 2025, grenke AG announced that the Supervisory Board had appointed Isabel Tufet Bayona as the new Chief Operating Officer (COO), effective September 1, 2025. Her responsibilities will include the entire back office operations, including the Credit Center, internal control functions such as risk management, compliance, anti-money laundering, information security, data protection, and human resources.

On April 2, 2025, grenke entered into an agreement with Swiss-based Teylor AG for the phased acquisition of its factoring business (“Signing”). The transition of the individual local subsidiaries from grenke to Teylor (“Closing”) is expected to be completed by mid-2026. In the 2025 financial year, three of the seven companies are scheduled to be transferred. Standard closing conditions will apply until each transaction is fully completed. On April 9, 2025, the closing for the first local subsidiary was completed. In this context, grenke AG legally transferred 100 percent of the shares in its Polish factoring subsidiary, GC Faktoring Polska Sp. z o.o.

On April 17, 2025, the Supervisory Board of grenke AG approved the winding-down of the factoring company in Switzerland (GRENKE-FACTORING AG). The Swiss factoring company is not part of the acquisition agreement with Teylor AG.

Due to the rising use of tariffs and heightened macroeconomic uncertainty, the International Monetary Fund (IMF) significantly downgraded its economic forecast on April 22, 2025. The global growth forecast for 2025 was reduced by 0.5 percentage points to 2.8 percent, compared to the January projection. The IMF now expects zero growth for Germany in 2025.

Given the lack of predictability regarding future political decisions in the area of trade and tariffs and the resulting macroeconomic consequences, a reliable estimate of the financial impact – particularly in the area of settlement of claims and risk provision – remains subject to significant uncertainty. As grenke AG stated in its announcement dated April 29, 2025, the forecast for the 2025 financial year nevertheless remains unchanged.

On May 2, 2025, the competent antitrust authority approved the strategic partnership between grenke AG and INTESA SANPAOLO S.p.A. (ISP).

On May 7, 2025, grenke AG held its ordinary Annual General Meeting. Shareholders approved the distribution of a dividend of EUR 0.40 per share (previous year: EUR 0.47) based on the dividend-entitled share capital as of the date of the meeting.

No other material 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, 2025 to March 31, 2025, 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, May 13, 2025

BDO AG
Wirtschaftsprüfungsgesellschaft

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

Calendar of events

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 Q3 and Q1 – Q3 2025

Imprint

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Disclaimer

The figures in this quarterly statement are generally presented in EURk and EUR millions. Rounding differences may occur in individual figures compared to the actual EUR amounts, which, by their nature, cannot be significant.

The financial report is published in German and English. The German version is always authoritative.

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