

Group key figures

	Unit	Q2 2024	Q2 2023	Change (%)	Q1–Q2 2024	Q1–Q2 2023	Change (%)
Leasing new business	EURk	790'264	650'343	21.5	1'460'079	1'260'498	15.8
DACH	EURk	182'690	164'451	11.1	321'326	307'502	4.5
Western Europe (without DACH)	EURk	197'160	171'043	15.3	384'569	332'879	15.5
Southern Europe	EURk	197'333	146'872	34.4	364'661	297'229	22.7
Northern/Eastern Europe	EURk	164'550	131'338	25.3	299'502	254'772	17.6
Other regions	EURk	48'532	36'640	32.5	90'021	68'116	32.2
Contributions margin 2 (CM2) on leasing new business	EURk	130'922	109'675	19.4	243'582	211'689	15.1
DACH	EURk	23'977	21'739	10.3	42'754	39'618	7.9
Western Europe (without DACH)	EURk	34'200	29'979	14.1	67'257	58'718	14.5
Southern Europe	EURk	32'816	26'616	23.3	60'151	53'022	13.4
Northern/Eastern Europe	EURk	29'245	23'847	22.6	53'688	46'264	16.0
Other regions	EURk	10'684	7'494	42.6	19'733	14'068	40.3
Further information Leasing							
Number of new contracts	units	86'608	78'599	10.2	159'084	148'075	7.4
Mean acquisition value	EUR	9'125	8'274	10.3	9'178	8'513	7.8
Mean term of contract per end of period	months	48.7	48.2	1.1	49.1	48.6	1.1
Volume of leased assets per end of period	EURm	9'703	9'215	5.3	9'703	9'215	5.3
Number of current contracts per end of period	units	1'070'805	1'035'204	3.4	1'070'805	1'035'204	3.4
Factoring new business	EURk	228'680	205'414	11.3	441'620	397'408	11.1
DACH	EURk	73'562	76'522	-3.9	146'211	149'687	-2.3
Southern Europe	EURk	60'408	43'788	38.0	108'898	80'742	34.9
Northern/Eastern Europe	EURk	94'710	85'104	11.3	186'511	166'979	11.7
grenke Bank							
SME lending business new business incl. microcredit business	EURk	8'998	10'972	-18.0	17'726	23'794	-25.5

Regions Leasing:

DACH: Germany, Austria, Switzerland

Western Europe (without DACH): Belgium, France, Luxembourg, the Netherlands

Southern Europe: Croatia, Italy, Malta, Portugal, Slovenia, Spain

Northern/Eastern Europe: Denmark, Finland, Ireland, Latvia, Norway, Sweden, UK, Czechia, Hungary, Poland, Romania,

Slovakia

Other regions: Australia, Brazil, Canada, Chile, Turkey, UAE, USA

Regions Factoring:

DACH: Germany, Switzerland

Southern Europe: Italy, Portugal

Northern/Eastern Europe: Ireland, Hungary, Poland, UK

Consolidated franchise companies:

Leasing: Canada (3x), Chile, Latvia

	Unit	Q2 2024	Q2 2023	Change (%)	Q1–Q2 2024	Q1–Q2 2023	Change (%)
Income Statement							
Interest and similar income from financing business	EURk	140'277	113'567	23.5	272'415	222'068	22.7
Expenses from interest on refinancing including deposit business	EURk	49'855	29'536	68.8	95'915	54'035	77.5
Settlement of claims and risk provision	EURk	28'301	21'447	32.0	55'043	47'887	14.9
Total operating expenses	EURk	82'016	77'671	5.6	159'206	149'688	6.4
Operating result	EURk	33'444	28'576	17.0	58'342	52'402	11.3
Group earnings before taxes	EURk	32'660	31'305	4.3	57'576	51'776	11.2
Group earnings	EURk	25'167	24'540	2.6	44'974	40'399	11.3
Group earnings attributable to ordinary shareholders	EURk	26'402	25'510	3.5	36'824	34'528	6.6
Group earnings attributable to hybrid capital holders	EURk	0	0	n.a.	10'498	9'068	15.8
Group earnings attributable to non-controlling interests	EURk	-1'235	-970	-27.3	-2'348	-3'197	26.6
Earnings per share (basic and diluted)	EUR	0.58	0.55	5.5	0.80	0.74	8.1
Return on equity before tax	percent	9.7	9.5	0.2 pp	8.5	7.8	0.7 pp
Cost-income ratio	percent	56.3	59.5	-3.2 pp	57.1	58.3	-1.2 pp
Staff costs	EURk	48'114	43'979	9.4	94'910	85'268	11.3
of which total remuneration	EURk	38'991	36'039	8.2	76'926	69'690	10.4
of which fixed remuneration	EURk	33'542	30'873	8.6	66'783	60'249	10.8
of which variable remuneration	EURk	5'449	5'166	5.5	10'143	9'441	7.4
Average number of employees in full-time equivalents (FTEs)	employees	2'180	2'052	6.2	2'169	2'023	7.2

	Unit	Jun. 30, 2024	Dec. 31, 2023	Change (%)
Statement of Financial Position				
Total assets	EURm	7'331	7'100	3.3
Lease receivables	EURm	6'055	5'700	6.2
Deposit volume grenke Bank	EURm	1'655	1'617	2.4
Equity pursuant to statement of financial position*	EURm	1'340	1'355	-1.1
Equity pursuant to CRR	EURm	1'159	1'182	-1.9
Equity ratio	percent	18.3	19.1	-0.8 pp
Embedded value, leasing contract portfolio (excl. equity before taxes)	EURm	511	484	5.6
Embedded value, leasing contract portfolio (incl. equity after taxes)	EURm	1'695	1'689	0.4

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

Key figures Q2 2024:

Group earnings

25.2 EUR million

Earnings per share

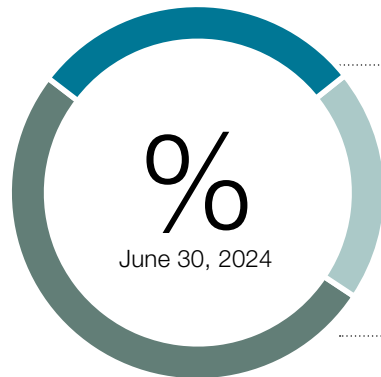
0.58 EUR

Equity ratio

18.3 percent

Refinancing base:

Three pillars: grenke Group's refinancing mix

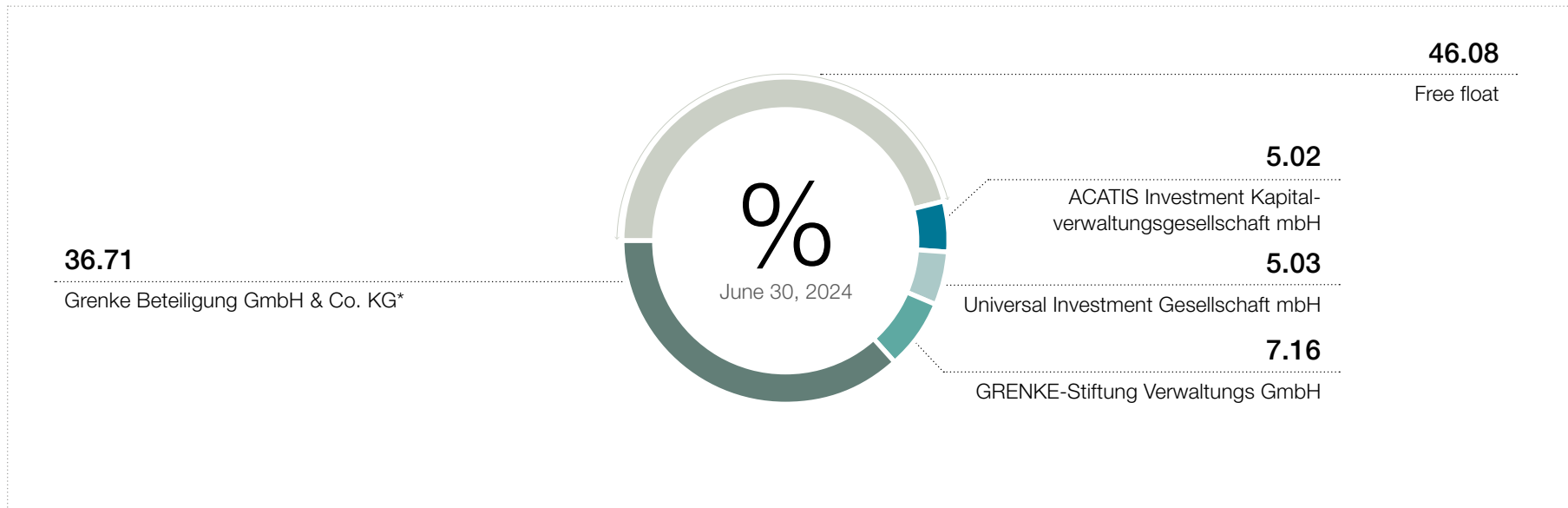


grenke Bank: 29

Asset-based: 20

Senior unsecured: 51

Shareholder structure:



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

In addition to Grenke GmbH & Co. KG, this chart shows other shareholders with a share of more than 3 percent according to the respective voting rights announcement and who are attributed to the free float according to the definition of Deutsche Börse.

Free float, pursuant to section 2.3 of the "Guide to the Equity Indices of Deutsche Börse AG".

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

Contents

Group key figures	2	6. Equity	47
Interim Group Management Report	7	7. Disclosures on financial instruments	48
1. Consolidated Group principles	7	8. Revenue from contracts with customers	52
2. Economic report	8	9. Income and other revenue	52
3. Related party disclosures	24	10. Income taxes	52
4. Report on risks, opportunities and forecasts	25	11. Group segment reporting	53
Condensed interim consolidated financial statements	28	12. Changes in the scope of consolidation in the 2024 financial year	55
Consolidated income statement	28	13. Payments to hybrid capital holders	55
Consolidated statement of comprehensive income	29	14. Related party disclosures	55
Consolidated statement of financial position	30	15. Contingent liabilities	56
Consolidated statement of cash flows	32	16. Employees	56
Consolidated statement of changes in equity	34	17. Subsequent events	56
Notes to the condensed interim consolidated financial statements	35	Responsibility Statement	57
1. General information	35	Review Report	58
2. Accounting policies	35	Calendar of events	59
3. Use of assumptions and estimates	37	Imprint	60
4. Lease receivables	41	Information and Contact.....	60
5. Financial liabilities.....	45	Imprint	60

Interim Group Management Report

1. Consolidated Group principles

1.1 Overview of grenke

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

1.2 Business model

In our leasing business, we focus primarily on small tickets, defined as contracts for financed objects with an acquisition value of less than EUR 50k. In the first half-year of 2024, this category accounted for over 95 percent of all our lease contracts. The contracts in the first half-year of 2024 had an average volume of around EUR 9.2k. Our leasing portfolio focuses on the areas of IT and office communication products. In recent years, we have expanded our business model to include other product groups, such as small machinery and systems, medical and security devices, and green economy objects such as wall boxes, photovoltaic systems, and eBikes.

As of June 30, 2024, we were operating in 131 locations across 33 countries worldwide. In the first half-year of 2024, we generated 93.8 percent of our leasing new business in Europe, where we

operate in almost every country. Our core markets are Germany, France, and Italy. In addition, we are steadily expanding our presence outside of Europe by entering the Australian and North and South American markets.

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

1.3 Segments

We offer financial services for SMEs in the segments Leasing, Factoring, and Banking. For a description of our business activities and the development of the segments during the reporting period, please refer to the comments in Chapter 2.4.3 "Segment development" and the explanations in Chapter 11 "Group segment reporting" contained in the notes to the condensed interim consolidated

financial statements. Due to the intended sale of the factoring companies, we are currently reevaluating the composition of the segments.

1.4 Shareholder structure

As a medium-sized family business, our major shareholder is Grenke Beteiligung GmbH & Co. KG, which is owned by Anneliese Grenke, the Company founder Wolfgang Grenke, and their three adult sons. As of June 30, 2024, Grenke Beteiligung GmbH & Co. KG held 36.71 percent of the Company's shares. The GRENKE-Stiftung Verwaltungs GmbH held 7.16 percent. As of the publication date stated in the respective voting rights notification, the following shareholders owned a share in excess of 3 percent: ACATIS Investment Kapitalverwaltungsgesellschaft mbH (5.02 percent) and Universal Investment Gesellschaft mbH (5.03 percent). The free float, consisting of shareholders who own less than 5 percent in accordance with the definition of the Deutsche Börse, amounted to 46.08 percent. The proportion of shares held by the Board of Directors and Supervisory Board as of the reporting date was around 0.13 percent. Through the share buyback programme, we had repurchased 2.18 percent of the outstanding shares by the end of the second quarter.

1.5 Targets and strategy

As a leading partner for small and medium-sized enterprises, we strive for our services to significantly contribute to realising essential invest-

ments through our leasing solutions. Our goal is to become a global leader in the small-ticket segment. Based on our growth strategy and the current economic forecasts, leasing new business of at least EUR 3.0 billion should be achieved in the 2024 financial year. Achieving this would mark the first time in grenke AG's history that leasing new business of this magnitude would be realised and would set the stage for further growth. As previously communicated in August 2023, this forecast is based on the assumption that leasing new business will reach a volume of EUR 3.0 billion to EUR 3.2 billion.

The Board of Directors also expects Group earnings for 2024 in the range of EUR 95 million to EUR 115 million. Taking into account the current share buyback programme, the equity ratio at the end of the 2024 financial year is expected to exceed the 16 percent target.

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

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

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

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

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

2. Economic report

- // Leasing new business grows 21.5 percent year-on-year to a record high of EUR 790.3 million in the second quarter of 2024
- // Contribution margin 2 increases to EUR 130.9 million
- // CM2 margin reaches 16.6 percent
- // Group earnings amount to EUR 25.2 million
- // Loss rate equals 1.2 percent
- // Cost-income ratio improves to 56.3 percent
- // Equity ratio, at 18.3 percent, continues to surpass the self-set target of 16 percent

2.1 Significant events and transactions

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

On February 6, 2024, we announced that, with the approval of the Supervisory Board, the Board of Directors of grenke AG had decided to carry out a share buyback programme. The German Federal Financial Supervisory Authority (BaFin) had previously approved the programme (see ad hoc disclosure dated November 21, 2023). As part of the programme, a maximum of 2,317,695 shares valued at up to EUR 70 million (excluding ancillary costs) are to be acquired via the stock exchange. This amount corresponds to 5 percent of the Company's existing share capital at the time of the authorisation resolution of the Annual General Meeting on August 6, 2020. The share buyback programme was launched on February 12, 2024. As of the June 30, 2024 reporting date, a total of 1,013,194 shares had been repurchased, representing a volume of EUR 22.4 million. The average price per share was EUR 22.1.

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

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

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

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

2.2 Macroeconomic environment

In June 2024, the European Central Bank (ECB) made its first interest rate move and reduced key interest rates by 0.25 percentage points, following a pause that had started in September 2023. By the end of the second quarter of 2024, the main refinancing rate was 4.25 percent, and the deposit rate for banks, which sets the trend for the financial markets, stood at 3.75 percent. The annual inflation rate in the eurozone was estimated at 2.5 percent in June 2024, compared to 2.6 percent in May and 2.4 percent in April 2024, showing no rapid move of the inflation rate towards the ECB's target of 2 percent in the second quarter of this year. According to the ECB's assessment, inflation is likely to remain above the target level going into the coming year. Based on this assessment, the ECB undertook no further reduction in key interest rates at its meeting on July 18, 2024.

According to a preliminary estimate by Eurostat, gross domestic product (GDP) growth in the second quarter of 2024 was 0.6 percent compared to the same prior-year quarter, slightly surpassing the 0.5 percent growth recorded in the first quarter of 2024. Spain achieved the strongest growth with a 2.9 percent increase in the second quarter of 2024, while Germany experienced a minimal contraction of 0.1 percent year-over-year. France and Italy, which are also significant markets for us, recorded above-average growth rates of 1.1 and 0.9 percent, respectively, during this period.

The euro area's Manufacturing Purchasing Managers' Index was 2.5 points higher year-on-year and stood at 45.8 points in June 2024 (June 2023: 43.3 points). This was almost unchanged compared to 46.1 points at the previous quarter's end in March 2024. The index is derived from a monthly

survey of purchasing managers in the manufacturing sector about incoming orders, production, employment, deliveries received and inventory levels.

The ifo Business Climate Index for Germany summarises companies' assessments of their current business situation and expectations for development over the subsequent six months. The index stood at 88.6 points in June 2024, which was precisely the level at the same time in the prior year (June 2023: 88.6 points) and slightly higher than the level of 87.9 points in March 2024. The companies surveyed assessed their current business situation compared to the same prior-year month as much more negative, while their expectations for the coming six months were considerably better.

In the initial months of 2024, corporate insolvencies in Germany were generally at a higher level. The Leibniz Institute for Economic Research in Halle estimates that insolvencies increased 35.1 percent year-on-year in the first half of 2024. In contrast, Eurostat's latest available data for the first quarter of 2024 indicated a 0.8 percent decrease in corporate insolvencies for the European Union compared to the historical peak in the fourth quarter of 2023.

2.3 New business

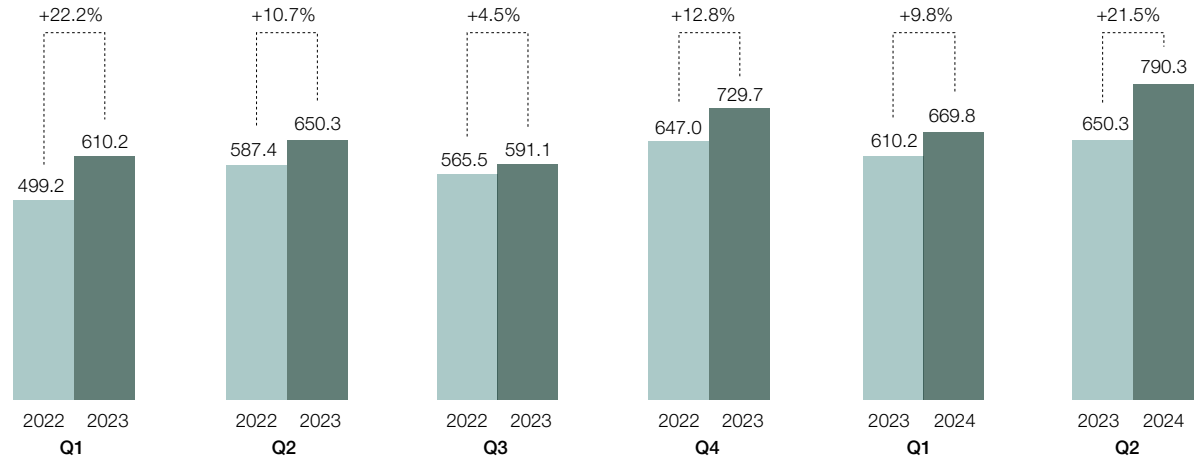
2.3.1 Leasing

In the second quarter of 2024, we achieved leasing new business of EUR 790.3 million (Q2 2023: EUR 650.3 million). Recording a year-on-year growth rate of 21.5 percent, this marked our strongest level of leasing new business since our inception. Leasing new business comprises the acquisition costs of newly acquired lease objects. With a cumulative EUR 1,460.1 million in leasing new business in the first half of 2024, we have reached an interim milestone towards meeting our guidance of EUR 3.0 billion to EUR 3.2 billion for full-year 2024.

In the second quarter of 2024, demand for leasing increased compared to the same prior-year quarter. An unchanged elevated interest rate level compared to the years prior to 2023 generally means that loans become more expensive for businesses and banks adopt more restrictive lending practices. Consequently, financing via loans becomes less attractive compared to leasing. Lease instalments are set at the time of investing when the contract is concluded, which gives our SMEs a reliable basis for calculation in times of rising interest rates.

Leasing new business since Q1 2022

in EUR million



We continued to expand our international reseller network, and by the end of the second quarter of 2024, we were working with over 37,000 reseller partners (Q2 2023: approximately 34,700 resellers) in the more than 30 countries where we operate.

In the second quarter, Southern Europe was the strongest region, with growth of 34.4 percent to EUR 197.3 million. This region accounted for 25 percent of the total leasing new business. Italy was the growth driver in the region, growing 47.8 percent and representing 57 percent of the total volume in this region.

Not far behind was the Western Europe region (without DACH), with a 24.9 percent share of leasing new business and a volume of EUR 197.2 million. This figure represents year-on-year growth of 15.3 percent, up from EUR 171.0 million in the same prior-year quarter.

The DACH region came in third, with an increase of 11.1 percent in leasing new business, reaching EUR 182.7 million. Germany played a significant role in this region's performance, contributing 78 percent of leasing new business.

The Northern/Eastern Europe region grew by 25.3 percent, reaching a volume of EUR 164.6 million. Denmark and Romania performed particularly well, with new business increasing by 52.8 percent and 38.5 percent, respectively. Other regions experienced growth of 32.5 percent, reaching EUR 48.5 million. This category includes future markets such as the USA, Canada, and Australia.

Leasing new business

EURm	Q2 2024	Q2 2023	Change (%)	Q1 – Q2 2024	Q1 – Q2 2023	Change (%)
Leasing new business	790.3	650.3	21.5	1'460.1	1'260.5	15.8
DACH	182.7	164.5	11.1	321.3	307.5	4.5
Western Europe (without DACH)	197.2	171.0	15.3	384.6	332.9	15.5
Southern Europe	197.3	146.9	34.4	364.7	297.2	22.7
Northern/Eastern Europe	164.6	131.3	25.3	299.5	254.8	17.6
Other regions	48.5	36.6	32.5	90.0	68.1	32.2

Regions:

DACH: Germany, Austria, Switzerland

Western Europe (without DACH): Belgium, France, Luxembourg, the Netherlands

Southern Europe: Croatia, Italy, Malta, Portugal, Slovenia, Spain

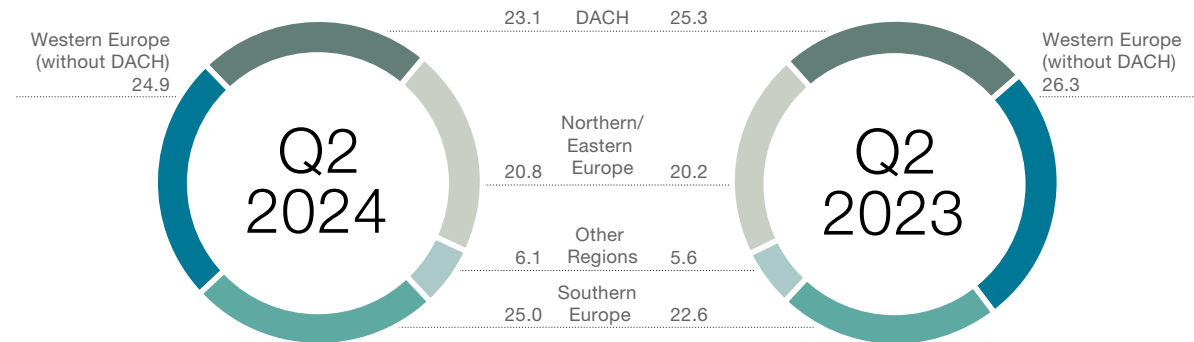
Northern/Eastern Europe: Denmark, Finland, Ireland, Latvia, Norway, Sweden, Czechia, Hungary, Poland, Romania, Slovakia, UK*

Other Regions: Australia, Brazil, Canada, Chile*, Turkey, UAE, USA*

** Consolidated franchise companies for which the acquisition of shares is still outstanding as of June 30, 2024*

Share of leasing new business by region

in percent



The contribution margin 2 (CM2), an indicator of the future profitability of new business, improved 19.4 percent year-on-year in the second quarter of 2024 and reached EUR 130.9 million. The Western Europe region (without DACH) contributed EUR 34.2 million, or 26 percent, to this figure, followed by Southern Europe with EUR 32.8 million (25 percent), and Northern/Eastern Europe with EUR 29.2 million (22 percent).

Contribution margins in leasing new business

EUR million	Q2 2024	Q2 2023	Change (%)	Q1 – Q2 2024	Q1 – Q2 2023	Change (%)
CM1	86.5	65.8	31.4	157.4	124.8	26.1
CM2	130.9	109.7	19.4	243.6	211.7	15.1
DACH	24.0	21.7	10.3	42.8	39.6	7.9
Western Europe (without DACH)	34.2	30.0	14.1	67.3	58.7	14.5
Southern Europe	32.8	26.6	23.3	60.2	53.0	13.4
Northern/Eastern Europe	29.2	23.8	22.6	53.7	46.3	16.0
Other regions	10.7	7.5	42.6	19.7	14.1	40.3

In a year-on-year comparison, the CM2 margin remained stable at 16.6 percent (Q2 2023: 16.9 percent), meeting the 2024 target of slightly over 16.5 percent. The CM2 margin measures the future profitability of each euro invested in leasing new business. The Southern Europe region, the largest by volume, reported a margin of 16.6 percent, in line with the overall average. The Western Europe and Northern/Eastern Europe regions exceeded the average with margins of 17.5 percent and 17.8 percent, respectively. The DACH region in contrast contributed less to the margin at 13.1 percent. Other regions recorded the highest margin at 22 percent.

The contribution margin 1 (CM1) for leasing new business was 10.9 percent in the second quarter of 2024, up 0.8 percentage points compared to the same prior-year quarter.

CM margins in leasing new business

Percent	Q2 2024	Q2 2023	Change (pp)	Q1 – Q2 2024	Q1 – Q2 2023	Change (pp)
CM1 margin	10.9	10.1	0.8	10.8	9.9	0.9
CM2 margin	16.6	16.9	-0.3	16.7	16.8	-0.1
DACH	13.1	13.2	-0.1	13.3	12.9	0.4
Western Europe (without DACH)	17.5	17.6	-0.1	17.6	17.8	-0.2
Southern Europe	16.6	18.1	-1.5	16.5	17.8	-1.3
Northern / Eastern Europe	17.8	18.2	-0.4	17.9	18.2	-0.3
Other regions	22.0	20.5	1.5	21.9	20.7	1.2

The percentage margins achieved on lease contracts differ according to ticket size. Contracts with a net acquisition value of less than EUR 50k tend to be concluded with higher margins. In the second quarter of 2024, we generated a CM2 margin of 17.1 percent on contracts with a net acquisition value of less than EUR 50k compared to a CM2 margin of 15.1 percent on larger contracts (net acquisition value greater than EUR 50k). It is also important however to look at the absolute contribution margins. At EUR 33.2 million, larger contracts represented 25.3 percent of the total contribution margin, despite this contract group representing only 2.6 percent of all contracts concluded.

In the reporting quarter, we saw growing demand globally, indicating that leasing continues to be a popular option internationally for financing investments and optimising liquidity. We received approximately 167,000 lease applications in the second quarter of 2024, an increase of 11.5 percent compared to the 150,000 applications in the same prior-year quarter. The conversion rate remained stable year-on-year at 51.9 percent, resulting in approximately 87,000 new lease contracts. The

average ticket size increased 10.3 percent to EUR 9,125, remaining within the defined target range, which prescribes a focus on small tickets with an average ticket size of less than EUR 10,000 for 2024 as a whole. The proportion of contracts processed entirely digitally via the eSignature process rose by 2.3 percentage points to 39.6 percent compared to the same prior-year quarter. The direct customer business as a share of the total leasing new business remained almost unchanged at 17.1 percent (Q2 2023: 17.0 percent).

Lease applications and contracts

	Unit	Q2 2024	Q2 2023	Change	Q1 – Q2 2024	Q1 – Q2 2023	Change
Leasing applications	units	166'786	149'568	11.5%	326'718	301'803	8.3%
Leasing contracts	units	86'608	78'599	10.2%	159'084	148'075	7.4%
Conversion rate	percent	51.9	52.6	–0.7 pp	48.7	49.1	–0.4 pp
Average NAV	EUR	9'125	8'274	10.3%	9'178	8'513	7.8%
eSignature quota	percent	39.6	37.4	2.3 pp	41.0	39.7	1.3 pp

In the object portfolio of the leasing new business, IT equipment remained the most in-demand category in the second quarter of 2024, accounting for 26.1 percent of the portfolio. Although the number of corresponding contracts increased year-on-year by 1,606 to 22,649, their share of the portfolio declined slightly by 0.6 percentage points.

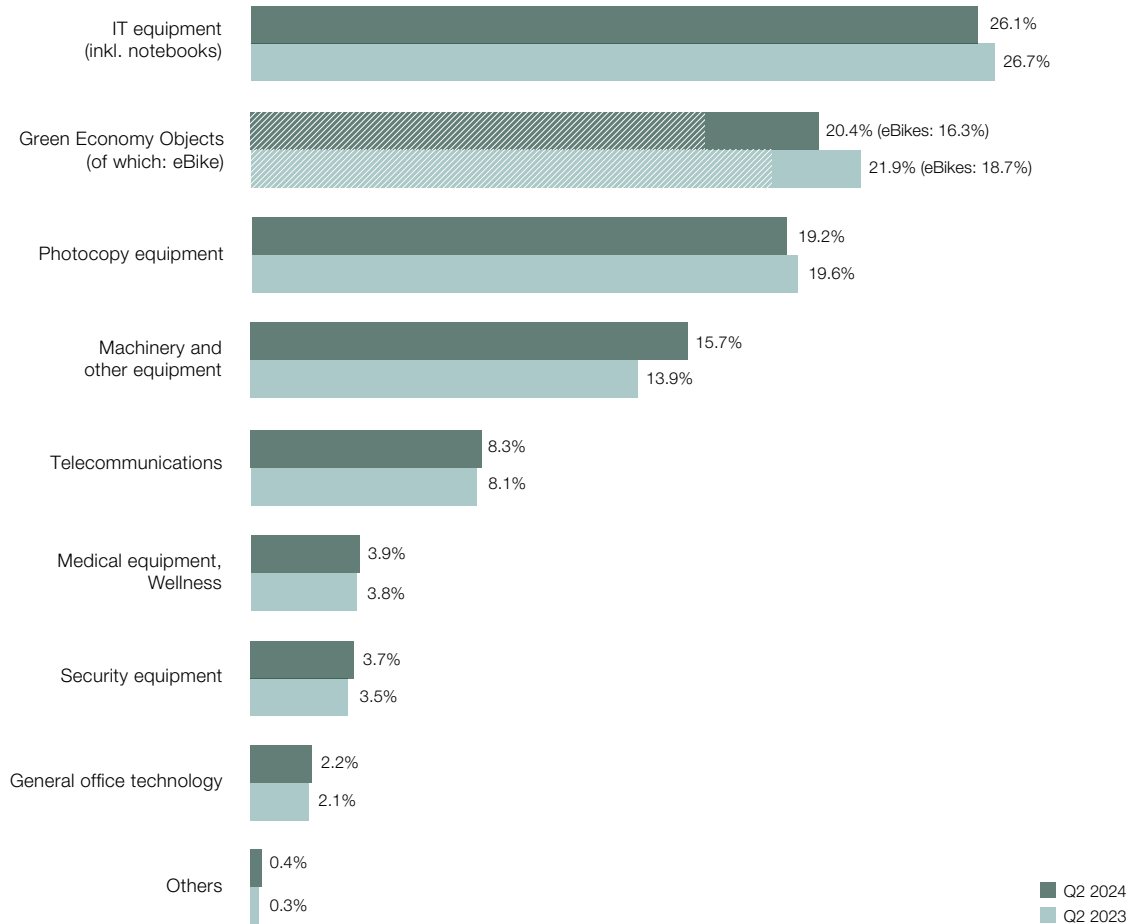
Green economy objects made the second-largest contribution to the leasing new business, with one in five leasing contracts (20.4 percent) belonging to this category. Due to strong regional growth, particularly in countries where we do not yet offer eBike leasing, the proportion of eBikes and, consequently, the share of green economy assets slightly declined. The number of newly concluded contracts for green economy objects increased to 17,746 compared to 17,248 in the prior-year quarter. The key drivers of the development of this category were eBikes, water treatment systems, and photovoltaic systems.

In the area of photocopy equipment, which consists primarily of photocopiers, 16,633 new contracts were concluded. The share of lease objects in this category decreased year-on-year by 0.4 percentage points to 19.2 percent in the second quarter of 2024.

In contrast to the aforementioned categories, at 15.7 percent, machinery and other equipment accounted for a higher share year-on-year in the second quarter of 2024, with an increase of 1.8 percentage points. Categories below the 10 percent threshold included telecommunications, medical equipment and wellness, security devices, and general office technology. The shares of these categories were only marginally different compared to the same prior-year quarter.

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

in percent



2.3.2 Factoring

The factoring business held for sale achieved growth of 11.3 percent during the reporting period, resulting in new business volume of EUR 228.7 million. This volume of receivables has an average term from purchase to maturity of around 46 days, which implies a receivables turnover rate of approximately 8 times per year (365 days / 46 days). This explains why the factoring business, with a reported receivables volume of EUR 88.9 million as of the June 30, 2024 reporting date, continues to contribute a less significant portion to the consolidated balance sheet.

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

Factoring new business in the DACH region decreased 3.9 percent to EUR 73.6 million. In Southern Europe, new business increased by 38.0 percent to EUR 60.4 million. The Northern/Eastern Europe region achieved growth of 11.3 percent to EUR 94.7 million.

Factoring new business

	Unit	Q2 2024	Q2 2023	Change	Q1 – Q2 2024	Q1 – Q2 2023	Change
Factoring new business	EURm	228.7	205.4	11.3%	441.6	397.4	11.1%
DACH	EURm	73.6	76.5	–3.9%	146.2	149.7	–2.3%
Southern Europe	EURm	60.4	43.8	38.0%	108.9	80.7	34.9%
Northern/ Eastern Europe	EURm	94.7	85.1	11.3%	186.5	167.0	11.7%
Gross margin	percent	1.5	1.6	–0.1 pp	1.5	1.6	–0.1 pp
DACH	percent	1.5	1.5	0 pp	1.5	1.5	0 pp
Southern Europe	percent	1.5	1.7	–0.2 pp	1.6	1.7	–0.1 pp
Northern/ Eastern Europe	percent	1.5	1.7	–0.2 pp	1.6	1.7	–0.1 pp
Average period	days	45.9	41.1	4.8	44.5	43.6	0.9
Average period DACH	days	25.9	26.9	–1.0	25.8	27.2	–1.4
Average period Southern Europe	days	83.8	77.2	6.6	78.3	81.9	–3.6
Average period Northern/ Eastern Europe	days	39.8	37.5	2.3	39.6	38.3	1.3

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

The gross margin in the first quarter of 2024 was roughly equal to the gross margin achieved in the same quarter of the prior year and reached 1.5 percent, both overall and in each of the regions. The gross margin is calculated over the average period of approximately 46 days for factoring transactions during the reporting quarter. Due to varying payment periods and payment behaviour, the average period was significantly shorter in the DACH region at 26 days, compared to 40 days in Northern/Eastern Europe and 84 days in Southern Europe. The annual comparison of these average periods shows an overall increase in payment periods of nearly 5 days. Companies in Southern Europe, in particular, delayed their payments by nearly 7 more days than in the previous year, while Northern/Eastern Europe saw an increase of

2 days. The DACH region, in contrast, saw a reduction in the payment period of 1 day.

2.3.3 grenke Bank's lending business

grenke Bank's lending new business amounted to EUR 9.0 million during the reporting period (Q2 2023: EUR 11.0 million). Lending new business in the first half-year totalled EUR 17.7 million (Q1 – Q2 2023: EUR 23.8 million). The lending new business consisted primarily of loans granted under the Microcredit Fund Germany ("Mikrokreditfonds Deutschland"), under which grenke Bank offers government-sponsored microfinancing between EUR 1k and EUR 25k.

2.3.4 Currency effects

The changes in exchange rates resulted in positive currency effects of EUR 1.47 million on the leasing and factoring new business volume in the second quarter of 2024. Assuming unchanged exchange rates compared to the second quarter of 2023, leasing new business volume would have been EUR 0.24 million higher in the second quarter of 2024 and factoring new business volume would have been EUR 1.7 million lower. Currency effects primarily resulted from the appreciation in the Polish Zloty, Swiss Franc, and British Pound. These effects were offset by a depreciation in the Chilean Peso and Brazilian Real. In the first half of 2024, we recorded positive currency effects of EUR 6.4 million.

2.4 Results of operations

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

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

Interest and similar income from our financing business totalled EUR 140.3 million in the second quarter of 2024, amounting to a year-on-year increase of EUR 26.7 million (Q2 2023: EUR 113.6 million). This growth reflects the continued strong performance in new business over the past few quarters and the persistently solid margins resulting from adjustments in the conditions for leasing new business.

Expenses from refinancing including the deposit business, increased by EUR 20.4 million to EUR 49.9 million (Q2 2023: EUR 29.5 million), driven mainly by the comparably higher interest rate levels and the higher refinancing needs to support the strong new business.

The increased interest expenses were either fully offset or exceeded by higher interest income, resulting in a rise in net interest income of EUR 6.4 million to EUR 90.4 million in the second quarter of 2024 (Q2 2023: EUR 84.0 million).

Expenses for settlement of claims and risk provision rose by EUR 6.9 million to EUR 28.3 million in the second quarter of 2024 compared to the same prior-year period (Q2 2023: EUR 21.4 million).

This increase was a result of the macroeconomic environment and the slight rise in the number of insolvencies in general but remained within

expectations in view of the higher leasing volume. This led to a loss rate (expenses for settlement of claims and risk provision relative to the lease volume) of 1.2 percent in the second quarter of 2024 (Q2 2023: 0.9 percent). The loss rate for the 2023 financial year was 1.0 percent. The loss rate continues to meet our expectation of below 1.5 percent.

Although increased interest income offset the rise in interest expenses, the higher expenses for settlement of claims and risk provision resulted in a slight decrease in net interest income after settlement of claims and risk provision of EUR 0.5 million to EUR 62.1 million in the reporting quarter (Q2 2023: EUR 62.6 million).

EURk	Q2 2024	Q2 2023	Change (%)
Interest and similar income from financing business	140'277	113'567	23.5
Expenses from interest on refinancing including deposit business	49'855	29'536	68.8
Net interest income	90'422	84'031	7.6
Settlement of claims and risk provision	28'301	21'447	32.0
Net interest income after settlement of claims and risk provision	62'121	62'584	-0.7
Profit from service business	35'656	32'747	8.9
Profit from new business	17'338	12'778	35.7
Gains (+)/losses (-) from disposals	2'342	1'049	> 100
Income from operating business	117'457	109'158	7.6
Staff costs	48'114	43'979	9.4
of which total remuneration	38'991	36'039	8.2
of which fixed remuneration	33'542	30'873	8.6
of which variable remuneration	5'449	5'166	5.5
Selling and administrative expenses (excluding staff costs)	27'548	27'082	1.7
of which IT project costs	3'771	3'542	6.5
Group earnings before taxes	32'660	31'305	4.3
Group earnings	25'167	24'540	2.6
Earnings per share (in EUR; basic / diluted)	0.58	0.55	5.5

The profit from our service business increased by EUR 3.0 million to EUR 35.7 million in the second quarter of 2024 (Q2 2023: EUR 32.7 million). This growth is a result of the positive performance of the leasing new business and the related increase in the lease portfolio. Our profit from new business increased by EUR 4.5 million to EUR 17.3 million in the reporting quarter (Q2 2023: EUR 12.8 million). The gains and losses from disposals were EUR 2.3 million (Q2 2023: EUR 1.0 million), mainly due to the positive income development from the sale of leased objects.

The increase in net interest income and the profit from new business, the service business, and gains and losses from disposals, contributed to the growth of EUR 8.3 million in our income from operating business to EUR 117.5 million in the second quarter of 2024 (Q2 2023: EUR 109.2 million).

Staff costs were EUR 48.1 million in the second quarter of 2024, for a year-on-year increase of EUR 4.1 million (Q2 2023: EUR 44.0 million), primarily due to the higher number of employees. Fixed remuneration totalled EUR 33.5 million in the reporting period (Q2 2023: EUR 30.9 million), and variable remuneration amounted to EUR 5.4 million (Q2 2023: EUR 5.2 million). The average number of employees, based on full-time equivalents, was 2,180 in the reporting quarter, which was 128 more than in the previous year (Q2 2023: 2,052) due to new hires. The average number of employees in the 2023 financial year was 2,068.

Our depreciation, amortisation and impairments were nearly unchanged in the reporting quarter and amounted to EUR 6.4 million (Q2 2023: EUR 6.6 million). Our selling and administrative expenses were also nearly unchanged at EUR 27.5 million

(Q2 2023: EUR 27.1 million). This item contains the higher licence fees from the current cloud migration as part of our digitalisation programme and the accompanying effect of the phasing out of physical IT infrastructure. This transition has already resulted in lower maintenance expenses compared to the previous year and is expected to be reflected primarily in declining depreciation costs in the coming years. The balance of other operating income and expenses was EUR –2.0 million in the second quarter of 2024 (Q2 2023: EUR –2.9 million).

As in the previous year, other operating expenses were particularly impacted by currency effects. The greatest impact of EUR 0.6 million resulted from the translation of Turkish Lira (TRY) and was mainly due to the effect of hyperinflation accounting in accordance with IAS 29. The Swedish Krona (SEK) accounted for EUR 0.5 million in translation effects, the Canadian Dollar (CAD) for EUR 0.3 million, and the Chilean Peso (CLP) for EUR 0.2 million. These effects stemmed particularly from derivative hedging transactions, which offset each other economically over the entire period. The effects are also partially offset periodically by currency translations recognised directly in other comprehensive income in the consolidated statement of comprehensive income. As this mainly relates to the translation of lease receivables in foreign currency countries, this effect is shown in a separate item from the aforementioned translation effects from derivatives. Lease receivables are translated at the exchange rate on the reporting date, whereas derivatives are measured at fair value based on the forward exchange rates applicable on the reporting date. This difference and the resulting valuation effects offset each other over the term of the hedging relationships.

Our operating result in the second quarter of 2024 was EUR 33.4 million, an increase of EUR 4.8 million (Q2 2023: EUR 28.6 million). The balance of other interest income and expenses improved to EUR 0.8 million (Q2 2023: EUR 0.4 million), mainly due to higher interest on deposit balances on Bundesbank accounts following the increases in key interest rates in 2022 and 2023.

Our Group earnings before taxes increased by EUR 1.4 million to EUR 32.7 million (Q2 2023: EUR 31.3 million). Our tax rate increased to 22.9 percent (Q2 2023: 21.6 percent). Group earnings were EUR 25.2 million, up EUR 0.7 million from the previous year's quarter (Q2 2023: EUR 24.5 million). The profit/loss attributable to non-controlling interests due to the consolidation of the franchise companies totalled EUR –1.2 million (Q2 2023: EUR –1.0 million). Comparability is limited due to the acquisition of shares in several franchise companies in 2023. For more information, please refer to the explanations in Note 6.1 in the Annual Report 2023. Earnings per share increased to EUR 0.58 in the second quarter of 2024 (Q2 2023: EUR 0.55).

Our cost-income ratio (CIR) developed positively year-on-year and improved 3.2 percentage points to 56.3 percent in the second quarter of 2024 (Q2 2023: 59.5 percent) and 59.2 percent compared to 2023 as a whole. The improvement versus the same prior-year quarter was due to income from operating business before settlement of claims and risk provision, which saw a higher increase than staff costs and selling and administrative expenses. As a result, we are on track to meet our target of below 58 percent for the current financial year.

2.4.2 Comparison of the first half of 2024 versus the first half of 2023

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

Our net interest income increased by EUR 8.5 million to EUR 176.5 million (Q1 – Q2 2023: EUR 168.0 million), primarily due to the continued growth in leasing new business.

Net interest income after settlement of claims and risk provision improved by EUR 1.4 million to EUR 121.5 million (Q1 – Q2 2023: EUR 120.1 million). The relatively modest increase compared to the net interest income was due to the low expenses for settlement of claims and risk provision in the previous year.

As a result, the loss ratio increased slightly to 1.1 percent (Q1 – Q2 2023: 1.0 percent).

Our income from operating business increased by EUR 14.8 million to EUR 223.6 million (Q1 – Q2 2023: EUR 208.8 million). With the slower increase in costs, our cost-income ratio (CIR) improved in the first half-year to 57.1 percent (Q1 – Q2 2023: 58.3 percent), keeping with the target of under 58 percent. Our Group earnings amounted to EUR 45.0 million, compared to EUR 40.4 million in the same period of the previous year.

EURk	Q1 – Q2 2024	Q1 – Q2 2023	Change (%)
Interest and similar income from financing business	272'415	222'068	22.7
Expenses from interest on refinancing including deposit business	95'915	54'035	77.5
Net interest income	176'500	168'033	5.0
Settlement of claims and risk provision	55'043	47'887	14.9
Net interest income after settlement of claims and risk provision	121'457	120'146	1.1
Profit from service business	68'439	63'109	8.4
Profit from new business	29'166	24'590	18.6
Gains (+)/losses (–) from disposals	4'558	936	> 100
Income from operating business	223'620	208'781	7.1
Staff costs	94'910	85'268	11.3
of which total remuneration	76'926	69'690	10.4
of which fixed remuneration	66'783	60'249	10.8
of which variable remuneration	10'143	9'441	7.4
Selling and administrative expenses (excluding staff costs)	51'689	50'997	1.4
of which IT project costs	6'843	6'900	–0.8
Group earnings before taxes	57'576	51'776	11.2
Group earnings	44'974	40'399	11.3
Earnings per share (in EUR; basic / diluted)	0.80	0.74	8.1

2.4.3 Segment development

The operating segment income from the Leasing segment developed positively due, above all, to the past and continuing growth of leasing new business and the corresponding interest income generated. The profit from our service business, new business, and gains and losses from disposals have also developed positively. As a result, operating income in this segment increased by EUR 14.3 million to EUR 202.3 million (Q1 – Q2 2023: EUR 188.0 million). The segment result improved by EUR 1.2 million to EUR 51.1 million (Q1 – Q2 2023: EUR 49.9 million), largely as a result of higher operating income, which was partially offset by higher personnel expenses.

The operating segment income from the Banking segment rose by EUR 1.0 million in the reporting period to EUR 18.6 million (Q1 – Q2 2023: EUR 17.6 million), primarily due to lower risk provisions for former loan portfolios. Despite slightly higher staff costs and lower currency effects, we achieved a segment result of EUR 10.2 million (Q1 – Q2 2023: EUR 4.3 million).

The operating segment income for the Factoring segment decreased by EUR 0.5 million to EUR 2.7 million (Q1 – Q2 2023: EUR 3.2 million). Expenses remained almost unchanged, and the segment result decreased to EUR –2.4 million (Q1 – Q2 2023: EUR –1.7 million).

2.5 Financial position

At 18.3 percent, the equity ratio continues to be at a high level.

Payments from lessees continued to increase.

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

Rising lease receivables reflect the positive growth in new business.

2.5.1 Capital structure

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

On the liabilities side, the increase in total equity and liabilities was mainly driven by the EUR 171.5 million increase in financial liabilities to EUR 5.6 billion (December 31, 2023: EUR 5.4 billion).

This increase was primarily due to the rise in current and non-current liabilities from refinancing, excluding the deposit business to EUR 3.9 billion (December 31, 2023: EUR 3.8 billion) and the increase of EUR 37.7 million in current and non-current liabilities from refinancing from the grenke Bank deposit business to EUR 1.7 billion (December 31, 2023: EUR 1.6 billion).

Equity remained almost unchanged at EUR 1.3 billion as of June 30, 2024 (December 31, 2023: EUR 1.4 billion). The Group earnings of EUR 45.0 million generated in the reporting period were offset primarily by the dividend distribution (EUR 21.6 million), the interest payment on hybrid capital (EUR 15.0 million), the effects of currency translation recognised directly in equity (EUR 1.5 million), and the buyback of our own shares (EUR 22.5 million). The effect of the market valuation of hedging instruments (EUR 0.9 million), in contrast, had a positive impact. The increase in total assets in relation to the slight decrease in equity led to a decline in the equity ratio to 18.3 percent as of June 30, 2024 (December 31, 2023: 19.1 percent). The equity ratio therefore continued to exceed the Group's self-set target of at least 16 percent.

EURk	Jun. 30, 2024	Dec. 31, 2023	Change (%)
Current liabilities	2'562'878	2'042'649	25.5
of which financial liabilities	2'294'919	1'831'589	25.3
Non-current liabilities	3'428'215	3'702'022	-7.4
of which financial liabilities	3'295'466	3'587'328	-8.1
Equity	1'340'197	1'354'870	-1.1
Total liabilities and equity	7'331'290	7'099'541	3.3
Equity ratio (in percent)	18.3%	19.1%	-0.8 pp

Based on the Group earnings before tax of EUR 57.6 million for the half-year, we achieved an RoE of 8.5 percent compared to 7.8 percent in the same period last year. This was attributable to improved earnings before tax in the first half of 2024 with an almost unchanged level of equity.

2.5.2 Cash flow

Our cash flow from operating activities totalled EUR –63.3 million in the first half of 2024 and was below the level in the first half of the prior year (Q1 – Q2 2023: EUR 225.7 million). This was mainly due to the positive development of new business, which resulted in higher investments in new lease receivables, while additions to grenke Bank's deposit business were lower than in the previous year. A further factor resulted from the higher repayment of new refinancing, excluding the deposit business. Conversely, the significantly higher inflow of new refinancing, excluding the deposit business, had an offsetting effect. This was largely due to the issue of a new benchmark bond amounting to EUR 500 million. The selected disclosures from the consolidated statement of cash flows and its development are explained below.

EURk	Q1 – Q2 2024	Q1 – Q2 2023	Change (%)
– Investments in new lease receivables	– 1'499'735	– 1'297'685	15.6
+ Addition of new refinancing (excl. deposit business)	1'520'707	807'454	88.3
+ Net inflows/outflows from deposit business	37'728	384'065	–90.2
(I) Cash flow new business	58'700	–106'166	< –100
+ Payments by lessees	1'262'022	1'189'114	6.1
– Payments / Repayments of refinancing (excl. deposit business)	– 1'462'882	–999'433	46.4
(II) Cash flow from existing business	–200'860	189'681	< –100
(III) Other cash flow from operating activities	78'832	142'159	–44.5
Cash flow from operating activities (I) + (II) + (III)	–63'328	225'674	< –100
Cash flow from investing activities	–2'589	–19'933	–87.0
Cash flow from financing activities	–65'694	–40'634	61.7
Total cash flow	–131'611	165'107	< –100

Cash flow from investments in new lease receivables comprises the net acquisition values for newly acquired lease objects and the costs directly incurred when concluding contracts. Due to the continued growth in new business volume, investments in new lease receivables rose to EUR 1,499.7 million in the first half of 2024 (Q1–Q2 2023: EUR 1,297.7 million). These were offset by cash inflows from the increase in refinancing totalling EUR 1,520.7 million, compared to EUR 807.5 million in the same period of the previous year. Cash flow from grenke Bank's deposit business decreased to EUR 37.7 million, compared to EUR 384.1 million in the same prior-year period. Our total cash flow from investments in new business increased to EUR 58.7 million (Q1–Q2 2023: EUR –106.2 million).

In the first half of 2024, EUR 1,462.9 million (Q1–Q2 2023: EUR 999.4 million) in refinancing was redeemed or repaid. Payments from lessees increased to EUR 1,262.0 million (Q1–Q2 2023: EUR 1,189.1 million). Cash flow from existing business decreased accordingly to EUR –200.9 million (Q1–Q2 2023: EUR 189.7 million).

Cash flow from investing activities totalled EUR –2.6 million in the first half of the year (Q1–Q2 2023: EUR –19.9 million). This item comprised mainly payments for the acquisition of property, plant and equipment and intangible assets totalling EUR 2.7 million (Q1–Q2 2023: EUR 2.5 million). In the previous year, purchase price payments for the acquisition of franchise companies totalling EUR 14.5 million were included, and a purchase price payment of EUR 3.0 million was made for the acquisition of a minority interest in Miete24 P4Y GmbH.

Cash flow from financing activities amounted to EUR –65.7 million in the reporting period (Q1–Q2 2023: EUR –40.6 million). The dividend distribution for the previous financial year amounted to EUR 21.6 million (Q1–Q2 2023: EUR 20.9 million). The interest payment on hybrid capital equalled EUR 15.0 million (Q1–Q2 2023: EUR 12.9 million). Share buybacks under the share buyback programme resulted in a cash outflow of EUR 22.5 million (Q1–Q2 2023: EUR 0.0 million). In addition, the repayment of lease liabilities resulted in a cash outflow of EUR 6.6 million (Q1–Q2 2023: EUR 6.8 million).

As a result of the above items, the total cash flow in the first half of 2024 totalled EUR –131.6 million (Q1–Q2 2023: EUR 165.1 million). Cash and cash equivalents fell accordingly to EUR 565.5 million as of June 30, 2024, compared with EUR 696.9 million as of December 31, 2023.

2.5.3 Liquidity

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

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

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

EURm	Jun. 30, 2024	Share in %	Dec. 31, 2023	Share in %
grenke Bank	1'650	29	1'624	29
Senior unsecured	2'884	51	2'748	50
Asset-backed	1'169	20	1'163	21
Total	5'703	100	5'535	100

The increase in refinancing volumes of EUR 168.1 million to EUR 5,702.6 million (December 31, 2023: EUR 5,534.5 million) was largely a result of the increase in new business and the related increase in refinancing requirements for our leasing business. This was mainly met through the issue of a new benchmark bond in the amount of EUR 500 million in the second quarter.

The refinancing via customer deposits of grenke Bank AG increased to EUR 1,654.8 million as of June 30, 2024, compared to EUR 1,617.1 million as of December 31, 2023 and EUR 1,534.7 million at the same point in time in the previous year. This corresponds to an increase of 2.3 percent since December 31, 2023 due to more intensive use of grenke Bank in the current interest rate environment.

In the reporting period, in addition to the issue of a benchmark bond, an existing bond was increased by EUR 50.0 million. In addition, the grenke Group had two promissory note issues for CHF 10.0 million and GBP 30.0 million and twelve short-term commercial paper issues with a total volume of EUR 140.0 million. Two bonds in the amount of EUR 204.1 million and commercial paper in

the amount of EUR 125.0 million were repaid as scheduled in the reporting period. Bonds in the amount of EUR 123.2 million were repaid early.

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

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

The Group's unutilised credit lines (bank lines plus the available volume from bonds and commercial paper) amounted to EUR 3,568.8 million, HUF 540.0 million, and PLN 40.0 million as of the reporting date (December 31, 2023: EUR 3,667.4 million, HUF 540.0 million, and PLN 40.0 million).

2.6 Net assets

Our total assets as of June 30, 2024 compared to the end of the 2023 financial year increased by EUR 231.7 million to EUR 7.3 billion (December 31, 2023: EUR 7.1 billion).

The increase in our assets as of June 30, 2024 was mainly driven by an increase in current and non-current lease receivables. Our largest balance sheet line item, lease receivables, increased by EUR 354.8 million to EUR 6.1 billion (December 31, 2023: EUR 5.7 billion) due to the continued positive development in new business.

EURk	Jun. 30, 2024	Dec. 31, 2023	Change (%)
Current assets	3'094'722	3'180'347	-2.7
of which cash and cash equivalents	565'975	697'202	-18.8
of which lease receivables	2'131'154	2'076'719	2.6
Non-current assets	4'236'568	3'919'194	8.1
of which lease receivables	3'923'479	3'623'135	8.3
Total assets	7'331'290	7'099'541	3.3

In contrast, cash and cash equivalents decreased by EUR 131.2 million to EUR 566.0 million (December 31, 2023: EUR 697.2 million). Of this amount, cash and cash equivalents as of June 30, 2024 of EUR 462.5 million (December 31, 2023: EUR 484.7 million) were held in accounts at the Deutsche Bundesbank.

3. Related party disclosures

For information on related party disclosures, please refer to Note 14 of the notes to the condensed interim consolidated financial statements.

4. Report on risks, opportunities and forecasts

4.1 Macroeconomic and sector environments

In its World Economic Outlook published on July 16, 2024, the International Monetary Fund (IMF) anticipates a moderate upturn in the eurozone economy with a growth forecast of 0.9 percent for 2024 (2023: 0.5 percent). For our home market of Germany, the IMF expects growth to barely exceed zero again and reach 0.2 percent in 2024 (2023: –0.2 percent). For France and Italy, which together with Germany represent our largest markets, the IMF expects slightly positive growth of 0.9 and 0.7 percent in 2024 (2023: 1.1 and 0.9 percent). Of the major industrialised nations within the eurozone, Spain is expected to grow the strongest, at a forecast of 2.4 percent (2023: 2.5 percent). In the United States, where we are building a second location, growth in 2024 is expected to be 2.6 percent, remaining near the previous year's level (2023: 2.5 percent).

The IMF sees a risk for the euro area and the US that inflation rates could remain above their target levels for a longer period of time and therefore central banks could continue their restrictive monetary policies. Further increases in government debt and growing government spending could also dampen private consumption. Protectionist measures, such as import tariffs, could have a negative effect on world trade.

The IMF expects the global economy to grow by 3.2 percent in 2024 (2023: 3.3 percent), driven by the growth of the emerging Asian economies. Almost half of the global growth is expected to be generated by China and India, in particular.

The ifo Business Climate Index for the German leasing industry reached 15.1 points in June 2024. Although this was lower than in the same month in the prior year (June 2023: 23.9 points), after 4.9 points in March 2024, it is still a significant improvement in a quarterly comparison. The German Association of Leasing Companies (BDL) attributed the increasing optimism in recent months to the fact that the leasing industry expects to continue its transformation efforts towards greater sustainability and digitisation, which requires leasing to cope with the high investment sums that this entails.

4.2 Risks and opportunities

4.2.1 Risks

In our existing portfolio, we are currently seeing a slight increase in the number of insolvencies, which remains within expectations, also considering the higher leasing volume. As a result, the loss rate (expenses for settlement of claims and risk provision relative to lease volume) equalled 1.2 percent in the second quarter of 2024 (Q2 2023: 0.9 percent). Should there be a further increase in insolvencies in the second half of 2024, this could negatively impact the loss rate.

Another overall economic risk factor is the persistently elevated interest rate levels due to the restrictive monetary policy of the European Central Bank (ECB). Although an initial rate cut was carried out in June 2024, the interest rate level remains high. High interest rates are generally considered a deterrent to consumer and investment demand and can weaken economic growth.

In consideration of these factors, the Board of Directors expects the growth in leasing new business to continue in the 2024 financial year, in line with its guidance detailed in Chapter 4.3.

Aside from demand effects, we have been able to consistently offset the higher refinancing costs from past interest rate increases by adjusting our conditions, with up to a three-month time lag. We have also been able to fully incorporate the higher interest rates into our pricing in this phase and pass them on to the market.

The ongoing war in Ukraine and conflicts in the Middle East present the potential for macroeconomic risks. An extended conflict in the Middle East could lead to a rise in oil prices, increasing inflationary pressures and recessionary risk. While market reactions have been limited so far, further escalation could result in higher capital market volatility and generally lower liquidity. Despite this, the Board of Directors continues to see sufficient leeway to ensure the Group's short-, medium-, and long-term liquidity. This view is based on the current high liquidity levels and continued good and diverse access to sources of refinancing. In addition, grenke is always in a position to steer the leasing new business—and thus the situational liquidity needs—by adopting a more selective acceptance policy for lease applications.

We do not operate any branches in Russia or Ukraine and have not been and are not financially engaged in these regions. Similarly, there is no direct risk to grenke concerning the conflict in the Middle East, which was reignited in October 2023. We do not operate any branches in Israel or in the neighbouring countries or regions directly affected by the conflict.

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

grenke AG carefully monitors the development of the risk situation and the impact on individual markets. With regard to the future development of the Consolidated Group and its subsidiaries, no particular risks associated with the business could be identified beyond the customary scope. For a more detailed description of risks, please refer to Chapter 5 “Risk report”, in our Annual Report 2023.

4.2.2 Opportunities

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

Clear positive indicators in our home market, such as the business climate index for the leasing industry in Germany, suggest a recovery in demand (see Chapter 4.1). Similar to the German Association of Leasing Companies, we also believe a further improvement in sentiment is possible. The slightly eased monetary policy of the ECB could contribute to this positive outlook. Additionally, better business expectations are likely to positively influence

investment behaviour and leasing demand among SMEs in Germany this year.

In all our international markets, we pursue a strategy of organic growth by consistently expanding our business base and market share. The prerequisites for this strategy continue to be favourable. Across Europe, and particularly in our core markets of France, Italy, and Spain, the economic outlook is better than in Germany. Given this context, we expect stable demand for small-ticket leasing and continued growth in our new business across Europe.

The US, Canada, and Australia are future core markets offering long-term, above-average growth potential. We continue to expand into these markets as planned. In the second quarter of this year, for example, we launched additional sales activities in Chicago, Illinois, following the establishment of our US footprint in Phoenix, Arizona, in 2019.

Additional opportunities arise from the continuous expansion of our object portfolio, driven by customer demand trends. We benefit from megatrends like medical technology and robotics, while our financing offers enable SMEs to invest in future technologies. A growing number of these objects stem from the green economy sector and include eBikes in particular (see Chapter 2.3.1). We have established a solid foundation for refinancing green economy objects with the issue of our first green bond in September 2023. For more details on these and other growth opportunities, please refer to Chapter 6.1 “Opportunities Report”, in our Annual Report 2023.

4.3 Company forecast

The following statements on the future business development of the grenke Group and the assumptions regarding market and industry developments deemed to be material are therefore based on assessments the Board of Directors considers to be realistic at this time based on the information available. However, these assessments are subject to uncertainty and the unavoidable risk that the forecasts may not actually materialise in terms of their tendency or their extent. In view of the intensity of the current geopolitical conflicts, this outlook is subject to a high degree of uncertainty.

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

For the 2024 financial year, the Board of Directors expects leasing new business to be between EUR 3.0 and 3.2 billion. This corresponds to expected growth of between 15 and 23 percent compared to the 2023 financial year. In the medium term, the volume of new business is expected to grow at a double-digit rate averaging around 12 percent. This growth assumption is based on a return to the growth trajectory.

In the 2024 financial year, we are aiming for a slight increase in the CM2 margin compared to the previous year (2023 financial year: 16.5 percent). The medium-term goal is to achieve a CM2 margin of around 17 percent. Refinancing costs and our terms and conditions for newly concluded leases are key factors here, as is the average ticket size. In the 2024 financial year, the average value per lease is expected to remain below the EUR 10k level. The definition of “small ticket” now includes investments of up to EUR 50k due to new technologies in fields such as medicine and robotics, which has led to higher demand for smaller objects of up to EUR 50k. Our focus on small tickets will continue to remain an essential part of our strategy.

The Board of Directors expects the operating income of the leasing portfolio – consisting of the sum of net interest income after settlement of claims and risk provision, the profit from service business, the profit from new business and from gains and losses from disposals – to develop positively in the current financial year 2024 despite the increased interest rate level. This assessment is based on the assumption of continued strong momentum in the leasing new business as well as the ability to consistently pass on continued higher interest rates in the terms and conditions and continued risk-conscious pricing. A recession-induced increase in corporate insolvencies or a temporary deterioration in payment behaviour is reflected in our risk provisioning in the current and previous quarters. Overall, we expect largely solid payment behaviour from our customers, but slightly increasing corporate insolvencies, corresponding risk provisioning and a continued loss rate of below 1.5 percent p.a. We also expect slightly higher staff costs due to higher salaries resulting from the necessary adjustment for high inflation and

our intention to continue to strengthen our team in targeted areas to facilitate our current and future growth.

The Board of Directors expects Group earnings in the range of EUR 95 million to EUR 115 million for the 2024 financial year. Despite continuing investments in the digitalisation programme as planned, we are aiming for an improvement in the CIR to below 58 percent in 2024. In the years that follow, the CIR is expected to tend towards a level of less than 55 percent based on efficiency gains and an increasing degree of digitalisation. In the long term, we are aiming for a cost-income ratio of 50 percent thanks to our new business profitability and sustainable growth, as well as to our digitalisation programme and strict cost discipline.

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

Condensed interim consolidated financial statements

Consolidated income statement

EURk	Q2 2024	Q2 2023	Q1 – Q2 2024	Q1 – Q2 2023
Interest and similar income from financing business*	140'277	113'567	272'415	222'068
Expenses from interest on refinancing including deposit business	49'855	29'536	95'915	54'035
Net interest income	90'422	84'031	176'500	168'033
Settlement of claims and risk provision	28'301	21'447	55'043	47'887
of which impairment losses	3'830	-6'057	10'913	-1'058
Net interest income after settlement of claims and risk provision	62'121	62'584	121'457	120'146
Profit from service business	35'656	32'747	68'439	63'109
Profit from new business	17'338	12'778	29'166	24'590
Gains (+)/losses (-) from disposals	2'342	1'049	4'558	936
Income from operating business	117'457	109'158	223'620	208'781
Staff costs	48'114	43'979	94'910	85'268
Depreciation and impairment	6'354	6'610	12'607	13'423
Selling and administrative expenses (not including staff costs)	27'548	27'082	51'689	50'997
Other operating expenses	4'128	4'951	10'119	11'125
Other operating income	2'131	2'040	4'047	4'434
Operating result	33'444	28'576	58'342	52'402
Result from investments accounted for using the equity method	-134	-40	-235	-40
Expenses/income from fair value measurement	-1'440	2'320	-2'774	682
Other interest income	8'158	5'664	16'093	9'019
Other interest expenses	7'368	5'215	13'850	10'287
Group earnings before taxes	32'660	31'305	57'576	51'776
Income taxes	7'493	6'765	12'602	11'377
Group earnings	25'167	24'540	44'974	40'399
of which total comprehensive income attributable to ordinary shareholders and hybrid capital holders of grenke AG	26'402	25'510	47'322	43'596
of which total comprehensive income attributable to non-controlling interests	-1'235	-970	-2'348	-3'197
Earnings per share (basic / diluted in EUR)	0.58	0.55	0.80	0.74
Average number of shares outstanding	45'891'680	46'495'573	46'155'162	46'495'573

* Interest and similar income calculated according to the effective interest method EUR 4,974k (previous year: EUR 4,365k).

Consolidated statement of comprehensive income

EURk	Q2 2024	Q2 2023	Q1 – Q2 2024	Q1 – Q2 2023
Group earnings	25'167	24'540	44'974	40'399
Items that may be reclassified to profit or loss in future periods				
Appropriation to / reduction of hedging reserve	– 86	– 987	944	– 241
thereof income tax effects	2'304	141	– 228	34
Change in currency translation differences / effects of high inflation	– 280	2'322	– 1'507	3'271
thereof income tax effects	0	0	0	0
Items that may be reclassified to profit or loss in future periods				
Appropriation to / reduction of reserve for actuarial gains and losses	0	0	0	0
thereof income tax effects	0	0	0	0
Other comprehensive income	– 366	1'335	– 563	3'030
Total comprehensive income	24'801	25'875	44'411	43'429
of which total comprehensive income attributable to ordinary shareholders and hybrid capital holders of grenke AG	26'310	26'833	46'577	46'622
of which total comprehensive income attributable to non-controlling interests	– 1'509	– 958	– 2'166	– 3'193

Consolidated statement of financial position

EURk	Jun. 30, 2024	Dec. 31, 2023
Assets		
Current assets		
Cash and cash equivalents	565'975	697'202
Derivative financial instruments that are assets	3'164	6'880
Lease receivables	2'131'154	2'076'719
Other current financial assets	136'954	135'734
Trade receivables	8'879	7'214
Lease assets for sale	22'173	19'702
Tax assets	22'479	20'956
Other current assets	203'944	215'940
Total current assets	3'094'722	3'180'347
Non-current assets		
Lease receivables	3'923'479	3'623'135
Derivative financial instruments that are assets	11'025	11'811
Other non-current financial assets	80'648	79'501
Investments accounted for using the equity method	2'671	2'906
Property, plant and equipment	94'369	88'829
Right-of-use assets	36'297	35'521
Goodwill	34'424	34'373
Other intangible assets	10'536	12'172
Deferred tax assets	41'524	29'366
Other non-current assets	1'595	1'580
Total non-current assets	4'236'568	3'919'194
Total assets	7'331'290	7'099'541

Consolidated statement of financial position

EURk	Jun. 30, 2024	Dec. 31, 2023
Liabilities and equity		
Liabilities		
Current liabilities		
Financial liabilities	2'294'919	1'831'589
Lease liabilities	11'406	11'576
Derivative liability financial instruments	7'354	5'235
Trade payables	53'190	41'680
Tax liabilities	5'915	7'480
Deferred liabilities	29'357	38'144
Other current liabilities	63'541	60'821
Deferred lease payments	97'196	46'124
Total current liabilities	2'562'878	2'042'649
Non-current liabilities		
Financial liabilities	3'295'466	3'587'328
Lease liabilities	25'688	24'500
Derivative liability financial instruments	18'069	17'081
Deferred tax liabilities	84'327	68'463
Pensions	4'665	4'650
Total non-current liabilities	3'428'215	3'702'022
Equity		
Share capital	46'496	46'496
Capital reserves	298'019	298'019
Retained earnings	824'291	813'586
own shares	-22'467	0
Other components of equity	10'132	10'877
Total equity attributable to shareholders of grenke AG	1'156'471	1'168'978
Additional equity components*	200'000	200'000
Non-controlling interests	-16'274	-14'108
Total equity	1'340'197	1'354'870
Total equity and liabilities	7'331'290	7'099'541

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

Consolidated statement of cash flows

EURk		Q1 – Q2 2024	Q1 – Q2 2023
	Group earnings	44'974	40'399
	Non-cash items included in group earnings and reconciliation to cash flow from operating activities		
+	Depreciation, amortisation and impairment	12'607	13'423
-/+	Profit/loss from the disposal of property, plant and equipment and intangible assets	13	-5
-/+	Other non-cash income/expenses	10'236	15'617
+/-	Increase/decrease in deferred liabilities, provisions, and pensions	-8'771	-7'984
=	Subtotal	59'059	61'450
	Change in assets and liabilities from operating activities after adjustment for non-cash items		
+/-	Lease receivables	-354'779	-185'886
+/-	Loan receivables	6'748	920
+/-	Factoring receivables	-4'975	-5'912
+/-	Other assets	1'264	59'077
+/-	Financial liabilities	171'247	241'996
+/-	Other liabilities	68'409	65'943
+	Interest received	16'093	9'019
-	Interest paid	-13'850	-10'287
-	Income taxes paid	-12'544	-10'646
=	Cash flow from operating activities	-63'328	225'674
-	Payments for the acquisition of property, plant and equipment and intangible assets	-2'655	-2'529
-	Payments for the acquisition of subsidiaries	0	-14'480

Consolidated statement of cash flows (continued)

EURk	Q1 – Q2 2024	Q1 – Q2 2023
– Payments for the acquisition of associated entities	0	–3'000
+ Proceeds from the sale of property, plant and equipment and intangible assets	66	76
= Cash flow from investing activities	–2'589	–19'933
– Repayment of lease liabilities	–6'610	–6'765
– Interest coupon payments on hybrid capital	–14'989	–12'946
– Payments for the acquisition of own shares	–22'467	0
– Dividend payments to grenke shareholders	–21'628	–20'923
= Cash flow from financing activities	–65'694	–40'634
Cash and cash equivalents at beginning of period*	696'930	448'605
+ Cash flow from operating activities	–63'328	225'674
+ Cash flow from investing activities	–2'589	–19'933
+ Cash flow from financing activities	–65'694	–40'634
+ / – Change due to currency translation	163	–56
= Cash and cash equivalents at end of period*	565'482	613'656

* Less current account liabilities.

Consolidated statement of changes in equity

EURk	Share capital	Capital reserves	Retained earnings/Consolidated group earnings	own shares	Hedging reserve	Reserve for actuarial gains/losses	Currency translation	Revaluation for equity instruments	Total equity attributable to shareholders of grenke AG	Additional equity components	Non-controlling interests	Total equity
Equity as of Jan. 1, 2024	46'496	298'019	813'586		3'064	137	10'901	-3'225	1'168'978	200'000	-14'108	1'354'870
Group earnings			36'824						36'824	10'498	-2'348	44'974
Other comprehensive income					944		-1'689		-745		182	-563
Total comprehensive income			36'824		944		-1'689		36'079	10'498	-2'166	44'411
Dividend payment			-21'628						-21'628			-21'628
Interest coupon payment for hybrid capital										-14'989		-14'989
Interest coupon for hybrid capital			-4'491						-4'491	4'491		
Purchase of own shares				-22'467					-22'467			-22'467
Equity as of Jun. 30, 2024	46'496	298'019	824'291	-22'467	4'008	137	9'212	-3'225	1'156'471	200'000	-16'274	1'340'197
Equity as of Jan. 1, 2023	46'496	298'019	799'475		13'201	1'171	6'165	-3'225	1'161'302	200'000	-29'135	1'332'167
Group earnings			34'528						34'528	9'068	-3'197	40'399
Other comprehensive income					-241		3'267		3'026		4	3'030
Total comprehensive income			34'528		-241		3'267		37'554	9'068	-3'193	43'429
Dividend payment			-20'923						-20'923			-20'923
Interest coupon payment for hybrid capital										-12'946		-12'946
Interest coupon for hybrid capital			-3'878						-3'878	3'878		
Others			-29'905						-29'905		12'958	-16'947
Equity as of Jun. 30, 2023	46'496	298'019	779'297		12'960	1'171	9'432	-3'225	1'144'150	200'000	-19'370	1'324'780

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 June 30, 2024, is grenke AG, its subsidiaries and consolidated structured entities ("the grenke Group"). These interim consolidated financial statements have been prepared in accordance with the IFRSs applicable for interim reporting (IAS 34) as published by the International Accounting Standards Board ("IASB") and adopted by the European Union (EU) into European law. These interim consolidated financial statements should be read in conjunction with the IFRS consolidated financial statements as of December 31, 2023. An audit review by definition of Section 115 of the German Securities Trading Act (WpHG) was performed of the condensed interim consolidated financial statements and the interim group management report as of June 30, 2024.

2. Accounting policies

The accounting policies applied to the interim consolidated financial statements are generally the same as those applied in the previous year. Exceptions relate to changes resulting from the mandatory application of new accounting stand-

ards discussed in the paragraphs below. Early application was waived for the amended standards and interpretations that will be mandatory as of the 2025 financial year or later. grenke AG will apply these standards to the consolidated financial statements at the time of their mandatory application. This application is not expected to have any material impact on the reporting.

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

2.1 First-time applicable, revised and new accounting standards

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

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

Amendments to IAS 1 "Presentation of Financial Statements" on the classification of liabilities as current or non-current and classification of non-current liabilities with ancillary conditions

The amendments to IAS 1 on the classification of liabilities as current or non-current were published in January 2020. The amendments to IAS 1 clarify that the classification of liabilities as current or non-current is based on the entity's existing rights at the reporting date.

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

Amendments to IFRS 16 "Leases" on the Measurement of Lease Liabilities in Sale and Leaseback Transactions

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

Amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments: Disclosures” on supplier financing arrangements

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

2.2 Accounting standards and interpretations already published but not yet implemented

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

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

Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates” on recognition in the case of lack of exchangeability

The amendments to IAS 21 contain detailed provisions for determining whether one currency is exchangeable for another and how exchange rates are to be determined when there is a lack

of exchangeability. The amendments are to be applied for financial years beginning on or after January 1, 2025. For companies that prepare their accounts in accordance with the IFRS applicable in the EU, the regulations will apply once they have been adopted into European law. EU endorsement is still pending.

Amendments to IFRS 9 “Financial Instruments” and IFRS 7 “Financial Instruments: Disclosures” on the classification and measurement of financial instruments

The amendments to IFRS 9 and IFRS 7 relate to the derecognition of electronically transferred financial liabilities, the application of the cash flow criterion for the purposes of categorising financial instruments in various constellations, and additional disclosures in the notes in accordance with IFRS 7.

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

amount or timing depends on the occurrence or non-occurrence of a contingent event.

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

IFRS 18 “Presentation and Disclosures in Financial Statements”

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

The main changes resulting from the introduction of IFRS 18 are briefly outlined below. With regard to the income statement, three new categories (operating, investing and financing) with corresponding allocation rules are introduced. Additionally, IFRS 18 requires the presentation of specific totals and subtotals in the income statement. Furthermore, the notes to the financial statements in the future must contain information on management-defined performance measures (MPMs) that have been publicly communicated, including a reconciliation to the nearest comparable IFRS

subtotals. The new standard also introduces additional principles for the aggregation and disaggregation of items. Limited changes also affect IAS 7 “Statement of Cash Flows”, for example, by eliminating the previous allocation options for dividends and interest paid and received.

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

IFRS 19 “Subsidiaries Without Public Accountability: Disclosures”

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

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

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, grenke 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

	Jul. 1, 2024–Dec. 31, 2024			Jan. 1, 2025–Dec. 31, 2025			Jan. 1, 2026–Dec. 31, 2026		
	Negative	Baseline	Positive	Negative	Baseline	Positive	Negative	Baseline	Positive
Eurozone	-6.3%	0.5%	2.5%	0.5%	1.4%	2.5%	1.4%	1.4%	2.5%
Germany	-3.8%	0.2%	2.2%	0.2%	1.3%	2.2%	1.3%	1.5%	2.2%
France	-7.5%	0.7%	2.3%	0.7%	1.4%	2.3%	1.4%	1.6%	2.3%
Italy	-9.0%	0.7%	1.8%	0.7%	0.7%	1.8%	0.7%	0.2%	1.8%
Spain	-11.2%	1.9%	3.5%	1.9%	2.1%	3.5%	2.1%	1.8%	3.5%
United Kingdom	-10.4%	0.5%	2.6%	0.5%	1.5%	2.6%	1.5%	1.7%	2.6%

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

Scenarios as of Jun. 30, 2024			
EURk	Negative	Baseline	Positive
Risk provision	134'294	119'652	114'772

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

Baseline scenario: A stable geopolitical situation and moderate trade relations promote a cautious economic recovery. Inflation remains under control, which allows central banks to take a cautious stance on monetary policy. The unemployment rate is slowly falling thanks to support from labour market and retraining programmes. Economic growth continues, but without explosive growth rates, driven by moderate investment in infrastructure and new technologies. Inflation stabilises within

the ECB's target range (for the eurozone), and fiscal policy remains moderately expansionary to support growth. Unemployment gradually declines, supported by structural reforms and targeted programmes to promote employment.

Negative scenario: Persistent geopolitical uncertainty and trade conflicts reduce consumer and business confidence, leading to lower economic activity. Persistently high inflation, caused by

supply chain problems and increased production costs, forces central banks to embrace restrictive monetary policy measures. These measures have a negative impact on investment in key industries and infrastructure projects and further worsen long-term growth prospects. The unemployment rate rises as companies reduce costs and cut jobs, exacerbating the economic weakness.

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

robust labour markets and stable social security systems ensure long-term economic stability.

None of the scenarios take any minimum default rates (floors) into account.

The probabilities of occurrence of the macro scenarios are determined on a country-by-country basis in order to take the respective country's economic and political circumstances into account. These scenario weightings are derived from public data provided by the ECB. By surveying various analysts, the ECB establishes a probability distribu-

tion for GDP for the years 2024 to 2026. Probabilities of occurrence for individual scenarios can be calculated from these probability distributions. In addition, publicly available GDP expectations and historical GDP observations of the IMF are used for the country-specific determination of the probabilities of occurrence

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

Scenario weighting	Jul. 1, 2024 – Dec. 31, 2024			Jan. 1, 2025 – Dec. 31, 2025			Jan. 1, 2026 – Dec. 31, 2026		
	Negative	Baseline	Positive	Negative	Baseline	Positive	Negative	Baseline	Positive
Germany	40.8%	58.3%	0.9%	9.3%	80.4%	10.3%	8.0%	76.8%	15.2%
France	20.6%	77.5%	1.9%	8.4%	81.3%	10.3%	7.1%	77.6%	15.3%
Italy	21.8%	73.3%	4.9%	19.5%	73.9%	6.6%	41.3%	55.8%	2.9%
Spain	1.7%	96.8%	1.5%	3.8%	93.2%	3.0%	5.1%	92.7%	2.2%
United Kingdom	30.2%	69.1%	0.7%	7.6%	86.1%	6.3%	5.8%	84.2%	10.0%

As part of the risk provisioning, management adjustments for future risks that are difficult to calculate, or new risks ("novel risks") were recognised in addition to the risk provisioning calculated in the model in accordance with IFRS 9. These adjustments cover geopolitical risks and other uncertainties caused by a recession, supply and energy bottlenecks and inflation. As of the reporting date, these additional management adjustments totalled EUR 18,150k. These include an in-model adjustment of EUR 4,321k, which reflects the higher economic uncertainty due to the rise in the probability of default (PD) factors. In the standard scenario, the PD factors for current lease receivables were increased in line with economic uncertainties, and a post-model adjustment of EUR 13,829k was

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

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

Non-guaranteed (calculated) residual values are taken into account when determining the present value of lease receivables as defined in IFRS 16. The calculated residual values at the end of the lease term are determined based on the maturity group of the respective lease and include the expected subsequent business at the end of the term based on historical experience. For additions since January 1, 2024, the residual values amount to between 1 percent and 30 percent of the acquisition cost (previous year: between 1 percent and 25 percent since January 1, 2023). The calculated residual values are applied based on statistical

analyses as part of a best estimate. In the event of a decrease in the proceeds actually achievable in the post-leasing business (consisting of disposal and post-leasing), impairment of the lease receivables is taken into account, whereas an increase is not taken into account.

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

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

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

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 used to determine impairment was 2.6 percent as of June 30, 2024, compared to 2.2 percent as of December 31, 2023. As a result, the discount rates used to discount the planned cash flows of the cash-generating units increased slightly in the first half of the 2024 financial year. The risk-free interest rate of 2.6 percent as of June 30, 2024, however, remained below the 3.0 percent interest rate level applied as part of the last scheduled impairment test as of October 1, 2023. This meant that there were no indications of a potential impairment of goodwill, however, should the discount rates rise sharply again, this could lead to impairment losses recognised in profit or loss in future reporting periods.

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 2.4 and 13.6 percent (previous year: between 2.6 and 16.8 percent) of the original acquisition costs. If a sale is considered unlikely due to the condition of the asset, the asset is impaired in profit and loss.

Fair value of financial instruments

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

Recognition and measurement of deferred taxes on tax-loss carryforwards

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

Recognition and measurement of actual tax assets and tax liabilities

Due to the complexity of tax legislation, taxpayers and local tax authorities may have varying constructions and interpretations of the tax laws. This can lead to subsequent tax payments for prior financial years. Tax provisions are recognised in the event that the amounts stated in the tax declarations are not likely to be realised (uncertain tax items). The amount is determined from the best

estimate of the anticipated tax payment. Tax receivables from uncertain tax items are recognised when probable and when adequately ensured they can be realised. The assumptions are based on the management's assessment of the amount of uncertain tax items.

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

4. Lease receivables

The following overview shows the development of lease receivables:

EURk	Jun. 30, 2024	Dec. 31, 2023
Changes in lease receivables from current contracts (performing lease receivables)		
Receivables at beginning of period	5'714'698	5'285'022
+ change during the period	320'785	429'676
Lease receivables (current + non-current) from current contracts at end of period	6'035'483	5'714'698
Changes in lease receivables from terminated contracts / contracts in arrears		
Gross receivables at beginning of period	461'962	443'506
+ additions to gross receivables during the period	87'472	115'361
– disposals of gross receivables during the period	42'913	96'905
Gross receivables at end of period	506'521	461'962
Total gross receivables (current and terminated)	6'542'004	6'176'660
Impairment at beginning of period	476'806	484'584
+ additions of accumulated impairment during the period	10'565	–7'778
Impairment at end of period	487'371	476'806
Lease receivables (carrying amount, current and non-current) at beginning of period	5'699'854	5'243'944
Lease receivables (carrying amount, current and non-current) at end of period	6'054'633	5'699'854

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

EURk	Jun. 30, 2024			Total	Dec. 31,
	Level 1	Level 2	Level 3		2023
Gross lease receivables					
Germany	1'184'597	57'436	35'856	1'277'889	1'248'638
France	1'220'674	82'372	146'680	1'449'726	1'355'908
Italy	721'607	53'474	145'302	920'383	900'684
Other countries	2'384'599	181'667	327'740	2'894'006	2'671'430
Total gross lease receivables	5'511'477	374'949	655'578	6'542'004	6'176'660
Impairment	67'028	33'213	387'130	487'371	476'806
Carrying amount	5'444'449	341'736	268'448	6'054'633	5'699'854

Gross lease receivables increased 5.9 percent compared to December 31, 2023 due to the growth in new business. Furthermore, impairments increased by 2.2 percent, primarily due to higher Level 3 impairments. Important to note here is that the grenke Group continues to apply a conservative approach.

EURk	Jun. 30, 2024			Dec. 31, 2023	
	Level 1	Level 2	Level 3	Total	Total
Gross receivables as of Jan. 1, 2024	5'222'096	367'149	587'415	6'176'660	5'728'528
Newly extended or acquired financial assets*	1'398'274	59'821	25'784	1'483'879	2'488'072
Reclassifications					
to Level 1	63'962	-51'112	-12'850	0	0
to Level 2	-112'342	150'597	-38'255	0	0
to Level 3	-114'229	-71'695	185'924	0	0
Change in risk provision due to change in level	-18'176	-32'209	-20'917	-71'302	-124'783
Mutual contract dissolution or payment for financial assets (without derecognition)	-1'392'307	-81'350	-33'535	-1'507'192	-2'200'443
Change in contractual cash flows due to modification (no derecognition)	0	0	0	0	0
Change in category in processing losses	0	0	-4'803	-4'803	-12'950
Change in models/risk parameters used in ECL calculation	-4	0	0	-4	-3
Derecognition of financial assets	340	-446	-45'638	-45'744	-97'265
Currency translation and other differences	-8'826	1'543	-1'918	-9'201	4'505
Accrued interest	472'689	32'651	14'371	519'711	390'999
Gross receivables as of June 30, 2024	5'511'477	374'949	655'578	6'542'004	6'176'660

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

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

EURk	Jun. 30, 2024			Dec. 31, 2023	
	Level 1	Level 2	Level 3	Total	Total
Impairment at start of period	70'565	44'789	361'452	476'806	484'584
Newly extended or acquired financial assets*	18'164	8'346	7'290	33'800	71'470
Reclassifications					
to Level 1	5'816	-4'177	-1'639	0	0
to Level 2	-2'082	10'123	-8'041	0	0
to Level 3	-2'284	-11'289	13'573	0	0
Change in risk provision due to change in level	-4'763	447	44'485	40'169	61'077
Mutual contract dissolution or payment for financial assets (without derecognition)	-23'130	-10'415	-14'363	-47'908	-64'991
Change in contractual cash flows due to modification (no derecognition)	0	0	0	0	0
Change in category in processing losses	0	0	23'854	23'854	1'542
Change in models/risk parameters used in ECL calculation	-725	-7'902	-2'643	-11'270	-12'717
Derecognition of financial assets	-4	-99	-36'893	-36'996	-73'928
Currency translation and other differences	-5	-33	-3'008	-3'046	193
Accrued interest	5'476	3'423	3'063	11'962	9'576
Impairment at end of period	67'028	33'213	387'130	487'371	476'806
thereof impairment on non-performing lease receivables	0	0	351'723	351'723	325'316
thereof impairment on performing lease receivables	67'028	33'213	35'407	135'648	151'490

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

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

EURk	Q1 – Q2 2024	Q1 – Q2 2023
Payments by lessees	1'262'022	1'189'114
Interest and similar income from leasing business	–263'360	–213'534
Additions of lease receivables / net investments	–1'499'735	–1'297'685
Subtotal	–501'073	–322'105
Disposals / reclassifications of lease receivables at residual carrying amounts	176'027	148'860
Decrease / increase in other receivables from lessees	–33'995	–7'308
Currency translation differences	4'262	–5'333
Change in lease receivables	–354'779	–185'886

5. Financial liabilities

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

EURk	Jun. 30, 2024	Dec. 31, 2023
Current financial liabilities		
Asset-backed	425'573	432'085
Senior unsecured	837'688	744'434
Committed development loans	17'138	23'474
Liabilities from deposit business	1'014'027	631'324
Other bank liabilities	493	272
Total current financial liabilities	2'294'919	1'831'589
Non-current financial liabilities		
Asset-backed	575'056	567'739
Senior unsecured	2'071'092	2'019'594
Committed development loans	8'527	14'229
Liabilities from deposit business	640'791	985'766
Total non-current financial liabilities	3'295'466	3'587'328
Total financial liabilities	5'590'385	5'418'917

5.1 Asset-backed financial liabilities

5.1.1 Structured entities

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

EURk	Jun. 30, 2024	Dec. 31, 2023
Programme volume in local currency		
EURk	1'089'452	1'089'452
GBPk	286'364	286'364
Programme volume in EURk	1'427'791	1'418'965
Utilisation in EURk	1'132'587	1'057'695
Carrying amount in EURk	970'094	900'898
thereof current	406'488	383'260
thereof non-current	563'606	517'638

5.1.2 Sales of receivables agreements

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

EURk	Jun. 30, 2024	Dec. 31, 2023
Programme volume in local currency		
EURk	16'500	16'500
GBPk	0	90'000
BRLk	210'000	210'000
Programme volume in EURk	52'145	159'227
Utilisation in EURk	36'568	105'014
Carrying amount in EURk	30'535	98'926
thereof current	19'085	48'825
thereof non-current	11'450	50'101

5.2 Senior unsecured financial liabilities

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

EURk	Jun. 30, 2024	Dec. 31, 2023
Bonds	2'435'263	2'211'718
thereof current	574'007	380'794
thereof non-current	1'861'256	1'830'924
Promissory notes	209'236	166'831
thereof current	28'013	10'781
thereof non-current	181'223	156'050
Commercial paper	65'000	50'000
Revolving credit facility	123'541	266'044
thereof current	95'441	233'452
thereof non-current	28'100	32'592
Money market trading	18'000	20'000
thereof current	18'000	20'000
Overdrafts	14'447	12'712
Accrued interest	43'293	36'723

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

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

5.2.1 Bonds

In the financial year, a new EUR bond with a nominal volume of EUR 500,000k was issued. An existing bond was increased by EUR 50,000k. Two bonds with a total nominal volume of EUR 204,141k were repaid on schedule, while a nominal volume of EUR 123,173k was repaid early.

5.2.2 Promissory notes

Two new promissory notes, with a nominal volume of GBP 30,000k and CHF 10,000k, have been issued so far in the financial year. A total of EUR 0k was repaid as scheduled.

5.2.3 Commercial paper

Twelve commercial paper issues, with a total volume of EUR 140,000k, have been issued so far in the financial year. A total of EUR 125,000k 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	Jun. 30, 2024	Dec. 31, 2023
NRW Bank	11'130	16'753
Thüringer Aufbaubank	2'127	2'597
KfW	12'088	17'895
Landeskreditbank Baden-Württemberg	197	301
Accrued interest	123	157
Total development loans	25'665	37'703

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

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

EURk	Q1 – Q2 2024	Q1 – Q2 2023
Financial liabilities		
Additions of liabilities / assumption of new liabilities from refinancing	1'520'707	807'454
Interest expenses from refinancing	78'670	44'530
Payment / repayment of liabilities to refinancers	– 1'462'882	– 999'433
Currency translation differences	– 2'976	5'380
Change in liabilities from refinancing	133'519	– 142'069
Additions / repayment of liabilities from deposit business	20'483	374'560
Interest expenses from deposit business	17'245	9'505
Change in liabilities from deposit business	37'728	384'065
Change in financial liabilities	171'247	241'996

6. Equity

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

Of this amount, 1,013,194 shares for a total volume of EUR 22.5 million were acquired in the reporting period within the scope of the share buyback programme announced in November 2023, corresponding to 2.18 percent of the share capital. Further information can be found in the table below. Treasury shares are openly deducted from equity.

	Number of shares acquired	Average price per share in EUR	Total amount of own shares in EURk
Status as of Jan. 1, 2024	0	0.00	0
February	104'201	23.55	2'454
March	178'189	23.32	4'156
April	196'307	22.97	4'509
May	199'013	21.83	4'344
June	335'484	20.88	7'004
Status as of Jun. 30, 2024	1'013'194	22.17	22'467

7. Disclosures on financial instruments

7.1 Fair value hierarchy

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

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: Measurement procedures in which all input factors having a significant effect on the recognition of fair value are directly or indirectly observable in the market
- Level 3: Measurement procedures that use input factors that have a significant effect on the fair value recognised and are not based on observable market data.

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

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

7.2 Fair value of financial instruments

7.2.1 Fair value of primary financial instruments

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

All primary financial instruments are assigned to Level 2 of the valuation hierarchy except for exchange-listed bonds that are included in refinancing liabilities, and which are assigned to Level 1 of the valuation hierarchy and the other investment that is assigned to Level 3 of the fair value hierarchy. The carrying amount and fair value of the exchange-listed bonds as of the reporting date were EUR 2,265,839k (December 31, 2023: EUR 2,211,718k) and EUR 2,270,501k (December 31, 2023: EUR 2,431,362k), respectively. Primary financial assets are measured in full at amortised cost (AC), with the exception of lease receivables, which are measured in accordance with IFRS 16, and other investments, which are allocated to the FVTOCI measurement category and thus measured at fair value. Financial liabilities are also measured at amortised cost.

EURk	Fair value Jun. 30, 2024	Carrying amount Jun. 30, 2024	Fair value Dec. 31, 2023	Carrying amount Dec. 31, 2023
Financial assets				
Lease receivables	6'561'562	6'054'633	6'161'352	5'699'854
Other financial assets	220'791	217'602	220'265	215'235
thereof receivables from lending business	116'815	113'626	125'404	120'374
Financial liabilities				
Financial liabilities	5'802'254	5'590'385	5'844'624	5'418'917
thereof refinancing liabilities	4'114'630	3'935'074	4'185'037	3'801'555
thereof liabilities from deposit business	1'687'131	1'654'818	1'659'315	1'617'090

7.2.2 Fair value of derivative financial instruments

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

EURk	Fair value Jun. 30, 2024	Fair value Dec. 31, 2023
Financial assets		
Derivative financial instruments with hedging relationship		
Interest rate derivatives	4'501	6'020
Cross-currency swaps	6'162	5'063
Forward exchange derivatives	1'103	4'381
Derivative financial instruments without hedging relationship		
Interest rate derivatives	718	823
Forward exchange derivatives	1'705	2'404
Total	14'189	18'691
Financial liabilities		
Derivative financial instruments with hedging relationship		
Interest rate derivatives	1'545	3'399
Cross-currency swaps	17'364	8'773
Forward exchange derivatives	3'848	7'002
Derivative financial instruments without hedging relationship		
Interest rate derivatives	195	312
Forward exchange derivatives	2'471	2'830
Total	25'423	22'316

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

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

7.3 Measurement methods and input factors used

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

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

8. Revenue from contracts with customers

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

EURk	Segment	Q1 – Q2 2024	Q1 – Q2 2023
Revenue from contracts with customers (IFRS 15)			
Gross revenue from service and protection business (service business)	Leasing	75'357	68'231
Service fee for making lease assets available for use	Leasing	5'230	4'508
Revenue from reminder fees	Leasing	861	708
Revenue from reminder fees	Factoring	7	8
Other revenue from lessees	Leasing	440	436
Disposal of lease assets	Leasing	95'009	93'974
Commission income from banking business	Banking	310	283
Total		177'214	168'148

9. Income and other revenue

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

EURk	Q1 – Q2 2024	Q1 – Q2 2023
Revenue from contracts with customers (IFRS 15)	177'214	168'148
Other revenue (IFRS 9, IFRS 16)		
Interest and similar income from financing business	272'415	222'068
Revenue from operating leases	12'051	13'119
Portions of revenue from lease down payments	6'526	6'368
Total	468'206	409'703

10. Income taxes

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

EURk	Q1 – Q2 2024	Q1 – Q2 2023
Current taxes	9'457	12'160
Corporate and trade taxes (Germany)	223	61
International income taxes	9'234	12'099
Deferred taxes	3'145	– 783
Germany	– 620	3'716
International	3'765	– 4'499
Total	12'602	11'377

11. Group segment reporting

EURK	Leasing segment		Banking segment		Factoring segment		Consolidation & Other		Consolidated Group	
January to June*	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Operating income										
External operating income	214'345	202'123	5'575	1'941	3'700	4'717	0	0	223'620	208'781
Internal operating income	-12'029	-14'119	13'034	15'638	-1'005	-1'519	0	0	0	0
Total operating income	202'316	188'004	18'609	17'579	2'695	3'198	0	0	223'620	208'781
thereof non-cash items	13'144	405	-2'206	-1'083	-25	-380	0	0	10'913	-1'058
Non-interest expenses										
Staff costs	-87'042	-78'162	-4'608	-3'941	-3'260	-3'165	0	0	-94'910	-85'268
Depreciation / Amortisation and impairment	-12'091	-13'040	-562	-288	-365	-318	411	223	-12'607	-13'423
Selling and administrative expenses	-47'144	-45'074	-4'371	-5'867	-1'723	-1'586	1'549	1'530	-51'689	-50'997
Other operating income (+) and expenses (-)	-4'904	-1'833	1'094	-3'169	286	213	-2'548	-1'902	-6'072	-6'691
Segment result	51'135	49'895	10'162	4'314	-2'367	-1'658	-588	-149	58'342	52'402
Result from companies accounted for using the equity method	-235	-40	0	0	0	0	0	0	-235	-40
Other financial result							-531	-586	-531	-586
Group earnings before taxes	50'900	49'855	10'162	4'314	-2'367	-1'658	-1'119	-735	57'576	51'776
As of June 30 (December 31, 2023)										
Segment assets	6'779'419	6'515'993	2'103'496	2'074'496	106'035	108'859	-1'721'663	-1'650'129	7'267'287	7'049'219
thereof investments accounted for using the equity method	2'671	2'906	0	0	0	0	0	0	2'671	2'906
Segment liabilities	5'628'298	5'344'093	1'794'170	1'780'805	111'136	111'124	-1'632'753	-1'567'294	5'900'851	5'668'728

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

11.1 Business segments

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

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

11.2 Reportable segments

11.2.1 Leasing

The Leasing segment contains 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 wall-

boxes, photovoltaic systems and eBikes. Almost all of the lease contracts are concluded as full payout leases.

11.2.2 Banking

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

11.2.3 Factoring

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

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

11.3 Segment data

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

The Board of Directors of grenke AG is the responsible body for assessing the performance of the grenke Group. In addition to the growth of new business in the Leasing segment (total acquisition costs of newly acquired leased assets), the Board of Directors has determined the deposit volume for grenke Bank and the gross margin for the Factoring segment as key performance indicators. The performance indicators of the segments are presented in the interim group management report. Other measures include operating segment income, non-interest expenses, segment result before other financial result, as well as staff costs, selling and administrative expenses, and depreci-

ation and amortisation. Other financial result and tax expense/income are the main components of the consolidated statement of income that are not included in the individual segment information.

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

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

The non-cash items represent impairment losses.

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

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

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

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

13. Payments to hybrid capital holders

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

14. Related party disclosures

The Supervisory Board of grenke AG concluded a phantom stock agreement with all members of the Board of Directors in office. Payments under these agreements during the financial year to date amounted to EUR 271k (June 30, 2023: EUR 0k).

As of June 30, 2024, the value of all existing phantom stock agreements amounted to EUR 0k (December 31, 2023: EUR 271k). This amount is recognised under staff costs in the consolidated income statement and is included under variable remuneration components.

Transactions with associated companies and subsidiaries

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

Expenses of EUR 23k (Q2 2023: EUR 0k) were incurred with associates from commission payments.

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

Transactions with persons in key positions

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

As of the June 30, 2024 reporting date, grenke Bank AG had deposits and current account balances of EUR 134k (December 31, 2023: EUR 130k) from key management personnel and related parties. The related interest expense totalled EUR 3k (Q2 2023: EUR 0k).

Transactions with other related parties

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

There are current accounts with other related parties. Credit lines for current accounts were utilised in the amount of EUR 842k (December 31, 2023: EUR 830k) with a current account credit limit of EUR 840k (December 31, 2023: EUR 840k). This resulted in interest income of EUR 16k (Q2 2023: EUR 16k). Income from other related parties in the amount of EUR 2k (Q2 2023: EUR 2k) resulted from lease agreements and employee loans. Receivables from other related parties also existed and resulted mainly from collateral payments to other related parties in the amount of EUR 3,987k as of June 30, 2024 (December 31, 2023: EUR 3,986k).

15. Contingent liabilities

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

16. Employees

In the interim reporting period, the grenke Group's headcount (excluding the Board of Directors) averaged 2,267 employees (Q1 – Q2 2023: 2,105). A further 71 employees (Q1 – Q2 2023: 52) are in training.

17. Subsequent events

Within the scope of our share buyback programme, we exceeded the reporting threshold of 3 percent on July 26, 2024, at 1,401,722 shares repurchased.

Other significant events did not occur after the reporting date.

Responsibility Statement

We confirm to the best of our knowledge and in accordance with the applicable accounting standards for half-year financial reporting that the half-year consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Consolidated Group and that the interim group management report conveys a fair review of the business development, including the results and the position of the Consolidated Group, together with a description of the important opportunities and risks for the expected development of the Consolidated Group for the remainder of the financial year.

Baden-Baden, August 6, 2024



Dr Sebastian Hirsch

Chief Executive Officer (CEO)



Gilles Christ

Chief Sales Officer (CSO)



Dr Martin Paal

Chief Financial Officer (CFO)



Isabel Rösler

Chief Risk Officer (CRO)

Review Report

To grenke AG, Baden-Baden

We have reviewed the condensed interim consolidated financial statements comprising the statement of financial position, income statement, statement of comprehensive income, statement of cash flows, statement of changes in equity and selected explanatory notes, as well as the interim group management report of grenke AG, Baden-Baden, for the period from January 1, 2024 to June 30, 2024, which are part of the half-year 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, August 6, 2024

BDO AG
Wirtschaftsprüfungsgesellschaft

Grunwald	Schölch
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)



Calendar of events

October 2, 2024 // New business figures Q3 2024

November 14, 2024 // Quarterly statement for Q3 and Q1–Q3 2024

Imprint

Information and Contact

grenke AG
Team Investor Relations

Neuer Markt 2
76532 Baden-Baden

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

Imprint

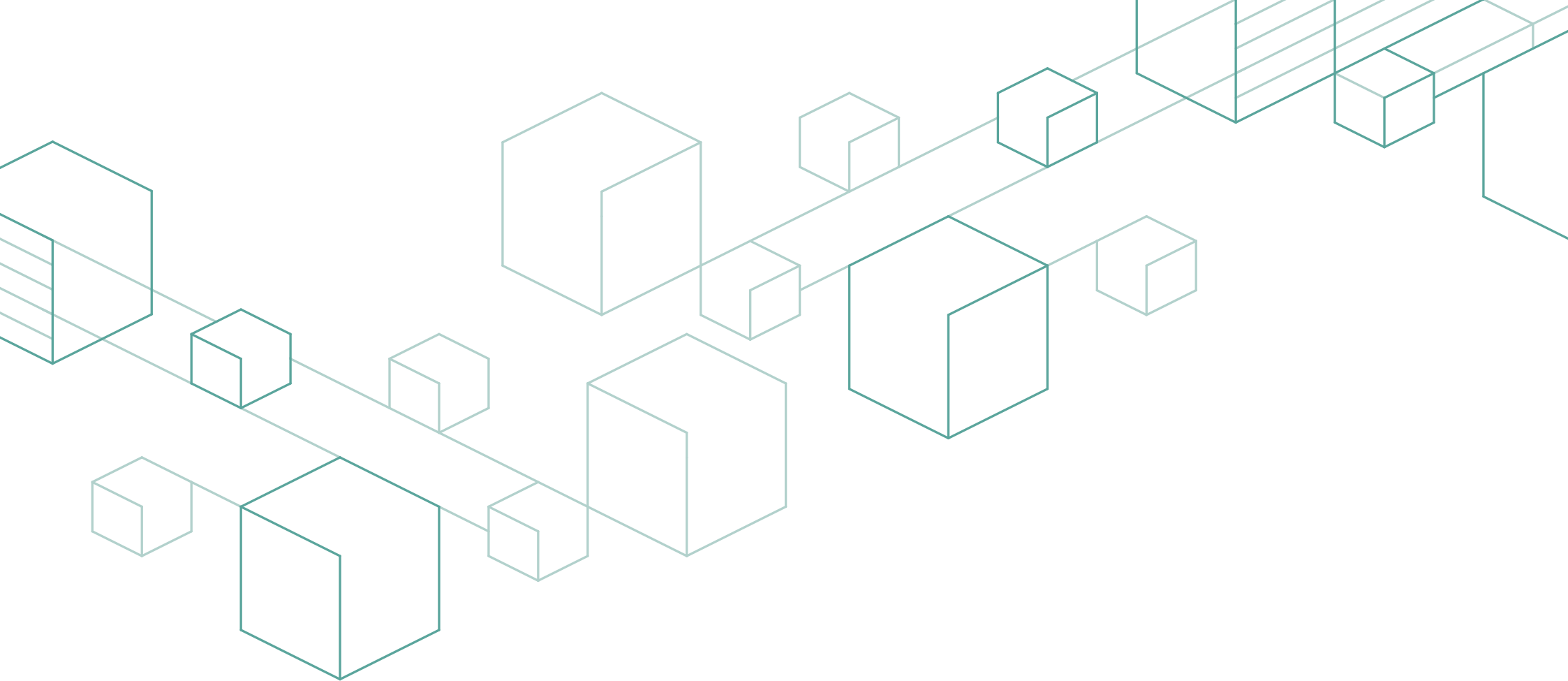
Publisher:	The Board of Directors of grenke AG
Editorial:	grenke AG, Investor Relations
Design, layout & typesetting:	SPARKS CONSULTING GmbH, Munich
Status:	August 8, 2024

© grenke AG, Baden-Baden

Disclaimer

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

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



grenke AG
Headquarters
Neuer Markt 2
76532 Baden-Baden
Germany

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

www.grenke.com