

GRENKE AG  
JUNI 2023

**GRENKE**

# KEYNOTE

ZUR 26. DIRK KONFERENZ

Dr. Sebastian Hirsch  
CEO  
GRENKE AG

**„Ein Teil von jener Kraft, die stets das Böse will und stets das Gute schafft.“**

*Johann Wolfgang von Goethe*

# Disruption ist das *neue Normal*

# *Was ist* **Disruption?**

**GRENKE**

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# HISTORISCHE DISRUPTIONEN

DIRUPTIVE ENTWICKLUNGEN HAT ES IMMER GEgeben. SIE WERDEN ABER HÄUFIGER.



The GRENKE logo is displayed in a bold, white, sans-serif font. The letters are thick and closely spaced, creating a strong visual impact. The background of the slide is a dark blue with a radial pattern of light streaks emanating from the center, giving it a sense of motion and depth.

**GRENKE**

# KEYNOTE

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# Die Chronik der Shortseller-Attacke

# DER SHORTSELLER-BERICHT

EIN TAG, DER ALLES VERÄNDERTE.



## Grenke – For Your Fraud Financing Needs



Viceroy puts the spotlight on Grenke's chicanery; swindling small businesses, laundering money for criminals, & accounting fraud.

We finance your business.

**September 14, 2020** - Viceroy Research is short Grenke AG (XTRA: GLJ).

Grenke's global expansion through the purchase of dozens of undisclosed related party franchises is a fraudulent scheme perpetrated on a mass scale, designed to either hide fake cash or siphon off millions of euros to undisclosed related parties, or both.

Grenke's banking division has been a conduit for the proceeds of crime and money laundering, and could face the loss of its banking license.

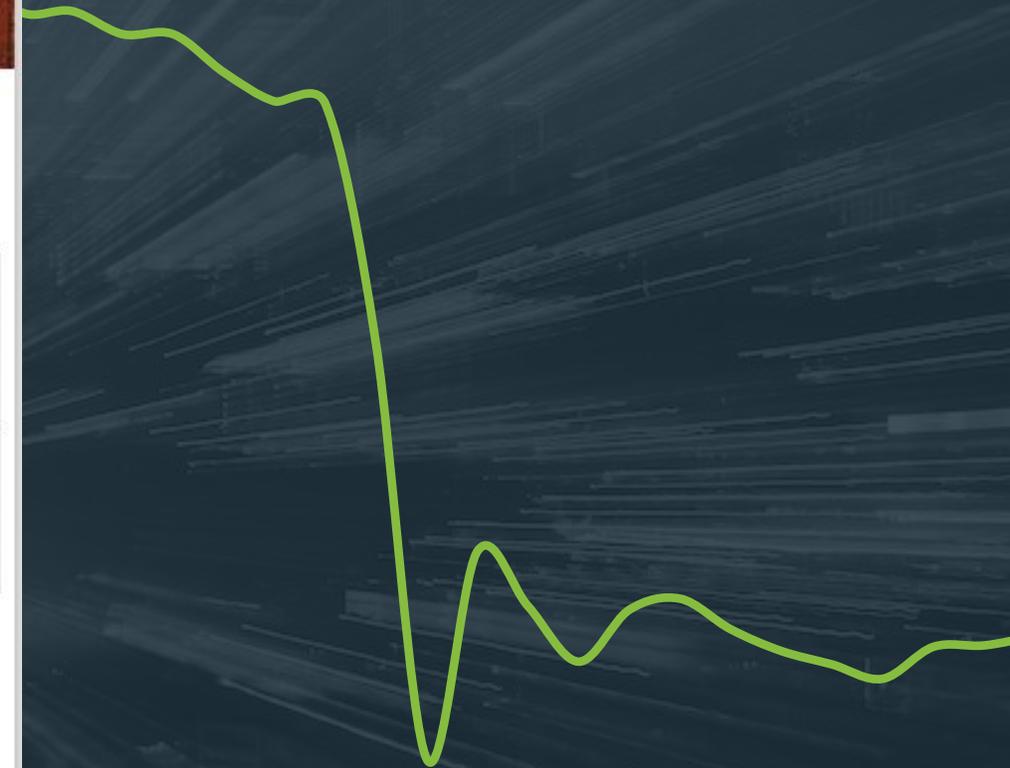
Grenke's leasing model facilitates and encourages rampant fraud from resellers, resulting in bad debt, protracted legal disputes and the defrauding of small businesses, the government, and charities. Legitimate leasing of small ticket tech is becoming increasingly redundant, in outdated and fast diminishing business segments.

Grenke AG		
Exchange		XETRA
Ticker		GLJ
Shares outstanding	000's	46,354
Share price*	€	55.0
<b>Market Cap</b>	€m	<b>2,549</b>
P/E	X	26
EV/Sales	X	13.9
EV/EBITDA	X	36.8
* Price at Sep 14, 2020		

*Viceroy Research believes Grenke AG's stock is **uninvestable** due to blatant **accounting fraud**, including **dozens of undisclosed related party transactions**, and the **complete lack of internal controls**, right down to individual due diligence on customers.*

*Grenke's bonds are hovering above junk territory due to capital adequacy stemming from its banking business, which we believe is **hiding fake cash**, and is actively used to **launder money for binary options scams, crypto scams, and fraudulent unregulated trading platform**.*

GRENKE Aktie



15. September 2020

64 Seiten Shortseller-Bericht

# DER SHORTSELLER-BERICHT

EIN TAG, DER ALLES VERÄNDERTE.

## Handelsblatt

**Shortseller greifen Finanzdienstleister  
Grenke an – Aktie bricht um 23 Prozent ein**



Shortseller gegen GRENKE:

**Neues Wirecard oder kurzes Kursbeben?**



**Shares of German finance firm Grenke tank  
after short seller accuses it of fraud**



15. September 2020

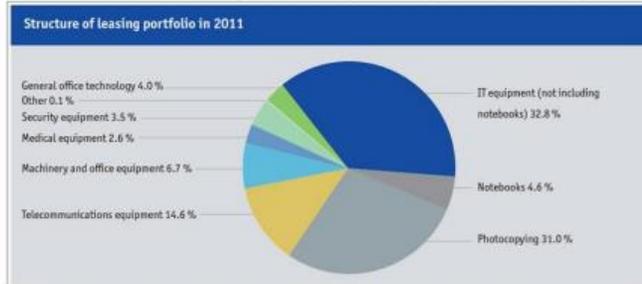
64 Seiten Shortseller-Bericht

# DER SHORTSELLER-BERICHT

64 SEITEN WIRKUNGSVOLL INSZENIERT.

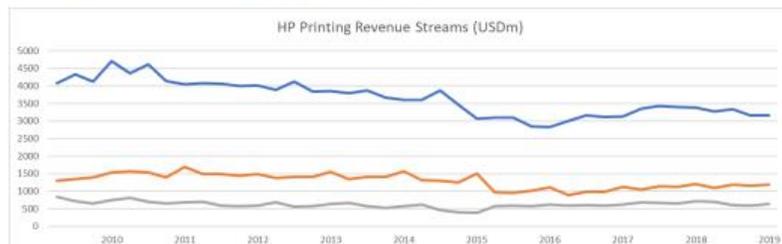


New Leasing business	2019		2011	
IT equipment (incl. notebooks)	33.8%	963.00	37.4%	288.02
Machinery & other equipment	22.3%	635.35	6.7%	51.60
Photocopying equipment	18.3%	521.39	31.0%	238.74
Medical equipment	8.8%	250.72	2.6%	20.02
Telecommunications	7.6%	216.53	14.6%	112.44
General office technology	3.7%	105.42	4.0%	30.80
Security equipment	3.7%	105.42	3.5%	26.95
Others	1.8%	51.28	1.0%	7.70
<b>Total</b>		<b>2,849.10</b>		<b>770.11</b>



Figures 22 & 23 Extract from Viceroy Analysis & outdated Grenke Website<sup>17</sup>

For comparison industry data from Hewlett-Packard Enterprise figures for printer volumes shows stagnating volumes from 2015 onward, and prices falling through the floor:



## 9. Valuation

### Digging into cash flows

Simplification of Grenke's mess of their Statement of Cash Flows is required, as the company presents it in an unreadable font color and borderline incomprehensible line items without note references.

Grenke AG - Viceroy Adjusted Free Cash Flow	2019	2018	2017	2016
Cash Flow From Operating Activities	109,299	20,408	27,951	(16,241)
Payments for PPE & Intangible Assets	(22,289)	(15,565)	(17,167)	(11,832)
Proceeds from the sale of PPE & Intangible Assets	1,523	941	1,506	370
<b>Free cash flow</b>	<b>88,533</b>	<b>5,784</b>	<b>12,290</b>	<b>(27,703)</b>
<b>Viceroy Adjustments</b>				
Hybrid Capital Interest repayments	(9,375)	(6,786)	(4,125)	(1,711)
Grenke Bank cash deposits	(192,480)	(178,746)	(102,118)	(67,785)
<b>Free Cash flow from Operations</b>	<b>(113,322)</b>	<b>(179,748)</b>	<b>(93,953)</b>	<b>(97,199)</b>

Figure 46 Adjusted Free Cash Flow – Viceroy Research

**Operating Cash Flow = €140,749k**

For the sake of analysis and valuation, we have made the following amendments to free cash flow to reflect the business' operating performance more accurately.

**Less: Increase in liabilities from deposit taking business = €192,480k**

We have backed out increased deposits from Grenke's operating cash flows because:

- They do not represent a refinancing of existing assets;
- They mostly take shape of a financing cash flow;
- Their contribution to the P&L is almost immaterial; and
- The inclusion of deposits in an operational analysis would not be reflective of Grenke's major income-earning business. Grenke Leasing accounts for 95% of the group's gross interest income.

**Add: Interest Coupon Payments to Hybrid Capital = (€9,375k)**

# DER SHORTSELLER-BERICHT

## FAKE CASH: FREI ERFUNDEN ABER WIRKUNGSVOLL.

The driver behind this activity is Grenke's need to account for **fake cash**, which appears on Grenke's balance sheet from the understating of bad debt, which in turn stems from Grenke's immoral and disastrous business model (as discussed in section 6) and its failing business segments.

Grenke covers up bad and impaired leases through the following means (see further discussion about this in section 5);

- the opaque operating structure of franchisees; and
- the recording of **fake cash** on its balance sheet. We draw attention to Grenke's propensity to hoard excessive amounts of cash yet, for some strange reason, still to conduct capital raising (as discussed in section 9).

### History Lesson – Lernout & Hauspie

The 2000 collapse of Lernout & Hauspie involved the faking of their accounts by selling everything to undisclosed related party entities – in this case software developers. For example, they would sell \$100m of core technology to the entity booking \$100m or so of profit. The incremental margin on software is 100%.

The entity would then owe Lernout & Hauspie \$100m, which it had no ability to repay as it was often just a shell company. Lernout & Hauspie would then purchase the entity for \$1 but in the accounts the consideration would be \$100,000,001 – \$100m debt assumed plus a \$1 payment.

That balance would be represented in the accounts as goodwill. Lernout & Hauspie had turned a dodgy sale and profit generated from a dodgy party into fake goodwill.

### Hiding of **Fake Cash** by Grenke

We believe Grenke is using franchise acquisitions to hide fake profits from its overstated operations by directing what we believe to be **fake cash** into fake goodwill.

The tail-end of Grenke's loans are clearly non-profitable but no adjustments have been made on the books to reflect this (as discussed in section 5). So much so that even subsidiary accounts show multiple confusing intra-group transactions, including where Grenke is paying premiums for non-performing franchise leases right before buying them outright.

GRENKE Finance PLC pays a premium to agents who are a franchise to buy leases which become non performing. The franchisees to whom these premiums were paid have all since become GRENKE AG group companies. The amortisation relates to leases written when they

*Figure 2 Extract from Grenke Finance Financial Report – 2018*

Acquisitions also entail the extinguishment of substantial portions of financing liabilities of franchisees to the Grenke group, which consolidate out when the franchise becomes a Grenke group subsidiary.

*We believe this has resulted in a large reservoir of **fake cash**, which needs to be diverted into other, less-transparent asset classes like goodwill.*

GRENKE AG:  
€ 520 Mio.

GRENKE BANK AG:  
€ 410 Mio.

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**Kontoauszug**  
Girokonto

Deutsche Bundesbank, Postfach 10 60 21, 70049 Stuttgart

Grenke AG  
Neuer Markt 2  
76532 Baden-Baden

BUNDESBANK  
EUROSYSTEM

BIC MARKDEF1660  
IBAN DE58 6600 0000 0066 0073 10  
BLZ/Konto-Nr. 66000000/66007310

Auszug vom 01.07.2020  
Auszug-/Blatt-Nr. 43 / 1

Kontobezeichnung:  
Grenke AG, Baden-Baden

Bei Fragen wenden Sie sich bitte an:

Alter Saldo EUR		440.000.000,00 H	
Angaben zu den Umsätzen	Valuta	Umsätze in EUR	
		Soll	Haben
Buchungsdatum: 01.07.2020			
Überw Prior1/SWI	01.07.	80.000.000,00 H	

GRENKE AG:  
€ 520 Mio.

Deutsche Bundesbank · Postfach 57 03 48 · 22772 Hamburg

Vorstand  
GRENKE BANK AG  
Neuer Markt 2  
76532 Baden-Baden

Nachricht vom Unser Zeichen, unsere Nachricht vom Telefon/Telefax, Name Datum  
KBS HMS 17.09.2020

Saldenbestätigung per 30. Juni 2020

Sehr geehrte Damen und Herren,

wir bestätigen Ihnen per 30.06.2020 nach Buchungsschluss für das nachstehende Target2-Konto folgenden Saldo zu Ihren Gunsten:

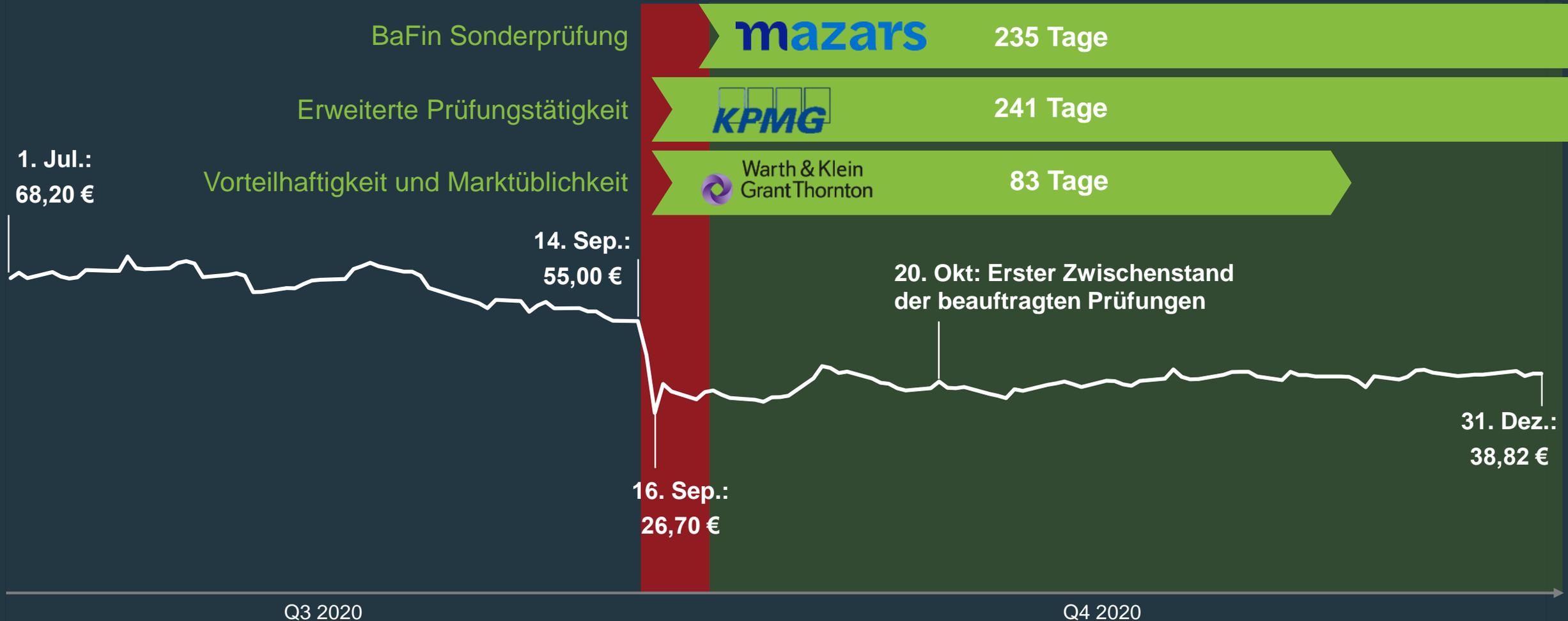
PM-Konto DEMARKPGREBDEHXXX EUR 410.346.263,15

GRENKE BANK AG:  
€ 410 Mio.

# Die Chronik der Shortseller-Attacke

# START DES PRÜFUNGS-MARATHONS

WIR WURDEN GENAU UNTER DIE LUPE GENOMMEN.



# GRENKE HEUTE

ES WAR EIN LANGER WEG.



Abschluss der **BaFin Sonderprüfung**



**Governance-Stärkung** (Geldwäscheprävention, Compliance, interne Revision)



**Platz 3** SDAX-Rangliste DFVA Corporate Governance Rating 2022



**50 Prozent** der Franchiseunternehmen übernommen in 2022\*



**Neue Leasingobjekte** getrieben durch Megatrend der Green Economy



**Zusätzliches Investment Grade Rating** von Fitch: BBB/stabil/F2



**Deutscher PR Preis 2023** für Veränderungs- und Kapitalmarktkommunikation

*Frankfurter Allgemeine*

**GRENKE fasst wieder Tritt**

**Börsen-Zeitung**

**Damit ist GRENKE  
zurück in der Normalität**



**Short seller attack as  
instructive as ‘lost  
Champions League final’,  
says Grenke**

(\*) Status 31. März 2023: 2/3 übernommen

# Shortseller-Attacke

## *Warum* **GRENKE?**

# UNSERE SHORTSELLER-CHECKLISTE

BEANTWORTEN SIE DIESE ESSENTIELLEN FRAGEN FÜR SICH UND IHR UNTERNEHMEN.

- 1. Sind Sie erfolgreich und wachsen seit Jahren überdurchschnittlich?**
- 2. Sind Sie ein Familienunternehmen und ist der Gründer noch aktiv?**
- 3. Gab es in den letzten zwei Jahren wesentliche Veränderungen in den Gremien?**
- 4. Operieren Sie auch im Ausland? In möglichst vielen Ländern?**
- 5. Haben Sie – von außen betrachtet – eine komplexe Struktur?**
- 6. Ist Ihre Finanzberichterstattung kompliziert und schwer vergleichbar mit anderen Unternehmen?**
- 7. Unterliegen Sie einer speziellen Regulierung oder spezifischen Aufsicht?**
- 8. Ist Ihre Aktie eher illiquide und reagiert sensibel auf größere Handelsvolumina?**
- 9. Haben Sie keine technische Verteidigungslinie aufgebaut?**

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**GRENKE**

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Dr. Sebastian Hirsch  
CEO  
GRENKE AG

# IN A NUTSHELL

MEIN GANZ PERSÖNLICHER TIPP FÜR SIE!



# KONTAKT

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