

**Société Générale Effekten GmbH  
Frankfurt am Main**

**Management Report  
for the 2024 financial year**

**A. Legal and commercial basis of the Company**

Société Générale Effekten GmbH (SGE) is a 100% subsidiary of Société Générale S.A. Frankfurt, which is a branch of Société Générale S.A., Paris (SG). The purpose of the company is to issue and sell securities and to purchase, sell, hold and manage equity interests.

The securities issued by SGE are publicly offered in individual or multiple countries of the European Economic Area or Switzerland. In addition, admission for the securities to trading in a regulated market or a multilateral trading system in the European Economic Area or on a Swiss stock exchange may also be applied for. Currently, the respective trading venues include the stock exchanges in Frankfurt, Stuttgart, Madrid, Barcelona, Milan, Paris, Stockholm and Zurich.

The issues are taken over by SG and, in a second step, they are placed with end customers by SG, so that no influence on the economic circumstances of the issuer results from this action. Redemption of the securities is guaranteed by SG in the form of a parent company guarantee.

The parent company guarantee can be viewed at:

[https://prospectus.socgen.com/program\\_search/ JSE-%20Deed%20of%20Guarantee](https://prospectus.socgen.com/program_search/ JSE-%20Deed%20of%20Guarantee)

The Company holds majority shares in Société Générale Securities Services GmbH, Aschheim, and ALD Lease Finanz GmbH, Hamburg.

**B. Financial review**

**I. General economic and industry-specific conditions**

The recession that began in Germany in 2023 continued in 2024. After contracting by 0.3% in 2023, German gross domestic product contracted further by 0.2% in 2024.<sup>1</sup> Geopolitical difficulties, particularly the Ukraine war and the Middle East conflict, are major factors contributing to the ongoing decline in economic growth, although other factors such as the political debates in Germany concerning migration, economic policy, and government spending are also significant. The political strife climaxed in December 2024 when the so-called “traffic-light coalition” of German political parties fell apart, leading to the dissolution of the German parliament and the

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<sup>1</sup> German Federal Office of Statistics (01/15/2025). Gross Domestic Product Declined by 0.2% in 2024. [https://www.destatis.de/DE/Presse/Pressekonferenzen/2025/bip2024/pm-bip.pdf?\\_\\_blob=publicationFile&v=6](https://www.destatis.de/DE/Presse/Pressekonferenzen/2025/bip2024/pm-bip.pdf?__blob=publicationFile&v=6) (02/20/2025).

announcement of new elections to be held in February 2025.<sup>2</sup> The difficult political situation within Germany caused great uncertainty among businesses and the population at large. Declining construction investment, business investment, and exports, particularly to China, are other key factors contributing to the weakness of the German economy.<sup>3</sup>

The inflation rate in Germany was considerably lower in 2024 than in 2023. Whereas inflation reached 5.9% in 2023, the inflation rate in 2024 was only 2.2%. The prices of energy products fell by 3.2% in 2024 after having risen sharply again in 2023. On the other hand, prices for services increased substantially by 3.8%.<sup>4</sup> In reaction to the declining rate of inflation, the European Central Bank began to lower interest rates for the first time in June 2024.<sup>5</sup> After five further rate cuts, the base interest rate after the last interest rate cut in March 2025 came to 2.65%.<sup>6</sup>

The state of the German economy is still heavily influenced by the country's two biggest trade partners, China and the United States. China's economy is estimated to have grown by 5% in 2024, which is somewhat slower than the 5.2% growth registered in 2023 and only barely hitting the stated growth target of 5%. Chinese gross domestic product recovered in the fourth quarter of 2024 after contracting in the second and third quarters.<sup>7</sup> Since April 2024, moreover, Chinese exports have risen sharply by 10.7% as of December 2024, after the substantial 5% decrease in 2023.<sup>8</sup> However, trade tensions between China and the United States escalated considerably in 2024, due not least of all to the renewed election of U.S. President Donald Trump. The additional imposition of a 10% tariff on Chinese products by the United States in February 2025 represents a major challenge to China's exports.<sup>9</sup> In addition, the volume of trade between Germany and China fell by 3.1% in 2024, so that the United States was again Germany's biggest trading partner in 2024 for the first time since 2015.<sup>10</sup> Accordingly, the forecasts for China's growth potential in 2025 are rather pessimistic, averaging only 4.4%.<sup>11</sup>

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<sup>2</sup> German Federal Parliament (12/27/2024). Steinmeier Announces Dissolution of the German Federal Parliament and New Elections. <https://www.bundestag.de/presse/hib/kurzmeldungen-1035368> (02/21/2025).

<sup>3</sup> Hamburg Institute of International Economics (December 2024). Economic Forecast Germany Winter 2024. [https://www.hwwi.org/wp-content/uploads/2024/12/HWWI\\_Konjunkturprognose\\_4\\_2024.pdf](https://www.hwwi.org/wp-content/uploads/2024/12/HWWI_Konjunkturprognose_4_2024.pdf) (03/31/2025).

<sup>4</sup> German Federal Office of Statistics (01/16/2025). +2.2% Inflation Rate in 2024. [https://www.destatis.de/DE/Presse/Pressemitteilungen/2025/01/PD25\\_020\\_611.html](https://www.destatis.de/DE/Presse/Pressemitteilungen/2025/01/PD25_020_611.html) (02/20/2025).

<sup>5</sup> European Central Bank (06/06/2024) Monetary Policy Decisions. <https://www.ecb.europa.eu/press/pr/date/2024/html/ecb.mp240606~2148ecdb3c.de.html> (02/20/2025).

<sup>6</sup> European Central Bank (03/06/2025). Monetary Policy Decisions. <https://www.ecb.europa.eu/press/pr/date/2025/html/ecb.mp250306~d4340800b3.de.html> (03/12/2025).

<sup>7</sup> Statista (01/17/2025). China: Growth of Real Gross Domestic Product (GDP) from Q4 2021 to Q4 2024. <https://de.statista.com/statistik/daten/studie/179388/umfrage/wachstum-des-bruttoinlandsprodukts-bip-in-china-nach-quartalen/> (02/21/2025).

<sup>8</sup> Statista (02/14/2025). China: Relative Change in Export Volume from December 2023 to December 2024. <https://de.statista.com/statistik/daten/studie/173902/umfrage/veraenderung-der-monatlichen-exporte-aus-china-gegenueber-dem-vorjahresmonat/> (02/21/2025).

<sup>9</sup> U.S. Customs and Border Protection, Department of Homeland Security. (05.02.2025). Implementation of Additional Duties on Products of the People's Republic of China Pursuant to the President's February 1, 2025 Executive Order Imposing Duties To Address the Synthetic Opioid Supply Chain in the People's Republic of China. <https://www.federalregister.gov/documents/2025/02/05/2025-02293/implementation-of-additional-duties-on-products-of-the-peoples-republic-of-china-pursuant-to-the> (02/21/2025).

<sup>10</sup> German Federal Office of Statistics (02/19/2025). After Nine Years, United States is Again Germany's Most Important Trading Partner in 2024. [https://www.destatis.de/DE/Presse/Pressemitteilungen/2025/02/PD25\\_063\\_51.html](https://www.destatis.de/DE/Presse/Pressemitteilungen/2025/02/PD25_063_51.html) (02/21/2025).

<sup>11</sup> German Economic Institute (02/21/2025) 5-Percent Target Just Barely Achieved: China's Growth Is Running Out of Steam. <https://www.iwkoeln.de/studien/gero-kunath-chinas-wachstum-geht-die-puste-aus.html> (02/21/2025).

The U.S. economy expanded by 2.8% in 2024, particularly after the renewed election of Donald Trump as U.S. President.<sup>12</sup> As in Germany, inflation also subsided in the United States compared to the previous year.<sup>13</sup> For this reason, the U.S. central bank has likewise lowered its base interest rate in several steps since September 2024.<sup>14</sup> Gross domestic product in the Eurozone expanded by 0.7% and in the EU by 0.9% in 2024.<sup>15</sup> Both these developments represent an improvement over 2023. The EU-wide unemployment rate was 5.9%, corresponding to about 13 million unemployed persons, in November 2024. As in the previous year, the Eurozone unemployment rate of 6.3% was again higher than the EU-wide unemployment rate.<sup>16</sup>

In summary, SGE's issuance volume is highly dependent on various macroeconomic factors, chief among them the volatility of markets, which directly impacts trading activity and can therefore also increase SGE's issuance activity. Investors are often more active in times of heightened market volatility, leading to increased trading volumes and thus favoring issuance volumes. Another key factor is economic growth, especially gross domestic product (GDP). Expanding GDP normally increases consumption and investment, which would likewise have a positive effect on trading volumes and thus issuance volumes.

## II. Business developments

Compared to the prior fiscal year, issuance activity increased by 29.4% in financial year 2024 (2024: 704,342 issued products; 2023: 544,197 issued products). The increased issuance activity is attributable to the high level of customer activity, which had the effect of broadening the Company's offering of issued products.

In total, 31,345 investment products (PY: 28,925) were issued in 2024. In the category of products without capital protection, 15,012 products were issued as discount certificates, 13,068 products as bonus certificates, 2,492 products as reverse convertibles, 383 products as index/participation certificates, and 7 products as express certificates. In the category of products with capital protection, 383 products were issued as capital protection certificates.

Furthermore, 672,997 leverage products were issued (PY: 515,272). In addition to 463,119 products with knock-out options, 157,601 products were issued as warrants and 52,277 products as factor certificates in the category of products without knock-out options.

The German market accounted for 79% of total issuance activity and foreign markets accounted for 21% (of which: 49% France, 30% Scandinavian market, 9% Switzerland, 3% Benelux, 4% Iberian market, 5% Italy).

<sup>12</sup> Bureau of Economic Analysis. (30.01.2025). Gross Domestic Product, 4th Quarter and Year 2024 (Advance Estimate). <https://www.bea.gov/news/2025/gross-domestic-product-4th-quarter-and-year-2024-advance-estimate> (02/21/2025).

<sup>13</sup> Statista (01/14/2025). Monthly 12-month Inflation Rate in the United States from November 2020 to November 2024. <https://www.statista.com/statistics/273418/unadjusted-monthly-inflation-rate-in-the-us/> (02/24/2025).

<sup>14</sup> Statista (02/04/2025). Monthly Federal Funds Effective Rate in the United States from July 1954 to January 2025. <https://www.statista.com/statistics/187616/effective-rate-of-us-federal-funds-monthly/> (02/24/2025).

<sup>15</sup> Eurostat (02/14/2025). 0.1% Rise in Eurozone GDP and Employment. <https://ec.europa.eu/eurostat/web/products-euro-indicators/w/2-14022025-ap> (02/24/2025).

<sup>16</sup> Eurostat (01/07/2025). 6.3% Unemployment Rate in the Eurozone. <https://ec.europa.eu/eurostat/de/web/products-euro-indicators/w/3-07012025-bp> (02/24/2025).

The subsidiary ALD Finanz Lease GmbH, Hamburg, acquired in 2017 held its own in a still difficult market environment, although its profits were lower. The decline in profits resulted mainly from the smaller lease portfolio, the lower amount of loans outstanding at the subsidiary BDK, and lower results from the marketing of leased assets at the end of the lease terms.

The overall performance in the financial year can be regarded as positive considering the expansion of issuance activities.

### **III. Financial position, cash flows and liquidity position, and financial performance**

#### **a) Financial position**

Compared to the previous year, total assets declined by EUR 3,139 million to EUR 23,936 million. This reduction is primarily attributable to lower issuance volumes in the categories of warrants and trust assets. These declines affected the balance sheet item of Other assets, which amounted to EUR 18,126,129 thousand (PY: EUR 20,909,812 thousand), and the line item of Trust assets, which amounted to EUR 365,610 thousand (PY: EUR 587,776 thousand). The overall decrease is mainly attributable to the fact that many warrant products expired in financial year 2024, which caused a reduction of total assets at 12/31/2024.

The balance sheet mainly presents the issued certificates (balance sheet item: Liabilities from issued certificates) and the hedging transactions conducted in this connection (balance sheet item: Receivables from affiliated companies from the investment of issue proceeds) and the issued warrants (balance sheet item: Other liabilities) and the hedging transactions conducted in this connection (balance sheet item: Other assets). The value of the items presented in the balance sheet varies depending on the number and nominal amounts of issued securities and the related hedging transactions.

The Company presented the companies acquired at January 1, 2017 (ALD Lease Finanz GmbH and Société Générale Securities Services GmbH) in the balance sheet as Noncurrent financial assets – Interests in affiliated companies. With regard to the interests in Société Générale Securities Services GmbH, the previously recognized impairment of EUR 515 thousand, which lowered the purchase price to EUR 1.00, was kept in place in view of the future earnings expectations resulting from the discontinuation of operating activities as of 12/31/2023.

The share capital of Société Générale Effekten GmbH remains unchanged at EUR 26 thousand (PY: EUR 26 thousand). In addition, the company holds EUR 1,138 thousand (PY: EUR 1.138 thousand) in profit carried forward. The Company's equity remained unchanged year-on-year because the Company entered into a profit transfer agreement with Société Générale Frankfurt as of January 1, 2016, and thus any profits earned or losses incurred are transferred to or compensated by Société Générale Frankfurt.

Receivables are owed by Société Générale S.A. Frankfurt Branch and Société Générale S.A., Paris, particularly in connection with the issuing activities. Receivables are also owed by ALD Lease Finanz GmbH, Hamburg, and by Société Générale Securities Services GmbH, Aschheim, under the profit transfer agreements concluded on September 26, 2017 and December 1, 2017, respectively.

Société Générale Effekten GmbH is not subject to any significant default risks in relation to third parties because they are covered by the global guarantee with Société Générale S.A., Paris.

Liabilities are mainly incurred from the issuance of certificates and warrants, as well as a loan received from Société Générale S.A. Frankfurt Branch for the acquisition of the subsidiaries Société Générale Securities Services GmbH, Aschheim, and ALD Lease Finanz GmbH, Hamburg, as of January 1, 2017.

The financial position was sound in financial year 2024.

#### b) Financial performance

The proceeds from the sale of issued warrants and certificates are always offset by the expenses for the acquisition of the corresponding hedging transactions, so that the Company itself does not generate any profit from its issuance activities. In accordance with IDW RS HFA 35 para. 86, the cash flows resulting from the termination of the hedge have been recognized directly in equity, with no effect on the income statement, insofar as they offset each other.

Because currency risks are hedged, exchange rate fluctuations have no effect on the Company's income statement.

The revenues of EUR 8,633 thousand (PY: EUR 8,041 thousand) consisted of cost reimbursements for services, plus a 5% mark-up for administrative expenses, under the cost-plus arrangements in effect with Société Générale S.A., Paris, in the amount of EUR 6,769 thousand and with Société Générale S.A. Frankfurt Branch in the amount of EUR 1,864 thousand.

Personnel expenses and other operating expenses are passed on to Société Générale S.A., Paris, and Société Générale S.A., Frankfurt Branch, based on a "cost plus" arrangement. Other operating expenses increased by EUR 25 thousand.

Interest and similar expenses mainly consisted of interest payments on the loan granted by Société Générale Frankfurt in December 2016 to finance the acquisition of subsidiaries.

Due to the profit transfer agreement concluded with Société Générale Frankfurt effective January 1, 2016, the Company shows no net profit/loss for the year as of December 31, 2024.

The financial performance was sound in financial year 2024.

c) Cash flows and liquidity position

The nature and execution of the Company's business activities are aimed at maintaining a balanced liquidity position at all times.

Liabilities from the issuance of certificates and warrants are always hedged by maturity-matched financial instruments denominated in the same currency and bearing an identical price risk.

Business transactions affecting cash flow result from the issues and the corresponding hedging transactions, from the payment of personnel and other operating expenses, and the charging of these expenses to Société Générale S.A., Paris, and Société Générale Frankfurt.

Due to the complete reimbursement of all expenses incurred upon issuance by the parent company, the Company has sufficient liquidity and is in a position to satisfy all payment obligations.

At the reporting date of December 31, 2024, the Company recognized a liability to Société Générale Frankfurt in the amount of EUR 407,223 thousand, which is presented in the item of Liabilities to affiliated companies. At the reporting date of December 31, 2024, the Company had receivables under cost-plus arrangements from the affiliated companies Société Générale Frankfurt in the amount of EUR 1,561 thousand and Société Générale S.A. in the amount of EUR 841 thousand.

Under the profit transfer agreements in effect, the Company had receivables from ALD Lease Finanz GmbH in the amount of EUR 32,627 thousand, one receivable from Société Générale Securities Services GmbH in the amount of EUR 5,623 thousand, and liabilities to Société Générale Frankfurt in the amount of EUR 32,698 thousand.

The Company can resort to a committed credit facility of Société Générale S.A. Frankfurt Branch in the amount of EUR 10,000 thousand, which had been drawn down by an amount of EUR 4,352 thousand as of the reporting date. In addition, Société Générale S.A., Paris, promised the Company in a letter of comfort dated April 30, 2015 that the liquidity risks from expenses and the issuance business are secured.

The liquidity position was sound in financial year 2023.

The Société Générale Group emphasizes the strength of its balance sheet (CET1 ratio of 13.3% at December 31, 2024), which provides a cushion of around 310 basis points above the regulatory requirements. It strengthened its good liquidity position further, with a LCR ratio of 156% at the end of December 2024. Société Générale S.A., Paris, will recommend to the Annual General Meeting the payment of a dividend of EUR 1.09 per share.

#### **IV. Financial/ non-financial performance indicators**

On the one hand, the Company is a pure issuing vehicle without its own credit rating, which generates income from the cost-plus agreements in effect with Société Générale S.A. Paris and Société Générale Frankfurt. On the other hand, the Company derives its income from the equity interests held by the Company. The management of the issuance vehicle is based on the “engineering” of new products and the associated targeted placement of securities with investors. The subsidiaries manage their business under their own responsibility. Issuance volume as measured by the number of products is applied as a key performance indicator for SGE.

The Company largely relies on the systems and control procedures of the parent company for its own internal controlling. To enhance operational efficiency, the parent company continuously adjusts its systems and control procedures and adds to these controls as needed. The financial accounting processes and the related controls are reviewed on a continual basis and adjusted when necessary. No other non-financial performance indicators are used.

#### **C. Report on the Company’s future development, opportunities and risks**

##### **I. Expected development of the Company (Forecast Report)**

The adverse factors that led to a contraction of gross domestic product in 2024 will continue to influence the German economy in 2025. Nonetheless, Germany could experience a modest economic upturn in the first quarter. Although business investment will remain low due to persistent uncertainty, difficult financing conditions, and low capacity utilization, demand in the construction and manufacturing sectors has risen of late. Thanks to substantial wage increases, there is a strong potential for higher consumer spending, although it will be dampened by the rather negative outlook for the labor market. The recent, highly unfavorable trend of exports of up to -8.5% could be less pronounced in the first quarter.<sup>17</sup> However, the United States has recently announced high additional tariffs on EU products, which could have a massively negative impact on German exports.<sup>18</sup> According to forecasts, Germany can expect low economic growth of 0.3% in the full year 2025.<sup>19</sup> Nonetheless, there remains a tendency to stagnation.

In January 2025, the year-over-year inflation rate in Germany was 2.3%, that being 0.2% lower than at the end of 2024. This decline is probably attributable primarily to the more moderate rate of increase in food prices and the decrease in energy prices. However, prices for services continued to drive inflation higher, as they did throughout 2024. From the level in January 2024, prices for services rose by 4% in 2024, that being considerably higher than the overall rate of

<sup>17</sup> Statista (02/07/2025). Change in German export volume compared to the same month last year from December 2023 to December 2024. <https://www.statista.com/statistics/1304303/export-volume-monthly-change-germany/> (02/27/2025), German Bundesbank (02/24/2025). The Economy in Germany. <https://publikationen.bundesbank.de/publikationen-de/berichte-studien/monatsberichte/monatsbericht-februar-2025-928514?article=konjunktur-in-deutschland-950650> (02/25/2025).

<sup>18</sup> European Parliament (02/13/2025). Trade between the EU and the United States: Potential Impacts of New Tariffs on Europe. <https://www.europarl.europa.eu/topics/de/article/20250210STO26801/handel-zwischen-der-eu-und-den-usa-moegliche-auswirkungen-neuer-zolle-auf-europa#warenhandel-3> (02/27/2025).

<sup>19</sup> Statista (01/27/2025). IMF Forecast: Growth of Real Gross Domestic Product (GDP) in the Most Important Industrialized and Emerging-Market Countries in the Years from 2023 to 2026. <https://de.statista.com/statistik/daten/studie/38043/umfrage/prognose-zur-entwicklung-des-bip-in-ausgewaehlten-laendern/> (02/24/2025).

inflation.<sup>20</sup> Food prices can be expected to rise at a faster rate again in the further course of the current year as the influence of falling energy prices on the overall rate of inflation subsides and prices for services will only slowly come down. Thus, the inflation rate will probably remain high in 2025, although it should draw closer to the 2% target.<sup>21</sup>

Since January 2025, the base interest rate has been 2.65% after repeated cuts. The ECB's Governing Council is confident in the progress of disinflation and likewise expects inflation to reach the 2% target and remain stable at that level. Nonetheless, the European Central Bank prefers to no longer commit itself to a clear path of interest rates. Instead, decisions regarding interest rates will be made on the basis of current information and data at each meeting of the Governing Council. Given the positive trend of disinflation, the European Central Bank expects that the rate of inflation will only average 2.1% in 2025.<sup>22</sup>

Compared to December 2024, the unemployment rate rose by 0.4% to 6.4%, corresponding to 186,000 additional unemployed persons, in January 2025. Thus, the total number of unemployed persons came to 2,993,000 in January 2025, exceeding the total number of unemployed persons in January 2024 by 187,000.<sup>23</sup> The average unemployment rate in 2024 was 6.0%, that being 0.3% higher than in 2023.<sup>24</sup> According to forecasts, unemployment is expected to rise in all of Germany's federal states in 2025, causing the unemployment rate to rise to 6.1%.<sup>25</sup>

The growth strategy of the Société Générale Group is focused on Germany, as evidenced by issuance activity, given that 79% of products are issued in Germany.

The Management anticipates a moderate increase in the issuance volume, which should rise by 5% to 10% over the level in 2024. . As in prior years, a broad range of warrants and certificates will be offered in 2025. In particular, the Company's European presence will be expanded further. Moreover, the volatile market environment will probably lead to a higher volume of follow-up issues of turbo warrants as barriers are breached.

In 2025, the Company expects a profit contribution from ALD Lease Finanz GmbH of EUR 39.3 million and expenses from the absorption of the net loss of Société Générale Securities Services GmbH in the amount of approximately EUR 0.2 million on the basis of the profit transfer agreements concluded with those companies.

Including the accrued interest on the borrowed loans in the amount of approx. EUR 7.0 million and the reimbursements made on the basis of the cost-plus agreement, the Company expects a profit of approx. EUR 32.1 million before the profit transfer to Société Générale Frankfurt.

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<sup>20</sup> German Federal Office of Statistics (02/13/2025). Inflation Rate at +2.3% in January 2025. [https://www.destatis.de/DE/Presse/Pressemitteilungen/2025/02/PD25\\_055\\_611.html](https://www.destatis.de/DE/Presse/Pressemitteilungen/2025/02/PD25_055_611.html) (02/24/2025).

<sup>21</sup> German Bundesbank (12/13/2024). Germany Forecast: Significantly Dimmed Growth Outlook; Inflation to fall Back to 2%. <https://publikationen.bundesbank.de/publikationen-de/berichte-studien/monatsberichte/monatsbericht-dezember-2024-947558?article=deutschland-prognose-wachstumsausblick-deutlich-eingetuebt-inflation-geht-zurueck-auf-2--947440> (02/24/2025).

<sup>22</sup> German Bundesbank (02/24/2025). Monetary Policy and Banking Industry. <https://publikationen.bundesbank.de/publikationen-de/berichte-studien/monatsberichte/monatsbericht-februar-2025-928514?article=geldpolitik-und-bankgeschaef-950646> (02/25/2025).

<sup>23</sup> German Federal Employment Agency (01/31/2025). Labor Market in January 2025. <https://www.arbeitsagentur.de/presse/2025-06-arbeitsmarkt-im-januar-2025> (02/25/2025).

<sup>24</sup> German Federal Employment Agency (01/03/2025). Annual Review 2024. <https://www.arbeitsagentur.de/presse/2025-02-jahresueckblick-2024> (02/25/2025).

<sup>25</sup> Institute for Labor Market and Occupational Research (10/07/2024). Weak Development of Regional Labor Markets. <https://doku.iab.de/kurzber/2024/kb2024-20.pdf> (02/25/2025).



Thanks to the existing credit facility with Société Générale S.A., Frankfurt Branch, in the amount of EUR 10 million, no liquidity shortages are expected.

## **II. Risk Report**

The Company's risk situation is characterized by its well-organized transaction structure and its close integration into the Société Générale group. The fact that all risks incurred are borne by the parent company under the terms of a "global guarantee" is taken into consideration with respect to the risk management of the warrants and certificates business.

In the 2024 financial year, potential effects from sustainability risks on SGE, including its subsidiaries ALD Lease Finanz GmbH and Société Générale Securities Services GmbH, were taken into consideration. Sustainability risks are events or conditions from the areas of the environment, social affairs, or corporate governance, the occurrence of which can have actual or potential negative impacts on the financial position, cash flows and liquidity position, financial performance, and reputation of ALD Lease Finanz GmbH. Such risks include climate-related risks in the form of physical risks and transition risks. Sustainability risks are taken into consideration in the corresponding risk types.

Potentially occurring risks in financial year 2024 were as follows:

### Counterparty default risks

There are no settlement risks because the payments from the sale of the securities issued and from the purchase of the hedging transactions, as well as those from any exercise of options, are always balanced. Receivables from offsetting transactions are only owed by Société Générale S.A., Paris. The credit rating of Société Générale S.A., Paris, and its subsidiaries is the key factor for risk assessment.

The possible increasing importance of CO2 footprints in financial markets could have a negative impact on the business model, if price mechanisms consider such ESG factors earlier or more intensively than the loan inventory grows, and thus the refinancing sources become costlier or scarcer.

### Market price risks

All market price risks associated with issued warrants and certificates are fully hedged by means of hedging transactions with Société Générale S.A., Paris. This means there are no price risks, currency risks or interest rate risks.

### Liquidity risks

Daily monitoring of the payment flows and close coordination with the back-office departments of Société Générale S.A., Paris, ensure that the Company is always in a position to fulfill its payment obligations. No liquidity risks can be discerned at present due to the integration into the Société Générale group, the hedging of issues by means of direct offsetting transactions with Société Générale S.A., Paris, and the existing cost-plus agreements for issuance and administrative expenses.

### Operational risks

Société Générale S.A., Paris, has developed processes and systems for monitoring and controlling operational risks that are used by Société Générale Effekten GmbH. They are essentially based on the principle of permanent monitoring. Specially designed applications document processes and evaluate them according to prescribed criteria in order to prevent losses from operational risks. In addition to operational risks, climate-related risks are also to be considered.

Climate-related risks are divided into four sub-categories: Physical risks (consequences of extreme weather events and changes in climatic and ecological conditions), mitigation risks (statutory measures to reduce greenhouse gas emissions), transition risks (risks following adjustment processes) and adaptation risks (measures to prepare society and the environment for the effects of the climate crisis). The greatest risks to society can arise from physical risks. To minimize these risks, precautions in the context of the Business Continuity Plan (BCP) were undertaken to maintain seamless business operations in the event of disruptions to the infrastructure.

The same rules and principles apply to the outsourced processes in the service centers in Bangalore and Bucharest as apply to Société Générale Effekten GmbH. Compliance with required processes is assured by means of standardized committees and key process indicators.

The described measures and processes made it possible to ensure that no operational risks occurred in financial year 2024 in the following areas:

- Regulatory reports
- Information technology risks
- Outsourcing risks
- Fraud risks

There were no significant changes to the risk situation compared to the prior year. Based on currently available information, there are no discernible risks that could endanger the Company's continued operation as a going concern. Operational risks have been limited by the ability of employees to work from home. They can work from home via a secured VPN access.

The new product process described in the opportunity report does not exacerbate existing risks or give rise to new risks. Neither the Ukraine-Russia conflict nor the Middle East conflict nor high inflation had serious effects on the Company.

The hedging relationships between issued certificates and warrants, on the one hand, and offsetting transactions, on the other hand, are always assured by means of complete symmetrical representation.

Although risks of non-compliance with laws and regulations exist in principle, it should be remembered that the extent of regulations to be observed by SGE as a non-regulated entity is not significant. SGE is part of the Group-wide governance system with respect to the implementation of written regulations (SG Code), controls, and risk assessments. We have not become aware of any violations of legal requirements applicable to SGE in financial year 2024.

With regard to cyber-security, a lower risk of cyber-criminality was observed in 2024. The continuing implementation of the Group's cyber-security strategy plan will further enhance cyber-security at SGE as well.

### Potential legal risks

The Company is exposed to risks from legal disputes or proceedings involving investors, authorities, or business partners in which we are either currently involved or which could arise in the future. In addition, the Company and its products are subject to constant tax and regulatory audits. The outcome of current, pending, or future audits and proceedings cannot be foreseen; as a result, expenses can be incurred due to decisions handed down by courts or other authorities or the agreement of settlements that are not covered in full or in part by insurance benefits and which could have an impact on the Company and its results. Significant legal risks are covered by counter-guarantees given by the Société Générale S.A. Frankfurt.

## **III. Report on opportunities**

The recent, highly unfavorable trend of exports of up to -8.5% could be less pronounced in the first quarter.<sup>26</sup> However, the United States has recently announced high additional tariffs on EU products, which could have a massively negative impact on German exports.<sup>27</sup> The IMF expects low economic growth of 0.3% in the full year 2025.<sup>28</sup> The investment strategy of investors is directly impacted by this uncertain economic outlook.

To offer investors the best-possible selection of products, the product portfolio is adapted to current market conditions on a daily basis. The economic uncertainty could prompt investors to shift their focus from traditional sectors to alternative sectors that are potentially less impacted by

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<sup>26</sup> Statista (02/07/2025). Change in German export volume compared to the same month last year from December 2023 to December 2024. <https://www.statista.com/statistics/1304303/export-volume-monthly-change-germany/> (02/27/2025), German Bundesbank (02/24/2025). "The Economy in Germany". <https://publikationen.bundesbank.de/publikationen-de/berichte-studien/monatsberichte/monatsbericht-februar-2025-928514?article=konjunktur-in-deutschland-950650> (02/25/2025).

<sup>27</sup> European Parliament (02/13/2025). "Trade Between the EU and the United States: Potential Impacts of New Tariffs on Europe". <https://www.europarl.europa.eu/topics/de/article/20250210STO26801/handel-zwischen-der-eu-und-den-usa-moegliche-auswirkungen-neuer-zolle-auf-europa#warenhandel-3> (02/27/2025).

<sup>28</sup> Statista (01/27/2025). IMF Forecast: Growth of Real Gross Domestic Product (GDP) in the Most Important Industrialized and Emerging-Market Countries in the Years from 2023 to 2026. <https://de.statista.com/statistik/daten/studie/38043/umfrage/prognose-zur-entwicklung-des-bip-in-ausgewaehlten-laendern/> (02/24/2025).

the current challenges. Such a shift would create opportunities for SGE to offer a broader range of products tailored to suit the changed preferences of investors.

The Company's strategy is designed to identify emerging opportunities in good time, to assess them using our risk management system or resource estimator, and to use them for the Company's successful development by implementing suitable measures. It is particularly important in a volatile market environment to react flexibly to the needs of investors and develop innovative products that are aligned with different sectors and investment trends.

Due to the Company's activity as an issuance vehicle within the group of Société Générale S.A., Paris, which hedges all risks with hedging transactions, a New Product Committee (NPC) is appointed in each case to design new products at the level of Société Générale S.A., Paris. In this context, all departments involved in the issuing process point out their specific needs and resource allocations.

It is particularly important in a volatile market environment to react flexibly to the needs of investors and develop innovative products that are aligned with different sectors and investment trends.

Consideration is given to all relevant factors for the Company, such as markets, competitive situation, strategic orientation, existing organization, personnel, back office, technical processing capacity, and volume factors. The risks of the 2025 financial year will be analyzed to that effect and the risk management system will be adjusted accordingly.

Under the current circumstances, particularly given the Ukraine-Russia conflict, the Middle East conflict, potential trade restrictions resulting from tariffs, and the high inflation rate, it is difficult to make a statement about the outlook for the 2025 financial year. However, , the Management expects the positive development to continue.

In a volatile market environment characterized by uncertainties and geopolitical tensions, opportunities can also arise for SGE. Heightened volatility could lead to an increase in trading activity, which could have a positive effect on issuance volumes. In times like these, investors often seek out diversified investment products and innovative solutions to hedge their portfolios or benefit from market movements.

In addition, the proactive adjustment of the product portfolio to suit changing market conditions enables SGE to react flexibly to the needs of investors and tap new business opportunities. This strategic approach combined with robust risk management could put SGE in a position to benefit from the challenges of the market while also safeguarding the interests of investors.

All things considered, therefore, the Management believes that a positive business performance in 2025 is possible despite the prevailing uncertainties.

#### **D. Internal controls and risk management system as they relate to the financial reporting process**

At the Group level, the Société Générale Group is subject to supervision by the French supervisory authority ACPR and since November 4, 2014, supervision by the European Central Bank (ECB); it is also subject to the regulations of French bank regulation, which require a minimum standard for all Group entities.

To the extent that local laws and regulations prescribe stricter standards than the laws applicable in France, the stricter standards are applicable in every case.

The internal control system (ICS) is based on the three-lines-of-defense model, which is continually adjusted to match the latest requirements.

#### **FIRST LINE OF DEFENSE**

The first line of defense (LOD1) is the level of Business Units (BUs) and Support Units (SUs), which assume risks and bear direct responsibility for continuous operational management. The BUs and SUs bear primary responsibility for risk assessment and for control and oversight measures within their given areas, and for the ongoing performance of first-level controls according to the norms, standards and procedures established by the second line of defense. At the level of the first line of defense, suitable procedures and control systems are employed to ensure risk identification, analysis, measurement, control and mitigation with due regard to the Group's risk appetite and in compliance with all external and internal requirements for their business activities. To this end, the senior managers of the BUs and SUs or the managers responsible for business processes implement the following measures, to the extent necessary:

- Allocation of necessary and adequate resources to perform the first-level controls;
- Specification of normative first-level control processes (LOD1) to ensure the fulfillment of the control objectives in an appropriate relationship to the Group's risk appetite;
- Assurance of the preparation, implementation and monitoring of the first-level controls;
- Monitoring of the quality of implementation and appropriateness of the reported results;
- Regular review of controls and the implementation of necessary changes, particularly in the case of changes in the business activities and the associated risks due to new laws and regulations;
- Quarterly approval of control measures at the senior management level;
- Communication of control results.

Senior operational managers are also responsible for ensuring that all employees under their supervision are appropriately informed of and trained in their responsibilities related to risk management and control.

## SECOND LINE OF DEFENSE

The Risk Department, Compliance Department and Finance Department form the second line of defense (LOD2). They are responsible for the identification, assessment, analysis, measurement, monitoring and control of all risks, as well as correct reporting in the form of a risk summary prepared by the respective Group entities. This includes the adoption of suitable norms, standards and procedures in consideration of the operational risk framework and the provision of material indicators and analyses for general risk monitoring. They are also responsible for assessing the Group's risk profile and for the effectiveness of the operational risk framework at the level of the BUs and SUs. The three SUs monitor and support the implementation of risk management measures by the BUs in order to ensure the appropriateness and effectiveness of the processes and controls at the level of the first line of defense. By continually performing second-level control activities, they ensure the appropriateness, functionality and effectiveness of the continual first-level controls.

In this context, the three strategic SUs exercise the following functions in the risk areas assigned to them:

- Groupwide control function;
- Continual second-level control activities.

Within the Finance Department (DFIN), the Groupwide control function is distributed to several sub-departments, depending on the process in question. The responsibilities of these departments ("process owners") are listed in the following:

- The Accounting Department is responsible for processes related to the preparation of accounting information;
- The Regulation Department is responsible for processes related to the preparation of supervisory or regulatory information;
- The ALM Department is responsible for processes related to the management of structural risks;
- The Funding and Treasury Department is responsible for processes related to funding and liquidity management;
- The Finance Management Department is responsible for processes related to the preparation of management reports and indicators and for finance administration;
- The Finance Communication Department is responsible for processes related to finance communication;
- The Vendor Payments Department is responsible for processes related to the payment of overhead costs and vendors.

## **THIRD LINE OF DEFENSE**

Within Société Générale S.A., Paris, the second-level control teams report to the responsible Group SUs. The Risk Management Function or the Finance Management Function (DFIN) under the supervision of the Risk Division are therefore responsible for the control function for second-level structural risks.

Within the third line of defense, all Group-level activities, transactions and processes are reviewed by the General Inspection or Internal Audit Departments (LOD3), without exception. General Inspection and Internal Audit are also authorized to audit Group activities in countries that do not have a Group location. The awarding of services to outside service providers is subject to audits by General Inspection or Internal Audit under the leadership of the General Inspections Committee (CIIG), i.e. several Group companies can commission a single audit of a service provider engaged by them jointly.

## **CONTINUAL CONTROLS**

### **CONTINUAL FIRST-LEVEL CONTROL ACTIVITIES**

The continual first-level control activities are performed within the BUs as part of their operational activities. They ensure the security and quality of transactions and operational activities. These control activities comprise a number of continual measures to ensure compliance with regulations and with the validation and security requirements for transactions at the operational level.

The continual control activities include:

- Risk avoidance systems: These control measures are performed on a regular and ongoing basis or by means of automated processes within the scope of transaction processing. This includes a framework plan for risk management, i.e. security regulations and controls (including automated ones) within the scope of transaction processing or controls within the scope of operational processes.
- Control activities by the senior management: Line managers are responsible for ensuring the correct functioning of all systems in their area of responsibility. In this context, regularly performed, formal procedures ensure employees' compliance with regulations and procedures and the effective performance of first-level controls. The control activities of line managers mainly comprise adjustments of the primary controls from the standard normative controls.

Division managers use controls performed by dedicated teams, e.g. (i) for sensitive processes for which stricter or standardized controls are required or to avoid self-controls, and/or (ii) insofar as the bundling of control activities increases productivity.

## CONTINUAL SECOND-LEVEL CONTROL ACTIVITIES

Continual second-level control activities are the measures belonging to the second line of defense. In this way, operational managers bear responsibility for risk assessment and management, as well as operational security, using inter alia the prescribed standards and the procedures, methods and controls defined for this purpose. The continual second-level control activities are performed by teams that act independently of the operational teams:

At the Group level, the continual control activities are performed by teams that report to the Group Sus that form the second line of defense for the following three functions:

- Finance: The continual second-level control activities relate to quality in accounting, regulatory or supervisory and financial information, as well as tax matters, with the exception of tax avoidance risks (FATCA – Foreign Account Tax Compliance Act and CRS – Common Reporting Standard);
- Compliance: The continual second-level control activities relate to compliance audits and comprise legal audits and audits related to tax avoidance risks;
- Risk: The continual second-level control activities relate to credit and market risks, as well as structural risks such as liquidity risk and operational risks. Operational risks particularly include risks within the scope of the core business (including fraudulent acts), as well as procurement, communication, property or personnel risks and risks in IT processes and systems.

Frankfurt am Main, April 30, 2025

The Management

Société Générale Effekten GmbH

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Helmut Höfer

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Timo Felix Zapf



SOCIÉTÉ GÉNÉRALE EFFEKTEN GMBH, FRANKFURT AM MAIN

BALANCE SHEET at 12/31/2024

ASSETS	12/31/2024 EUR	12/31/2023 EUR	EQUITY AND LIABILITIES	12/31/2024 EUR	12/31/2023 EUR
A. NONCURRENT ASSETS			A. EQUITY		
Noncurrent financial assets			I. Subscribed capital	25.564,59	25.564,59
Interests in affiliated companies	406.708.441,30	406.708.441,30	II. Profit carried forward	1.137.724,99	1.137.724,99
B. CURRENT ASSETS			III. Financial year net profit/loss	<u>0,00</u>	<u>0,00</u>
Receivables and other assets				1.163.289,58	1.163.289,58
1. Receivables from affiliated companies			B. PROVISIONS		
a) From the investment of issue proceeds	4.997.297.752,42	5.091.015.342,62	I. Provisions for pensions and similar obligations	217.639,01	234.517,00
- thereof due in more than one			II. Other provisions	<u>859.149,74</u>	<u>1.012.913,79</u>
year: EUR 2,538,623,437.99				1.076.788,75	1.247.430,79
(PY: EUR 2,895,696,309,12 )			C. LIABILITIES		
b) Other receivables	40.650.776,05	80.064.525,41	I. Liabilities from issued certificates	4.997.297.752,71	5.091.015.342,66
- thereof due in more than one			- thereof due in up to one		
year: EUR 0.00 (PY: EUR 0.00)			year: EUR 2,458,674,314.96 (PY: EUR 2,195,319,033.63)		
2. Other assets	18.126.129.801,00	20.909.812.225,55	- thereof due to affiliated companies:		
- thereof due in more than one			EUR 4,997,297,752.71 (PY: EUR 5,091,015,342.66)		
year: EUR 15,658,223,244.61 (PY: EUR 17,588,238,437.29)			II. Trade payables	90.522,88	852.596,36
- thereof due from affiliated companies:			- thereof due in up to one		
year: EUR 18,126,129,801.00 (PY: EUR 20,909,812,225.55)			year: EUR 90,522.88 (PY: EUR 852,596.36)		
	<u>23.164.078.329,47</u>	<u>26.080.892.093,58</u>	III. Liabilities to affiliated companies	444.985.865,56	483.441.148,93
C. TRUST ASSETS			- thereof due in up to one		
Receivables	365.610.354,33	587.775.844,17	year: EUR 37,869,344.65 (PY: EUR 75,735,789.16)		
- thereof due in more than one			IV. Other liabilities	18.126.172.551,29	20.909.880.726,55
year: EUR 96,072,792.79 (PY: EUR 109,016,842.63 )			- thereof due in up to one		
- thereof due to affiliated companies:			year: EUR 2,467,906,556.66 (PY: EUR 3,321,573,722.25)		
year: EUR 365,610,354.33 (PY: EUR 587,775,844.17)			- thereof due to affiliated companies:		
			EUR 18,126,172,551.29 (PY: EUR 20,909,880,726.55)		
				<u>23.568.546.692,44</u>	<u>26.485.189.814,51</u>
			D. TRUST LIABILITIES		
			- thereof due in up to one	365.610.354,33	587.775.844,17
			year: EUR 269,537,561.54 (PY: EUR 478,759,001.54)		
			- thereof due to affiliated companies:		
			EUR 365,610,354.33 (PY: EUR 587,775,844.17)		
	<u>23.936.397.125,11</u>	<u>27.075.376.379,05</u>		<u>23.936.397.125,11</u>	<u>27.075.376.379,05</u>

SOCIÉTÉ GÉNÉRALE EFFEKTEN GMBH

FRANKFURT AM MAIN

INCOME STATEMENT

FOR THE PERIOD FROM JANUARY 1, 2024 TO DECEMBER 31, 2024

	January 1, 2024 to December 31, 2024 EUR	January 1, 2023 to December 31, 2023 EUR
1. Income from warrant transactions	-	-
2. Expenses for warrant transactions	-	-
3. Income from certificate transactions	-	-
4. Expenses for certificate transactions	-	-
5. Revenues	8.633.174,09	8.041.203,70
thereof Société Générale S.A., Paris	6.769.602,90	5.184.293,64
thereof Société Générale Frankfurt	1.863.571,19	2.856.910,06
6. Other operating income	-	64.557,50
7. Personnel expenses		
a) Wages and salaries	229.111,25	310.078,70
b) Social security contributions, pension expenses and other benefit expenses	100.155,83	88.581,66
thereof for pensions: EUR 27,462.00 (PY: EUR 56,319.00)		
8. Other operating expenses	7.763.718,31	7.739.190,34
9. Income from equity investments	-	-
- thereof from affiliated companies: EUR 0 (PY: EUR 0)		
10. Income from a profit transfer agreement	38.250.822,03	77.788.889,92
11. Other interest and similar income	16.891,42	207.578,99
- thereof from affiliated companies: EUR 16,891.42 (PY: EUR 207,578.99)		
12. Impairments of noncurrent financial assets and securities classified as current assets	-	-
- thereof on affiliated companies: EUR 0 (PY: EUR 0)		
13. Expenses for loss absorptions	-	8.825.207,11
14. Interest and similar expenses	6.110.385,73	4.903.771,72
- thereof to affiliated companies: EUR 6,110,385.73 (PY: EUR 4,903,771.72)		
- thereof from negative interest: EUR 0.00 (PY: EUR 0.00)		
15. Net profit/loss after taxes	32.697.516,42	64.235.400,58
16. Profits transferred under a profit transfer agreement	32.697.516,42	64.235.400,58
17. Financial year net profit/loss	0,00	0,00

**Société Générale Effekten GmbH  
Frankfurt am Main**

**Notes to the Annual Financial Statements  
for the 2024 financial year**

**Notes to the annual financial statements at December 31, 2024 and other disclosures**

The annual financial statements of Société Générale Effekten GmbH at December 31, 2024, have been prepared according to the accounting regulations of the German Commercial Code (HGB) and the supplementary regulations of the Limited Liability Companies Act (GmbHG) and in compliance with German generally accepted accounting principles.

The Company's registered head office is located in Frankfurt/Main. It is registered with the Frankfurt am Main Local Court under Commercial Register Record No. HRB 32283.

To improve clarity and transparency, the titles of individual items of the Company's financial statements have been adjusted and new titles have been introduced, in a departure from the format prescribed in Section 266 (2) and (3) HGB.

**Profit transfer agreements**

By signature of September 7, 2016, Société Générale Effekten GmbH (subsidiary company) entered into a profit transfer agreement for an indefinite term with Société Générale S.A., Frankfurt Branch, Frankfurt am Main (parent company), with retroactive effect to January 1, 2016.

By signature of September 26, 2017, ALD Lease Finanz GmbH, Hamburg (subsidiary company), entered into a profit transfer agreement for an indefinite term with Société Générale Effekten GmbH (parent company), with retroactive effect to January 1, 2017.

By signature of December 1, 2017, Société Générale Securities Services GmbH, Aschheim (subsidiary company), entered into a profit transfer agreement for an indefinite term with Société Générale Effekten GmbH (parent company), with retroactive effect to January 1, 2017.

**1. Recognition and measurement principles**

As in the previous year, the following recognition and measurement methods were mainly applied in the preparation of the annual financial statements.

Companies that are to be included in the consolidated financial statements of a parent company as parent or subsidiary companies (Section 290 HGB) in accordance with the regulations applicable to full consolidation are presented as Interests in affiliated companies as defined in Section 271 (2) HGB. Interests in affiliated companies are measured at amortized cost. In accordance with Section 253 (3) HGB, impairments are recognized to account for impairments that are expected to be permanent.

Receivables are measured at their nominal amount plus accrued interest. Liabilities not hedged are measured at their settlement value plus accrued interest.

The calculation of deferred taxes is based on temporary differences between items of the commercial law balance sheet and items of the tax law balance sheet according to Section 274 HGB. Due to the fact that Société Générale Effekten GmbH has been part of a consolidated tax group for income tax purposes with Société Générale, Frankfurt Branch, as a subsidiary company since January 1, 2016, deferred taxes are recognized only at the level of the parent company.

The provisions for pensions were measured at the settlement value deemed necessary according to sound business judgment (Section 253 (1) sentence 2 HGB) in accordance with actuarial principles, taking the 2018 G Life Expectancy Tables of Prof. Dr. Klaus Heubeck into account. A standard term to maturity of 15 years was assumed for discounting purposes and the provisions were discounted to present value by application of the average market interest rate for the last 10 years as calculated at the reporting date, that being 1.90% (in the previous year, the average market interest rate for the last 10 years was applied: 1.82%) (Section 253 (2) sentence 2 HGB). The maturity-matched interest rates of the German Bundesbank are applied for discounting the provisions to present value.

The projected unit credit method is applied as an actuarial measurement method. The following parameters were assumed for the pension provisions: a discount rate of 1.96%, a salary dynamic of 3.10% (PY: 3.60%), and a pension dynamic of 2.10% (PY: 2.60%). The effects of interest rate changes are recognized in the operating profit/loss. The difference between the amount of recognized pension provisions after discounting to present value by application of the average market interest rate for the last 10 financial years and the provision amount that would result if the provisions were discounted to present value by application of the average market interest rate for the last seven financial years is EUR -2,217. Because the difference is negative, the payout block according to Section 253 (6) HGB does not apply.

The other provisions account for all discernible risks and uncertain obligations. They are measured at the settlement amount deemed necessary according to sound business judgment in accordance with Section 253 (1) HGB. Provisions with a term of more than one year are not discounted to present value in accordance with Section 253 (2) HGB. There were no provisions with such a term at the reporting date.

Until exercise or expiration, option premiums are recognized at cost as Other assets or Other liabilities insofar as they offset each other.

The issued certificates are recognized as Liabilities from issued certificates until due. The issued certificates are offset by hedging transactions, which are recognized in Receivables from affiliated companies.

The portfolio of issued warrants and certificates at the reporting date is completely hedged against market price changes by means of maturity-matched, currency-matched and price risk-identical hedging transactions with the sole shareholder Société Générale S.A., Paris.

The liabilities from issued certificates and warrants and the hedging transactions recognized in Receivables and other assets were aggregated into valuation units and recognized as assets at cost or as liabilities in the amount of the issue proceeds. These are micro-hedges.

In accordance with Section 254 HGB, subsequent measurement is not performed due to their characteristic as valuation units, i.e., due to non-recognition of the offsetting changes in value, the net hedge presentation method is used in this context (Section 285 (19b) and (19c) HGB, as well as Section 285 (23a) and (23b) HGB). In accordance with IDW RS HFA 35 (86), the cash flows resulting from the termination of the hedge were recognized directly in equity, with no effect on the income statement. It was not necessary to recognize value adjustments in Receivables and other assets.

Liabilities not aggregated into valuation units are presented at the settlement amount. These liabilities are Trade payables and Liabilities to affiliated companies. The corresponding income statement item for such liabilities is presented within Other operating expenses, Expenses from loss absorptions, and Profits transferred under a profit transfer agreement.

In addition, the Company issues certificates in its own name and for account of Société Générale S.A., Paris, under a trust agreement with the sole shareholder, Société Générale S.A., Paris. The corresponding financial instruments are presented within Trust assets on the assets side and within Trust liabilities on the equity and liabilities side of the balance sheet. The certificates from trust transactions are offset by hedging transactions that are recognized under Trust assets. These transactions are measured at cost.

## 2. Development of noncurrent financial assets

### Noncurrent financial assets

	Interests in affiliated companies
	EUR'000
Acquisition cost 1/1/2024	407,223
Acquisitions	-
Disposals	-
Acquisition cost 12/31/2024	407,223
Accumulated impairments 1/1/2024	515
Financial year additions to impairments	-
Transfers	-
Disposals	-
Accumulated impairments 12/31/2024	515
Carrying amount at the 12/31/2023 reporting date	406,708
Carrying amount at the 12/31/2024 reporting date	406,708

The Interests in affiliated companies are attributable to the purchase of Société Générale Securities Services GmbH, Aschheim (Commercial Register Record No. HRB 169711 with the Munich Local Court) from Société Générale Securities Services Holding S.A., Paris, for a price of EUR 515 thousand as of January 1, 2017, and the purchase of ALD Lease Finanz GmbH, Hamburg (Commercial Register Record No. HRB 92469 with the Hamburg Local Court) from SG Consumer Finance S.A. France for a price of EUR 406,708 thousand. Due to the decision to wind down the company, the carrying amount of the equity investment was written down to EUR 1 already in 2017.

### 3. Notes to the balance sheet

**Receivables from affiliated companies** amounted to EUR 5,037,949 thousand (PY: EUR 5,171,080 thousand). They were mainly composed of receivables owed by Société Générale S.A., Paris, in the amount of EUR 4,997,298 thousand (PY: EUR 5,091,015 thousand) from the investment of the issue proceeds from issued certificates and from Other receivables in the amount of EUR 40,651 thousand (PY: EUR 80,065 thousand). The Other receivables mainly consisted of receivables from ALD Lease Finanz GmbH, Hamburg, and Société Générale Securities Services GmbH under existing profit transfer agreements totaling EUR 38,251 thousand, and receivables under existing cost reimbursement agreements with Société Générale S.A. Frankfurt Branch, Frankfurt am Main, in the amount of EUR 1,561 thousand (PY: EUR 1,206 thousand) and Société Générale S.A., Paris, in the amount of EUR 841 thousand (PY: EUR 1,068 thousand).

**Other assets** comprise the OTC options acquired by the shareholder to hedge issued warrants. They amounted to EUR 18,126,129 thousand (PY: EUR 20,909,812 thousand).

The **Trust assets** in the amount of EUR 365,610 thousand (PY: EUR 587,776 thousand) are funds belonging to the shareholder Société Générale S.A., Paris, from multiple certificates issued for the shareholder in the name of Société Générale Effekten GmbH and for account of Société Générale S.A., Paris.

The Company's **equity** was unchanged at EUR 1,163 thousand (PY: EUR 1,163 thousand). It is comprised of the subscribed capital in the amount of EUR 26 thousand and the retained earnings from the prior years in the amount of EUR 1,138 thousand. A profit transfer agreement was concluded between Société Générale S.A., Frankfurt Branch, and the Company with effect as of January 1, 2016.

With the exception of provisions for pensions and similar obligations, the presented **provision amounts** remain due in less than one year.

The Other Provisions result primarily from provisions for issuance costs, as well as audit and consulting costs. They amounted to EUR 859 thousand (PY: EUR 1,013 thousand).

**Liabilities to affiliated companies** in the amount of EUR 444,986 thousand (PY: EUR 483,441 thousand) mainly consisted of existing liabilities to Société Générale S.A. Frankfurt Branch under borrowed loans in the amount of EUR 407,223 thousand (PY: EUR 407,223 thousand) and liabilities to Société Générale S.A. Frankfurt Branch for the profit transfer in the amount of EUR 32,698 thousand (PY: EUR 64,235 thousand). This item also includes a liability to Société Générale S.A. Frankfurt Branch from ongoing clearing operations in the amount of EUR 306 thousand, and another liability resulting from the current account in the amount of EUR 4,759 thousand.

The **Trust liabilities** in the amount of EUR 365,610 thousand (PY: EUR 587,776 thousand) included the issuance of certificates issued in the Company's own name for account of Société Générale S.A., Paris.

**Certificates (issues) in foreign currencies** are presented in the items of Liabilities from issued certificates and Trust liabilities on the equity and liabilities side of the balance sheet in the total amount of EUR 1,284,463. This total is broken down by currencies in the table below:

<b>Currency</b>	<b>EUR'000</b>
SEK	1,095,691
DKK	71,306
USD	106,216
CHF	9,050
NOK	1,885
GBP	214
JPY	101

The corresponding hedges are presented in the same amount in Receivables from affiliated companies from the investment of issue proceeds and in Trust assets on the assets side of the balance sheet. Currency translation is performed at the exchange rate applicable on the posting date in connection with the formation of valuation units (net hedge presentation method), taking into account the terms and conditions of the issue specified in the respective prospectus. Due to effective hedges according to the critical terms match method, exchange rate fluctuations have no effect on the Company's income statement.

**Warrants (issues) in foreign currencies** are presented in Other liabilities on the equity and liabilities side of the balance sheet in the total amount of EUR 5,924,589 thousand. This total is broken down by currencies in the table below:

<b>Currency</b>	<b>EUR'000</b>
SEK	4,256,506
DKK	796,344
NOK	824,157
USD	22,669
CHF	24,541
JPY	372

The corresponding hedges are presented in the same amount in Other assets on the assets side of the balance sheet. Currency translation is performed at the exchange rate applicable on the posting date in connection with the formation of valuation units (net hedge presentation method), taking into account the terms and conditions of the issue specified in the respective prospectus. Due to effective hedges according to the critical terms match method, exchange rate fluctuations have no effect on the Company's income statement.

Liabilities/ trust liabilities in the amount of EUR 23,568,547 thousand / EUR 365,610 thousand consisted mainly of liabilities to affiliated companies (EUR 23,934,067 thousand).

There were no other financial commitments at the reporting date.

## Maturity structure of receivables and liabilities

EUR'000				
	Total	Due in up to 1 year	Due in 1 to 5 years	Due in more than 5 years
<b>Receivables</b>				
- Receivables from the investment of issue proceeds	4.997.298	2.458.674	250.551	2.288.073
- Other receivables	40.651	40.651		
- Trust assets	365.610	269.538	90.920	5.153
Other assets	18.126.130	2.467.907	580.521	15.077.703
Interests in affiliated companies	406.708			406.708
<b>TOTAL</b>	<b>23.936.397</b>	<b>5.236.769</b>	<b>921.992</b>	<b>17.777.636</b>
<b>Liabilities</b>				
- Liabilities from issued certificates	4.997.298	2.458.674	250.551	2.288.073
- Trade payables	91	91		
- Liabilities to affiliated companies	444.986			444.986
- Trust liabilities	365.610	269.538	90.920	5.153
Other liabilities, including provisions	18.127.249	2.469.013	580.521	15.077.716
<b>TOTAL</b>	<b>23.935.234</b>	<b>5.197.316</b>	<b>921.992</b>	<b>17.815.927</b>

## 4. Notes to the income statement

The income statement is prepared in accordance with the cost summary method.

**Revenues** in the amount of EUR 8,633 thousand (PY: EUR 8,041 thousand) consisted of service costs assumed under a cost-plus procedure with an administrative cost mark-up of 5% by Société Générale S.A., Paris, in the amount of EUR 6,769 thousand and by Société Générale S.A. Frankfurt Branch in the amount of EUR 1,864 thousand.

**Personnel expenses** consisted of wages and salaries in the amount of EUR 229 thousand (PY: EUR 310 thousand) and social security contributions and pension expenses in the amount of EUR 100 thousand (PY: EUR 89 thousand).

**Other operating expenses** consisted primarily of issuance costs, legal and consulting fees and stock exchange costs:

<i>In euro thousands</i>	<b>2024</b>	<b>2023</b>
Stock exchanges, regulatory authority	6,287	6,481
Cost allocation Société Générale Frankfurt	808	808
Legal, consulting, audit	669	450
Advertising		-
<b>Total</b>	<b>7,764</b>	<b>7,739</b>

The **income from a profit transfer agreement** in the amount of EUR 38,251 thousand represents the profits of ALD Lease Finanz GmbH and Société Générale Securities Services GmbH, which are recognized by the Company in the same reporting period on the basis of the profit transfer agreements with these two companies.



The item of **Interest and similar expense** primarily includes paid and accrued interest in the amount of EUR 6,110 thousand for a loan from Société Générale S.A., Frankfurt Branch.

The Company entered into a profit transfer agreement with Société Générale S.A., Paris, Frankfurt Branch (parent company), with effect as of January 1, 2016, and has been in an integrated tax group relationship for purposes of value-added tax and income tax since that time. Therefore, all **income taxes** accrue at the level of the parent company. The profit/loss after taxes in the amount of EUR 32,698 thousand was completely transferred, resulting in a **financial year profit/loss** of EUR 0 thousand.

## 5. Information on issuance activities

The issuance volume in the 2024 financial year is presented in the table below:

			FINANCIAL YEAR 2024				FINANCIAL YEAR 2023			
DERIVATIVE SECURITIES	TYPE	UNDERLYING	NO.	VOLUME (IN UNITS)	CARRYING AMOUNT in EUR'000	LONGEST TERM	NO.	VOLUME (IN UNITS)	CARRYING AMOUNT in EUR'000	LONGEST TERM
Investment products										
With capital protection (100%)	Capital protection certificates	Stocks	215	611.704	62.547	18.03.2027	2	10.000.001	1.010.000	21.06.2024
		Funds	-	-	-		-	-	-	
		Futures	9	125.012	12.625	17.11.2025	2	2.500.001	62.675	25.04.2024
		Indices	137	129.431	13.119	18.02.2027	11	10.000.010	1.010.000	19.12.2025
		Commodities	22	235.162	23.604	19.12.2025	1	1	-	21.06.2024
			383	1.101.309	111.895		16	22.500.013	2.082.675	
	Structured bonds	Stocks	-	-	-		-	-	-	
		Indices	-	-	-		-	-	-	
			-	-	-		-	-	-	
Without capital protection (<100%)	Reverse convertibles	Stocks	2.467	485.166	482.950	15.05.2026	1.875	603.665	629.515	17.04.2025
		Indices	25	26.121	26.129	26.05.2026	39	39.700	37.401	Open End
			2.492	511.287	509.079		1.914	643.365	666.916	
	Bonus certificates	Stocks	10.618	26.528.822	1.615.656	17.12.2026	8.281	25.209.753	1.175.021	Open End
		Indices	2.450	4.440.072	513.675	18.12.2026	2.858	4.641.599	598.974	19.02.2025
		Currencies	-	-	-		4	5.147	160	22.04.2024
			13.068	30.968.894	2.129.331		11.143	29.856.499	1.774.155	
	Discount certificates	Stocks	12.307	37.287.539	2.279.458	18.06.2026	13.335	45.386.450	1.780.313	20.06.2025
		Futures	236	670.343	41.167	17.11.2026	237	1.114.190	68.777	17.11.2025
		Indices	2.321	12.728.403	842.149	18.12.2026	1.618	7.549.256	528.465	19.12.2025
		Commodities	148	164.371	20.347	19.12.2025	118	157.802	13.294	20.12.2024
		Currencies	-	-	-		4	4.335	132	17.02.2023
			15.012	50.850.656	3.183.121		15.312	54.212.033	2.390.981	
	Express certificates	Stocks	7	40.500	40.500	04.04.2028	2	30.000	28.793	23.03.2027
		Funds	-	-	-		-	-	-	
		Indices	-	-	-		-	-	-	
		Basket	-	-	-		-	-	-	
			7	40.500	40.500		2	30.000	28.793	
	Index / participation certificates	Stocks	77	2.051.994	9.887	Open End	213	3.512.988	8.354	Open End
		Funds	-	-	-		-	-	-	
		Futures	67	9.977.404	57.084	Open End	30	1.412.006	10.689	Open End
		Indices	231	8.357.313	52.080	Open End	283	14.218.281	45.406	Open End
		Commodities	8	160.920	1.752	Open End	12	82.113	2.614	Open End
			383	20.547.631	120.803		538	19.225.388	67.063	
	Outperformance / sprint certificates	Stocks	-	-	-		-	-	-	
		Indices	-	-	-		-	-	-	
			-	-	-		-	-	-	
TOTAL investment products:			31.345	104.020.277	6.094.729		28.925	126.467.298	7.010.583	

			FINANCIAL YEAR 2024				FINANCIAL YEAR 2023			
DERIVATIVE SECURITIES	TYPE	UNDERLYING	NO.	VOLUME (IN UNITS)	CARRYING AMOUNT IN EUR'000	LONGEST TERM	NO.	VOLUME (IN UNITS)	CARRYING AMOUNT IN EUR'000	LONGEST TERM
Leverage products										
With knock-out	Knock-out products	Stocks	269.197	7.196.659.772	7.823.094	Open End	175.334	4.304.394.730	4.078.044	Open End
		Energy	-	-	-		1	1.149	65	Open End
		Fixed Income	-	-	-		21	468.705	2.138	Open End
		Funds	-	-	-		-	-	-	
		Futures	25.228	579.677.375	972.952	Open End	23.294	887.702.845	1.722.930	Open End
		Indices	130.077	5.498.422.918	16.403.512	Open End	76.685	8.330.963.651	9.448.291	Open End
		Commodities	27.707	937.634.250	1.003.370	Open End	15.996	1.411.665.093	934.968	Open End
		Currencies	10.910	291.397.264	182.751	Open End	10.825	262.658.775	214.493	Open End
		Interest rate	-	-	-		1	1.639	4	Open End
				463.119	14.503.791.579	26.385.679		302.157	15.197.856.587	16.400.933
Without knock-out	Factor certificates	Stocks	42.598	3.726.552.400	4.228.553	Open End	31.182	1.722.255.460	2.262.927	Open End
		Energy	5	99.259	504	Open End	-	-	-	
		Fixed Income	6	22.234	37	Open End	15	60.484	133	Open End
		Futures	4.821	1.588.320.300	988.161	Open End	3.495	1.256.124.124	862.672	Open End
		Indices	4.413	3.857.681.413	752.321	Open End	8.399	1.626.458.877	988.024	Open End
		Commodities	65	2.088.930	2.460	Open End	158	9.819.722	15.360	Open End
		Currencies	368	33.102.933	31.960	Open End	363	34.926.759	92.464	Open End
		Interest rate	1	10.980	331	Open End	-	-	-	
				52.277	9.207.878.449	6.004.327		43.612	4.649.645.426	4.221.580
	Warrants	Stocks	112.556	4.829.861.696	2.230.644	Open End	112.767	11.622.659.575	2.415.867	Open End
		Energy	-	-	-		-	-	-	
		Fixed Income	-	-	-		1	2.877	5	Open End
		Futures	1.552	77.894.698	40.981	Open End	4.503	368.950.999	196.328	Open End
		Indices	28.356	1.865.852.352	1.371.511	Open End	36.175	4.356.076.719	4.311.333	Open End
		Basket	-	-	-		-	-	-	
		Commodities	5.062	110.532.406	97.825	Open End	4.605	239.526.644	128.598	Open End
		Currencies	10.075	60.150.718	58.223	Open End	11.452	122.142.538	109.528	Open End
		Interest rate	-	-	-		-	-	-	
				157.601	6.944.291.870	3.799.184		169.503	16.709.359.352	7.161.659
TOTAL leverage products:			672.997	30.655.961.898	36.189.190		515.272	36.556.861.365	27.784.172	-
TOTAL derivative securities:			704.342	30.759.982.175	42.283.919		544.197	36.683.328.663	34.794.755	

All issues are fully hedged by concluding OTC options with identical features (perfect match terms method) or by investing issue proceeds with Société Générale S.A., Paris.

The fair value of financial derivatives and bonds with embedded derivatives is generally measured on the basis of market values; in case of illiquid markets, measurement is performed on the basis of internal models. These “in-house valuation models” are regularly tested by specialists in the Risk department of Société Générale S.A., Paris. Derivative financial instruments with option characteristics are measured by Société Générale S.A., Paris, using generally recognized option price models.

When an active market exists, prices quoted by stock exchanges, brokers and pricing agencies are used.

The type, volume, and fair values of the derivative hedging transactions at the reporting date were as follows: The Company held 204,350 OTC options with a market value of EUR 1,644 million to hedge stock and index warrants, 13,986 OTC options with a market value of EUR 1,542 million to hedge commodity warrants, 7,105 OTC options with a market value of EUR 178 million to hedge foreign currency warrants, and 1,479 OTC options with a market value of EUR 11 million to hedge interest rate warrants.

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. If no observable prices are available for identical assets or liabilities, the fair value of financial instruments is determined by the use of another valuation technique under which determining, observable input factors are applied.

In addition, the Company held 28,303 certificates with a market value of EUR 1,288 million, including trust transactions.

The carrying amount of the warrants listed here at December 31, 2024 was EUR 18,126 million and is presented within the Other liabilities item in the balance sheet. The carrying amount of the issued certificates at December 31, 2024 was EUR 5,363 million and is divided between the item of Liabilities from issued certificates and the item of Trust liabilities in the balance sheet.

## 6. Significant shareholdings

The significant according to Section 285 (11) HGB break down as follows:

Name and registered head office	Percentage of equity held (%)	Equity of the company (EUR'000)	Financial year net profit/loss (EUR'000)	
Directly				
ALD Lease Finanz GmbH, Hamburg	100	226,953	-	1)
Société Générale Securities Services GmbH, Aschheim	100	35,330	-	2)
Indirectly				
ALD AutoLeasing und Dienstleistungs GmbH, Hamburg	43.8	2,364	444	
Bank Deutsches Kraftfahrzeuggewerbe GmbH, Hamburg		405,550	-	3)
- Voting shares	90	550		
- Non-voting shares	100	405,000		
BDK Leasing und Service GmbH, Hamburg	100	1,023	-	4)

1)	Profit/loss before profit transfer	EUR'000	32,627
2)	Profit/loss before profit transfer	EUR'000	5,623
3)	Profit/loss before profit transfer	EUR'000	40,763
4)	Profit/loss before profit transfer	EUR'000	1,871

## 7. Disclosures on the independent auditor's fees recognized as expenses in the 2021 financial year

The fees for the independent auditor recognized as expenses in the 2024 financial year amounted to:

- For auditing services:	EUR 299,730
- For other certification services:	EUR -
- For tax advisory services:	EUR -
- For other services:	EUR -

The fees for auditing services comprise the expenses for the audit of the consolidated financial statements and Group management report and for the audit of the separate financial statements and separate management report of Société Générale Effekten GmbH.

## **8. Disclosures regarding directors and officers and employees**

The following individuals were Managing Directors in the 2024 financial year and in the time until the preparation of the annual financial statements:

- Mr. Helmut Höfer, lawyer (general counsel), Frankfurt am Main  
Head of Legal Germany & Austria Société Générale S.A. Frankfurt Branch.
- Mr. Andreas Thomas, business studies graduate, Munich (appointed on 07/01/2023 and relieved of position as Managing Director of Société Générale Effekten GmbH with effect as of 03/31/2024), Chief Operational Officer Société Générale S.A. Frankfurt Branch.
- Mr. Timo Felix Zapf, business studies graduate, Frankfurt am Main, Chief Financial Officer Société Générale S.A. Frankfurt Branch.
- Mr. Christian Sagerer, Bachelor of Business Administration, Oberursel (appointed on 04/01/2024 and relieved of position as Managing Director of Société Générale Effekten GmbH with effect as of 04/25/2024), Head of Global Markets Germany & Austria and member of the Management Board Société Générale S.A. Frankfurt Branch.

The Managing Directors Mr. Timo Felix Zapf and Mr. Helmut Höfer are employees of Société Générale S.A., Frankfurt am Main Branch.

Expenses of EUR 17 thousand were charged to Société Générale Effekten GmbH as compensation for the work of Managing Directors in the 2024 financial year.

The Company had an average of 4 employees during the financial year. Three employees work full-time and one employee works part-time.

As a capital market-oriented company, the Company has established an Audit Committee in accordance with Section 324 HGB, composed of the following members:

Mr. Helmut Höfer  
Mr. Peter Boesenberg (Chairman)  
Ms. Heike Hoevekamp  
Mr. Marco Maibaum  
Mr. Adrian Mrosek  
Mr. Timo Zapf  
Mr. Kais Adsi  
Mr. Andreas Thomas (from 07/01/2023 to 03/31/2024)  
Mr. Christian Sagerer (as of 04/01/2024)

## **9. Group affiliation**

At the reporting date of December 31, 2024, Société Générale S.A., Frankfurt Branch held a 100% equity interest in Société Générale Effekten GmbH.

The shareholder of Société Générale S.A., Frankfurt branch, is Société Générale S.A., Paris (smallest scope of consolidation within the meaning of Section 285 No. 14a HGB and largest scope of consolidation within the meaning of Section 285 No. 14 HGB). Notice of publication of the consolidated financial statements of Société Générale S.A., Paris, in which the Company is included, is given in France in the “Bulletin des Annonces Légales et Obligatoires (BALO)” under the heading “Publications Périodiques” (R.C.S: 552 120 222). The consolidated financial statements are available on the website [www. societegenerale.com](http://www.societegenerale.com).

## **10. Events after the reporting date**

No further events having a significant effect on the Company’s financial position, cash flows, and financial performance have occurred since the reporting date.

Frankfurt am Main, April 30, 2025

The Management

Société Générale Effekten GmbH

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Helmut Höfer

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Timo Felix Zapf

## **Responsibility Statement of the Legal Representatives**

We warrant to the best of our knowledge that the annual financial statements give a true and fair view of the Company's financial position, cash flows and financial performance in accordance with applicable accounting principles, and that the management report provides an appropriate view of the Company's business performance, including its results and position, and appropriately presents the principal opportunities and risks of the Company's anticipated future development.

Frankfurt am Main, April 30, 2025

The Management

Société Générale Effekten GmbH

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Helmut Höfer

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Timo Felix Zapf

# **Annual Financial Statements at December 31, 2024 and Management Report**

## **AUDITOR'S REPORT**

**Société Générale Effekten GmbH  
Frankfurt am Main**





SOCIÉTÉ GÉNÉRALE EFFEKTEN GMBH, FRANKFURT AM MAIN

BALANCE SHEET at 12/31/2024

ASSETS	12/31/2024 EUR	12/31/2023 EUR	EQUITY AND LIABILITIES	12/31/2024 EUR	12/31/2023 EUR
A. NONCURRENT ASSETS			A. EQUITY		
Noncurrent financial assets			I. Subscribed capital	25.564,59	25.564,59
Interests in affiliated companies	406.708.441,30	406.708.441,30	II. Profit carried forward	1.137.724,99	1.137.724,99
B. CURRENT ASSETS			III. Financial year net profit/loss	<u>0,00</u>	<u>0,00</u>
Receivables and other assets				1.163.289,58	1.163.289,58
1. Receivables from affiliated companies			B. PROVISIONS		
a) From the investment of issue proceeds	4.997.297.752,42	5.091.015.342,62	I. Provisions for pensions and similar obligations	217.639,01	234.517,00
- thereof due in more than one			II. Other provisions	<u>859.149,74</u>	<u>1.012.913,79</u>
year: EUR 2,538,623,437.99				1.076.788,75	1.247.430,79
(PY: EUR 2,895,696,309,12 )			C. LIABILITIES		
b) Other receivables	40.650.776,05	80.064.525,41	I. Liabilities from issued certificates	4.997.297.752,71	5.091.015.342,66
- thereof due in more than one			- thereof due in up to one		
year: EUR 0.00 (PY: EUR 0.00)			year: EUR 2,458,674,314.96 (PY: EUR 2,195,319,033.63)		
2. Other assets	18.126.129.801,00	20.909.812.225,55	- thereof due to affiliated companies:		
- thereof due in more than one			EUR 4,997,297,752.71 (PY: EUR 5,091,015,342.66)		
year: EUR 15,658,223,244.61 (PY: EUR 17,588,238,437.29)			II. Trade payables	90.522,88	852.596,36
- thereof due from affiliated companies:			- thereof due in up to one		
year: EUR 18,126,129,801.00 (PY: EUR 20,909,812,225.55)			year: EUR 90,522.88 (PY: EUR 852,596.36)		
	<u>23.164.078.329,47</u>	<u>26.080.892.093,58</u>	III. Liabilities to affiliated companies	444.985.865,56	483.441.148,93
C. TRUST ASSETS			- thereof due in up to one		
Receivables	365.610.354,33	587.775.844,17	year: EUR 37,869,344.65 (PY: EUR 75,735,789.16)		
- thereof due in more than one			IV. Other liabilities	18.126.172.551,29	20.909.880.726,55
year: EUR 96,072,792.79 (PY: EUR 109,016,842.63 )			- thereof due in up to one		
- thereof due to affiliated companies:			year: EUR 2,467,906,556.66 (PY: EUR 3,321,573,722.25)		
year: EUR 365,610,354.33 (PY: EUR 587,775,844.17)			- thereof due to affiliated companies:		
			EUR 18,126,172,551.29 (PY: EUR 20,909,880,726.55)		
				<u>23.568.546.692,44</u>	<u>26.485.189.814,51</u>
			D. TRUST LIABILITIES		
			- thereof due in up to one	365.610.354,33	587.775.844,17
			year: EUR 269,537,561.54 (PY: EUR 478,759,001.54)		
			- thereof due to affiliated companies:		
			EUR 365,610,354.33 (PY: EUR 587,775,844.17)		
	<u>23.936.397.125,11</u>	<u>27.075.376.379,05</u>		<u>23.936.397.125,11</u>	<u>27.075.376.379,05</u>



SOCIÉTÉ GÉNÉRALE EFFEKTEN GMBH

FRANKFURT AM MAIN

INCOME STATEMENT

FOR THE PERIOD FROM JANUARY 1, 2024 TO DECEMBER 31, 2024

	January 1, 2024 to December 31, 2024 EUR	January 1, 2023 to December 31, 2023 EUR
1. Income from warrant transactions	-	-
2. Expenses for warrant transactions	-	-
3. Income from certificate transactions	-	-
4. Expenses for certificate transactions	-	-
5. Revenues	8.633.174,09	8.041.203,70
thereof Société Générale S.A., Paris	6.769.602,90	5.184.293,64
thereof Société Générale Frankfurt	1.863.571,19	2.856.910,06
6. Other operating income	-	64.557,50
7. Personnel expenses		
a) Wages and salaries	229.111,25	310.078,70
b) Social security contributions, pension expenses and other benefit expenses	100.155,83	88.581,66
thereof for pensions: EUR 27,462.00 (PY: EUR 56,319.00)		
8. Other operating expenses	7.763.718,31	7.739.190,34
9. Income from equity investments	-	-
- thereof from affiliated companies: EUR 0 (PY: EUR 0)		
10. Income from a profit transfer agreement	38.250.822,03	77.788.889,92
11. Other interest and similar income	16.891,42	207.578,99
- thereof from affiliated companies: EUR 16,891.42 (PY: EUR 207,578.99)		
12. Impairments of noncurrent financial assets and securities classified as current assets	-	-
- thereof on affiliated companies: EUR 0 (PY: EUR 0)		
13. Expenses for loss absorptions	-	8.825.207,11
14. Interest and similar expenses	6.110.385,73	4.903.771,72
- thereof to affiliated companies: EUR 6,110,385.73 (PY: EUR 4,903,771.72)		
- thereof from negative interest: EUR 0.00 (PY: EUR 0.00)		
15. Net profit/loss after taxes	32.697.516,42	64.235.400,58
16. Profits transferred under a profit transfer agreement	32.697.516,42	64.235.400,58
17. Financial year net profit/loss	0,00	0,00



**Société Générale Effekten GmbH  
Frankfurt am Main**

**Notes to the Annual Financial Statements  
for the 2024 financial year**

**Notes to the annual financial statements at December 31, 2024 and other disclosures**

The annual financial statements of Société Générale Effekten GmbH at December 31, 2024, have been prepared according to the accounting regulations of the German Commercial Code (HGB) and the supplementary regulations of the Limited Liability Companies Act (GmbHG) and in compliance with German generally accepted accounting principles.

The Company's registered head office is located in Frankfurt/Main. It is registered with the Frankfurt am Main Local Court under Commercial Register Record No. HRB 32283.

To improve clarity and transparency, the titles of individual items of the Company's financial statements have been adjusted and new titles have been introduced, in a departure from the format prescribed in Section 266 (2) and (3) HGB.

**Profit transfer agreements**

By signature of September 7, 2016, Société Générale Effekten GmbH (subsidiary company) entered into a profit transfer agreement for an indefinite term with Société Générale S.A., Frankfurt Branch, Frankfurt am Main (parent company), with retroactive effect to January 1, 2016.

By signature of September 26, 2017, ALD Lease Finanz GmbH, Hamburg (subsidiary company), entered into a profit transfer agreement for an indefinite term with Société Générale Effekten GmbH (parent company), with retroactive effect to January 1, 2017.

By signature of December 1, 2017, Société Générale Securities Services GmbH, Aschheim (subsidiary company), entered into a profit transfer agreement for an indefinite term with Société Générale Effekten GmbH (parent company), with retroactive effect to January 1, 2017.

**1. Recognition and measurement principles**

As in the previous year, the following recognition and measurement methods were mainly applied in the preparation of the annual financial statements.

Companies that are to be included in the consolidated financial statements of a parent company as parent or subsidiary companies (Section 290 HGB) in accordance with the regulations applicable to full consolidation are presented as Interests in affiliated companies as defined in Section 271 (2) HGB. Interests in affiliated companies are measured at amortized cost. In accordance with Section 253 (3) HGB, impairments are recognized to account for impairments that are expected to be permanent.

Receivables are measured at their nominal amount plus accrued interest. Liabilities not hedged are measured at their settlement value plus accrued interest.

The calculation of deferred taxes is based on temporary differences between items of the commercial law balance sheet and items of the tax law balance sheet according to Section 274 HGB. Due to the fact that Société Générale Effekten GmbH has been part of a consolidated tax group for income tax purposes with Société Générale, Frankfurt Branch, as a subsidiary company since January 1, 2016, deferred taxes are recognized only at the level of the parent company.

The provisions for pensions were measured at the settlement value deemed necessary according to sound business judgment (Section 253 (1) sentence 2 HGB) in accordance with actuarial principles, taking the 2018 G Life Expectancy Tables of Prof. Dr. Klaus Heubeck into account. A standard term to maturity of 15 years was assumed for discounting purposes and the provisions were discounted to present value by application of the average market interest rate for the last 10 years as calculated at the reporting date, that being 1.90% (in the previous year, the average market interest rate for the last 10 years was applied: 1.82%) (Section 253 (2) sentence 2 HGB). The maturity-matched interest rates of the German Bundesbank are applied for discounting the provisions to present value.

The projected unit credit method is applied as an actuarial measurement method. The following parameters were assumed for the pension provisions: a discount rate of 1.96%, a salary dynamic of 3.10% (PY: 3.60%), and a pension dynamic of 2.10% (PY: 2.60%). The effects of interest rate changes are recognized in the operating profit/loss. The difference between the amount of recognized pension provisions after discounting to present value by application of the average market interest rate for the last 10 financial years and the provision amount that would result if the provisions were discounted to present value by application of the average market interest rate for the last seven financial years is EUR -2,217. Because the difference is negative, the payout block according to Section 253 (6) HGB does not apply.

The other provisions account for all discernible risks and uncertain obligations. They are measured at the settlement amount deemed necessary according to sound business judgment in accordance with Section 253 (1) HGB. Provisions with a term of more than one year are not discounted to present value in accordance with Section 253 (2) HGB. There were no provisions with such a term at the reporting date.

Until exercise or expiration, option premiums are recognized at cost as Other assets or Other liabilities insofar as they offset each other.

The issued certificates are recognized as Liabilities from issued certificates until due. The issued certificates are offset by hedging transactions, which are recognized in Receivables from affiliated companies.

The portfolio of issued warrants and certificates at the reporting date is completely hedged against market price changes by means of maturity-matched, currency-matched and price risk-identical hedging transactions with the sole shareholder Société Générale S.A., Paris.

The liabilities from issued certificates and warrants and the hedging transactions recognized in Receivables and other assets were aggregated into valuation units and recognized as assets at cost or as liabilities in the amount of the issue proceeds. These are micro-hedges.

In accordance with Section 254 HGB, subsequent measurement is not performed due to their characteristic as valuation units, i.e., due to non-recognition of the offsetting changes in value, the net hedge presentation method is used in this context (Section 285 (19b) and (19c) HGB, as well as Section 285 (23a) and (23b) HGB). In accordance with IDW RS HFA 35 (86), the cash flows resulting from the termination of the hedge were recognized directly in equity, with no effect on the income statement. It was not necessary to recognize value adjustments in Receivables and other assets.

Liabilities not aggregated into valuation units are presented at the settlement amount. These liabilities are Trade payables and Liabilities to affiliated companies. The corresponding income statement item for such liabilities is presented within Other operating expenses, Expenses from loss absorptions, and Profits transferred under a profit transfer agreement.

In addition, the Company issues certificates in its own name and for account of Société Générale S.A., Paris, under a trust agreement with the sole shareholder, Société Générale S.A., Paris. The corresponding financial instruments are presented within Trust assets on the assets side and within Trust liabilities on the equity and liabilities side of the balance sheet. The certificates from trust transactions are offset by hedging transactions that are recognized under Trust assets. These transactions are measured at cost.

## 2. Development of noncurrent financial assets

### Noncurrent financial assets

	Interests in affiliated companies
	EUR'000
Acquisition cost 1/1/2024	407,223
Acquisitions	-
Disposals	-
Acquisition cost 12/31/2024	407,223
Accumulated impairments 1/1/2024	515
Financial year additions to impairments	-
Transfers	-
Disposals	-
Accumulated impairments 12/31/2024	515
Carrying amount at the 12/31/2023 reporting date	406,708
Carrying amount at the 12/31/2024 reporting date	406,708

The Interests in affiliated companies are attributable to the purchase of Société Générale Securities Services GmbH, Aschheim (Commercial Register Record No. HRB 169711 with the Munich Local Court) from Société Générale Securities Services Holding S.A., Paris, for a price of EUR 515 thousand as of January 1, 2017, and the purchase of ALD Lease Finanz GmbH, Hamburg (Commercial Register Record No. HRB 92469 with the Hamburg Local Court) from SG Consumer Finance S.A. France for a price of EUR 406,708 thousand. Due to the decision to wind down the company, the carrying amount of the equity investment was written down to EUR 1 already in 2017.



### 3. Notes to the balance sheet

**Receivables from affiliated companies** amounted to EUR 5,037,949 thousand (PY: EUR 5,171,080 thousand). They were mainly composed of receivables owed by Société Générale S.A., Paris, in the amount of EUR 4,997,298 thousand (PY: EUR 5,091,015 thousand) from the investment of the issue proceeds from issued certificates and from Other receivables in the amount of EUR 40,651 thousand (PY: EUR 80,065 thousand). The Other receivables mainly consisted of receivables from ALD Lease Finanz GmbH, Hamburg, and Société Générale Securities Services GmbH under existing profit transfer agreements totaling EUR 38,251 thousand, and receivables under existing cost reimbursement agreements with Société Générale S.A. Frankfurt Branch, Frankfurt am Main, in the amount of EUR 1,561 thousand (PY: EUR 1,206 thousand) and Société Générale S.A., Paris, in the amount of EUR 841 thousand (PY: EUR 1,068 thousand).

**Other assets** comprise the OTC options acquired by the shareholder to hedge issued warrants. They amounted to EUR 18,126,129 thousand (PY: EUR 20,909,812 thousand).

The **Trust assets** in the amount of EUR 365,610 thousand (PY: EUR 587,776 thousand) are funds belonging to the shareholder Société Générale S.A., Paris, from multiple certificates issued for the shareholder in the name of Société Générale Effekten GmbH and for account of Société Générale S.A., Paris.

The Company's **equity** was unchanged at EUR 1,163 thousand (PY: EUR 1,163 thousand). It is comprised of the subscribed capital in the amount of EUR 26 thousand and the retained earnings from the prior years in the amount of EUR 1,138 thousand. A profit transfer agreement was concluded between Société Générale S.A., Frankfurt Branch, and the Company with effect as of January 1, 2016.

With the exception of provisions for pensions and similar obligations, the presented **provision amounts** remain due in less than one year.

The Other Provisions result primarily from provisions for issuance costs, as well as audit and consulting costs. They amounted to EUR 859 thousand (PY: EUR 1,013 thousand).

**Liabilities to affiliated companies** in the amount of EUR 444,986 thousand (PY: EUR 483,441 thousand) mainly consisted of existing liabilities to Société Générale S.A. Frankfurt Branch under borrowed loans in the amount of EUR 407,223 thousand (PY: EUR 407,223 thousand) and liabilities to Société Générale S.A. Frankfurt Branch for the profit transfer in the amount of EUR 32,698 thousand (PY: EUR 64,235 thousand). This item also includes a liability to Société Générale S.A. Frankfurt Branch from ongoing clearing operations in the amount of EUR 306 thousand, and another liability resulting from the current account in the amount of EUR 4,759 thousand.

The **Trust liabilities** in the amount of EUR 365,610 thousand (PY: EUR 587,776 thousand) included the issuance of certificates issued in the Company's own name for account of Société Générale S.A., Paris.

**Certificates (issues) in foreign currencies** are presented in the items of Liabilities from issued certificates and Trust liabilities on the equity and liabilities side of the balance sheet in the total amount of EUR 1,284,463. This total is broken down by currencies in the table below:

<b>Currency</b>	<b>EUR'000</b>
SEK	1,095,691
DKK	71,306
USD	106,216
CHF	9,050
NOK	1,885
GBP	214
JPY	101

The corresponding hedges are presented in the same amount in Receivables from affiliated companies from the investment of issue proceeds and in Trust assets on the assets side of the balance sheet. Currency translation is performed at the exchange rate applicable on the posting date in connection with the formation of valuation units (net hedge presentation method), taking into account the terms and conditions of the issue specified in the respective prospectus. Due to effective hedges according to the critical terms match method, exchange rate fluctuations have no effect on the Company's income statement.

**Warrants (issues) in foreign currencies** are presented in Other liabilities on the equity and liabilities side of the balance sheet in the total amount of EUR 5,924,589 thousand. This total is broken down by currencies in the table below:

<b>Currency</b>	<b>EUR'000</b>
SEK	4,256,506
DKK	796,344
NOK	824,157
USD	22,669
CHF	24,541
JPY	372

The corresponding hedges are presented in the same amount in Other assets on the assets side of the balance sheet. Currency translation is performed at the exchange rate applicable on the posting date in connection with the formation of valuation units (net hedge presentation method), taking into account the terms and conditions of the issue specified in the respective prospectus. Due to effective hedges according to the critical terms match method, exchange rate fluctuations have no effect on the Company's income statement.

Liabilities/ trust liabilities in the amount of EUR 23,568,547 thousand / EUR 365,610 thousand consisted mainly of liabilities to affiliated companies (EUR 23,934,067 thousand).

There were no other financial commitments at the reporting date.

## Maturity structure of receivables and liabilities

EUR'000				
	Total	Due in up to 1 year	Due in 1 to 5 years	Due in more than 5 years
<b>Receivables</b>				
- Receivables from the investment of issue proceeds	4.997.298	2.458.674	250.551	2.288.073
- Other receivables	40.651	40.651		
- Trust assets	365.610	269.538	90.920	5.153
Other assets	18.126.130	2.467.907	580.521	15.077.703
Interests in affiliated companies	406.708			406.708
<b>TOTAL</b>	<b>23.936.397</b>	<b>5.236.769</b>	<b>921.992</b>	<b>17.777.636</b>
<b>Liabilities</b>				
- Liabilities from issued certificates	4.997.298	2.458.674	250.551	2.288.073
- Trade payables	91	91		
- Liabilities to affiliated companies	444.986			444.986
- Trust liabilities	365.610	269.538	90.920	5.153
Other liabilities, including provisions	18.127.249	2.469.013	580.521	15.077.716
<b>TOTAL</b>	<b>23.935.234</b>	<b>5.197.316</b>	<b>921.992</b>	<b>17.815.927</b>

## 4. Notes to the income statement

The income statement is prepared in accordance with the cost summary method.

**Revenues** in the amount of EUR 8,633 thousand (PY: EUR 8,041 thousand) consisted of service costs assumed under a cost-plus procedure with an administrative cost mark-up of 5% by Société Générale S.A., Paris, in the amount of EUR 6,769 thousand and by Société Générale S.A. Frankfurt Branch in the amount of EUR 1,864 thousand.

**Personnel expenses** consisted of wages and salaries in the amount of EUR 229 thousand (PY: EUR 310 thousand) and social security contributions and pension expenses in the amount of EUR 100 thousand (PY: EUR 89 thousand).

**Other operating expenses** consisted primarily of issuance costs, legal and consulting fees and stock exchange costs:

<i>In euro thousands</i>	<b>2024</b>	<b>2023</b>
Stock exchanges, regulatory authority	6,287	6,481
Cost allocation Société Générale Frankfurt	808	808
Legal, consulting, audit	669	450
Advertising		-
<b>Total</b>	<b>7,764</b>	<b>7,739</b>

The **income from a profit transfer agreement** in the amount of EUR 38,251 thousand represents the profits of ALD Lease Finanz GmbH and Société Générale Securities Services GmbH, which are recognized by the Company in the same reporting period on the basis of the profit transfer agreements with these two companies.

The item of **Interest and similar expense** primarily includes paid and accrued interest in the amount of EUR 6,110 thousand for a loan from Société Générale S.A., Frankfurt Branch.

The Company entered into a profit transfer agreement with Société Générale S.A., Paris, Frankfurt Branch (parent company), with effect as of January 1, 2016, and has been in an integrated tax group relationship for purposes of value-added tax and income tax since that time. Therefore, all **income taxes** accrue at the level of the parent company. The profit/loss after taxes in the amount of EUR 32,698 thousand was completely transferred, resulting in a **financial year profit/loss** of EUR 0 thousand.

## 5. Information on issuance activities

The issuance volume in the 2024 financial year is presented in the table below:

			FINANCIAL YEAR 2024				FINANCIAL YEAR 2023			
DERIVATIVE SECURITIES	TYPE	UNDERLYING	NO.	VOLUME (IN UNITS)	CARRYING AMOUNT in EUR'000	LONGEST TERM	NO.	VOLUME (IN UNITS)	CARRYING AMOUNT in EUR'000	LONGEST TERM
Investment products										
With capital protection (100%)	Capital protection certificates	Stocks	215	611.704	62.547	18.03.2027	2	10.000.001	1.010.000	21.06.2024
		Funds	-	-	-		-	-	-	
		Futures	9	125.012	12.625	17.11.2025	2	2.500.001	62.675	25.04.2024
		Indices	137	129.431	13.119	18.02.2027	11	10.000.010	1.010.000	19.12.2025
		Commodities	22	235.162	23.604	19.12.2025	1	1	-	21.06.2024
			383	1.101.309	111.895		16	22.500.013	2.082.675	
	Structured bonds	Stocks	-	-	-		-	-	-	
		Indices	-	-	-		-	-	-	
			-	-	-		-	-	-	
Without capital protection (<100%)	Reverse convertibles	Stocks	2.467	485.166	482.950	15.05.2026	1.875	603.665	629.515	17.04.2025
		Indices	25	26.121	26.129	26.05.2026	39	39.700	37.401	Open End
			2.492	511.287	509.079		1.914	643.365	666.916	
	Bonus certificates	Stocks	10.618	26.528.822	1.615.656	17.12.2026	8.281	25.209.753	1.175.021	Open End
		Indices	2.450	4.440.072	513.675	18.12.2026	2.858	4.641.599	598.974	19.02.2025
		Currencies	-	-	-		4	5.147	160	22.04.2024
			13.068	30.968.894	2.129.331		11.143	29.856.499	1.774.155	
	Discount certificates	Stocks	12.307	37.287.539	2.279.458	18.06.2026	13.335	45.386.450	1.780.313	20.06.2025
		Futures	236	670.343	41.167	17.11.2026	237	1.114.190	68.777	17.11.2025
		Indices	2.321	12.728.403	842.149	18.12.2026	1.618	7.549.256	528.465	19.12.2025
		Commodities	148	164.371	20.347	19.12.2025	118	157.802	13.294	20.12.2024
		Currencies	-	-	-		4	4.335	132	17.02.2023
			15.012	50.850.656	3.183.121		15.312	54.212.033	2.390.981	
	Express certificates	Stocks	7	40.500	40.500	04.04.2028	2	30.000	28.793	23.03.2027
		Funds	-	-	-		-	-	-	
		Indices	-	-	-		-	-	-	
		Basket	-	-	-		-	-	-	
			7	40.500	40.500		2	30.000	28.793	
	Index / participation certificates	Stocks	77	2.051.994	9.887	Open End	213	3.512.988	8.354	Open End
		Funds	-	-	-		-	-	-	
		Futures	67	9.977.404	57.084	Open End	30	1.412.006	10.689	Open End
		Indices	231	8.357.313	52.080	Open End	283	14.218.281	45.406	Open End
		Commodities	8	160.920	1.752	Open End	12	82.113	2.614	Open End
			383	20.547.631	120.803		538	19.225.388	67.063	
	Outperformance / sprint certificates	Stocks	-	-	-		-	-	-	
		Indices	-	-	-		-	-	-	
			-	-	-		-	-	-	
TOTAL investment products:			31.345	104.020.277	6.094.729		28.925	126.467.298	7.010.583	

			FINANCIAL YEAR 2024				FINANCIAL YEAR 2023			
DERIVATIVE SECURITIES	TYPE	UNDERLYING	NO.	VOLUME (IN UNITS)	CARRYING AMOUNT IN EUR'000	LONGEST TERM	NO.	VOLUME (IN UNITS)	CARRYING AMOUNT IN EUR'000	LONGEST TERM
Leverage products										
With knock-out	Knock-out products	Stocks	269.197	7.196.659.772	7.823.094	Open End	175.334	4.304.394.730	4.078.044	Open End
		Energy	-	-	-		1	1.149	65	Open End
		Fixed Income	-	-	-		21	468.705	2.138	Open End
		Funds	-	-	-		-	-	-	
		Futures	25.228	579.677.375	972.952	Open End	23.294	887.702.845	1.722.930	Open End
		Indices	130.077	5.498.422.918	16.403.512	Open End	76.685	8.330.963.651	9.448.291	Open End
		Commodities	27.707	937.634.250	1.003.370	Open End	15.996	1.411.665.093	934.968	Open End
		Currencies	10.910	291.397.264	182.751	Open End	10.825	262.658.775	214.493	Open End
		Interest rate	-	-	-		1	1.639	4	Open End
				463.119	14.503.791.579	26.385.679		302.157	15.197.856.587	16.400.933
Without knock-out	Factor certificates	Stocks	42.598	3.726.552.400	4.228.553	Open End	31.182	1.722.255.460	2.262.927	Open End
		Energy	5	99.259	504	Open End	-	-	-	
		Fixed Income	6	22.234	37	Open End	15	60.484	133	Open End
		Futures	4.821	1.588.320.300	988.161	Open End	3.495	1.256.124.124	862.672	Open End
		Indices	4.413	3.857.681.413	752.321	Open End	8.399	1.626.458.877	988.024	Open End
		Commodities	65	2.088.930	2.460	Open End	158	9.819.722	15.360	Open End
		Currencies	368	33.102.933	31.960	Open End	363	34.926.759	92.464	Open End
		Interest rate	1	10.980	331	Open End	-	-	-	
				52.277	9.207.878.449	6.004.327		43.612	4.649.645.426	4.221.580
	Warrants	Stocks	112.556	4.829.861.696	2.230.644	Open End	112.767	11.622.659.575	2.415.867	Open End
		Energy	-	-	-		-	-	-	
		Fixed Income	-	-	-		1	2.877	5	Open End
		Futures	1.552	77.894.698	40.981	Open End	4.503	368.950.999	196.328	Open End
		Indices	28.356	1.865.852.352	1.371.511	Open End	36.175	4.356.076.719	4.311.333	Open End
		Basket	-	-	-		-	-	-	
		Commodities	5.062	110.532.406	97.825	Open End	4.605	239.526.644	128.598	Open End
		Currencies	10.075	60.150.718	58.223	Open End	11.452	122.142.538	109.528	Open End
		Interest rate	-	-	-		-	-	-	
				157.601	6.944.291.870	3.799.184		169.503	16.709.359.352	7.161.659
TOTAL leverage products:			672.997	30.655.961.898	36.189.190		515.272	36.556.861.365	27.784.172	-
TOTAL derivative securities:			704.342	30.759.982.175	42.283.919		544.197	36.683.328.663	34.794.755	

All issues are fully hedged by concluding OTC options with identical features (perfect match terms method) or by investing issue proceeds with Société Générale S.A., Paris.

The fair value of financial derivatives and bonds with embedded derivatives is generally measured on the basis of market values; in case of illiquid markets, measurement is performed on the basis of internal models. These “in-house valuation models” are regularly tested by specialists in the Risk department of Société Générale S.A., Paris. Derivative financial instruments with option characteristics are measured by Société Générale S.A., Paris, using generally recognized option price models.

When an active market exists, prices quoted by stock exchanges, brokers and pricing agencies are used.

The type, volume, and fair values of the derivative hedging transactions at the reporting date were as follows: The Company held 204,350 OTC options with a market value of EUR 1,644 million to hedge stock and index warrants, 13,986 OTC options with a market value of EUR 1,542 million to hedge commodity warrants, 7,105 OTC options with a market value of EUR 178 million to hedge foreign currency warrants, and 1,479 OTC options with a market value of EUR 11 million to hedge interest rate warrants.

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. If no observable prices are available for identical assets or liabilities, the fair value of financial instruments is determined by the use of another valuation technique under which determining, observable input factors are applied.

In addition, the Company held 28,303 certificates with a market value of EUR 1,288 million, including trust transactions.

The carrying amount of the warrants listed here at December 31, 2024 was EUR 18,126 million and is presented within the Other liabilities item in the balance sheet. The carrying amount of the issued certificates at December 31, 2024 was EUR 5,363 million and is divided between the item of Liabilities from issued certificates and the item of Trust liabilities in the balance sheet.

## 6. Significant shareholdings

The significant according to Section 285 (11) HGB break down as follows:

Name and registered head office	Percentage of equity held (%)	Equity of the company (EUR'000)	Financial year net profit/loss (EUR'000)	
Directly				
ALD Lease Finanz GmbH, Hamburg	100	226,953	-	1)
Société Générale Securities Services GmbH, Aschheim	100	35,330	-	2)
Indirectly				
ALD AutoLeasing und Dienstleistungs GmbH, Hamburg	43.8	2,364	444	
Bank Deutsches Kraftfahrzeuggewerbe GmbH, Hamburg		405,550	-	3)
- Voting shares	90	550		
- Non-voting shares	100	405,000		
BDK Leasing und Service GmbH, Hamburg	100	1,023	-	4)

1)	Profit/loss before profit transfer	EUR'000	32,627
2)	Profit/loss before profit transfer	EUR'000	5,623
3)	Profit/loss before profit transfer	EUR'000	40,763
4)	Profit/loss before profit transfer	EUR'000	1,871

## 7. Disclosures on the independent auditor's fees recognized as expenses in the 2021 financial year

The fees for the independent auditor recognized as expenses in the 2024 financial year amounted to:

- For auditing services:	EUR 299,730
- For other certification services:	EUR -
- For tax advisory services:	EUR -
- For other services:	EUR -

The fees for auditing services comprise the expenses for the audit of the consolidated financial statements and Group management report and for the audit of the separate financial statements and separate management report of Société Générale Effekten GmbH.

## **8. Disclosures regarding directors and officers and employees**

The following individuals were Managing Directors in the 2024 financial year and in the time until the preparation of the annual financial statements:

- Mr. Helmut Höfer, lawyer (general counsel), Frankfurt am Main  
Head of Legal Germany & Austria Société Générale S.A. Frankfurt Branch.
- Mr. Andreas Thomas, business studies graduate, Munich (appointed on 07/01/2023 and relieved of position as Managing Director of Société Générale Effekten GmbH with effect as of 03/31/2024), Chief Operational Officer Société Générale S.A. Frankfurt Branch.
- Mr. Timo Felix Zapf, business studies graduate, Frankfurt am Main, Chief Financial Officer Société Générale S.A. Frankfurt Branch.
- Mr. Christian Sagerer, Bachelor of Business Administration, Oberursel (appointed on 04/01/2024 and relieved of position as Managing Director of Société Générale Effekten GmbH with effect as of 04/25/2024), Head of Global Markets Germany & Austria and member of the Management Board Société Générale S.A. Frankfurt Branch.

The Managing Directors Mr. Timo Felix Zapf and Mr. Helmut Höfer are employees of Société Générale S.A., Frankfurt am Main Branch.

Expenses of EUR 17 thousand were charged to Société Générale Effekten GmbH as compensation for the work of Managing Directors in the 2024 financial year.

The Company had an average of 4 employees during the financial year. Three employees work full-time and one employee works part-time.

As a capital market-oriented company, the Company has established an Audit Committee in accordance with Section 324 HGB, composed of the following members:

Mr. Helmut Höfer  
Mr. Peter Boesenberg (Chairman)  
Ms. Heike Hoevekamp  
Mr. Marco Maibaum  
Mr. Adrian Mrosek  
Mr. Timo Zapf  
Mr. Kais Adsi  
Mr. Andreas Thomas (from 07/01/2023 to 03/31/2024)  
Mr. Christian Sagerer (as of 04/01/2024)



## **9. Group affiliation**

At the reporting date of December 31, 2024, Société Générale S.A., Frankfurt Branch held a 100% equity interest in Société Générale Effekten GmbH.

The shareholder of Société Générale S.A., Frankfurt branch, is Société Générale S.A., Paris (smallest scope of consolidation within the meaning of Section 285 No. 14a HGB and largest scope of consolidation within the meaning of Section 285 No. 14 HGB). Notice of publication of the consolidated financial statements of Société Générale S.A., Paris, in which the Company is included, is given in France in the “Bulletin des Annonces Légales et Obligatoires (BALO)” under the heading “Publications Périodiques” (R.C.S: 552 120 222). The consolidated financial statements are available on the website [www. societegenerale.com](http://www.societegenerale.com).

## **10. Events after the reporting date**

No further events having a significant effect on the Company’s financial position, cash flows, and financial performance have occurred since the reporting date.

Frankfurt am Main, April 30, 2025

The Management

Société Générale Effekten GmbH

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Helmut Höfer

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Timo Felix Zapf



**Société Générale Effekten GmbH  
Frankfurt am Main**

**Management Report  
for the 2024 financial year**

**A. Legal and commercial basis of the Company**

Société Générale Effekten GmbH (SGE) is a 100% subsidiary of Société Générale S.A. Frankfurt, which is a branch of Société Générale S.A., Paris (SG). The purpose of the company is to issue and sell securities and to purchase, sell, hold and manage equity interests.

The securities issued by SGE are publicly offered in individual or multiple countries of the European Economic Area or Switzerland. In addition, admission for the securities to trading in a regulated market or a multilateral trading system in the European Economic Area or on a Swiss stock exchange may also be applied for. Currently, the respective trading venues include the stock exchanges in Frankfurt, Stuttgart, Madrid, Barcelona, Milan, Paris, Stockholm and Zurich.

The issues are taken over by SG and, in a second step, they are placed with end customers by SG, so that no influence on the economic circumstances of the issuer results from this action. Redemption of the securities is guaranteed by SG in the form of a parent company guarantee.

The parent company guarantee can be viewed at:

[https://prospectus.socgen.com/program\\_search/JSE-%20Deed%20of%20Guarantee](https://prospectus.socgen.com/program_search/JSE-%20Deed%20of%20Guarantee)

The Company holds majority shares in Société Générale Securities Services GmbH, Aschheim, and ALD Lease Finanz GmbH, Hamburg.

**B. Financial review**

**I. General economic and industry-specific conditions**

The recession that began in Germany in 2023 continued in 2024. After contracting by 0.3% in 2023, German gross domestic product contracted further by 0.2% in 2024.<sup>1</sup> Geopolitical difficulties, particularly the Ukraine war and the Middle East conflict, are major factors contributing to the ongoing decline in economic growth, although other factors such as the political debates in Germany concerning migration, economic policy, and government spending are also significant. The political strife climaxed in December 2024 when the so-called “traffic-light coalition” of German political parties fell apart, leading to the dissolution of the German parliament and the

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<sup>1</sup> German Federal Office of Statistics (01/15/2025). Gross Domestic Product Declined by 0.2% in 2024. [https://www.destatis.de/DE/Presse/Pressekonferenzen/2025/bip2024/pm-bip.pdf?\\_\\_blob=publicationFile&v=6](https://www.destatis.de/DE/Presse/Pressekonferenzen/2025/bip2024/pm-bip.pdf?__blob=publicationFile&v=6) (02/20/2025).

announcement of new elections to be held in February 2025.<sup>2</sup> The difficult political situation within Germany caused great uncertainty among businesses and the population at large. Declining construction investment, business investment, and exports, particularly to China, are other key factors contributing to the weakness of the German economy.<sup>3</sup>

The inflation rate in Germany was considerably lower in 2024 than in 2023. Whereas inflation reached 5.9% in 2023, the inflation rate in 2024 was only 2.2%. The prices of energy products fell by 3.2% in 2024 after having risen sharply again in 2023. On the other hand, prices for services increased substantially by 3.8%.<sup>4</sup> In reaction to the declining rate of inflation, the European Central Bank began to lower interest rates for the first time in June 2024.<sup>5</sup> After five further rate cuts, the base interest rate after the last interest rate cut in March 2025 came to 2.65%.<sup>6</sup>

The state of the German economy is still heavily influenced by the country's two biggest trade partners, China and the United States. China's economy is estimated to have grown by 5% in 2024, which is somewhat slower than the 5.2% growth registered in 2023 and only barely hitting the stated growth target of 5%. Chinese gross domestic product recovered in the fourth quarter of 2024 after contracting in the second and third quarters.<sup>7</sup> Since April 2024, moreover, Chinese exports have risen sharply by 10.7% as of December 2024, after the substantial 5% decrease in 2023.<sup>8</sup> However, trade tensions between China and the United States escalated considerably in 2024, due not least of all to the renewed election of U.S. President Donald Trump. The additional imposition of a 10% tariff on Chinese products by the United States in February 2025 represents a major challenge to China's exports.<sup>9</sup> In addition, the volume of trade between Germany and China fell by 3.1% in 2024, so that the United States was again Germany's biggest trading partner in 2024 for the first time since 2015.<sup>10</sup> Accordingly, the forecasts for China's growth potential in 2025 are rather pessimistic, averaging only 4.4%.<sup>11</sup>

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<sup>2</sup> German Federal Parliament (12/27/2024). Steinmeier Announces Dissolution of the German Federal Parliament and New Elections. <https://www.bundestag.de/presse/hib/kurzmeldungen-1035368> (02/21/2025).

<sup>3</sup> Hamburg Institute of International Economics (December 2024). Economic Forecast Germany Winter 2024. [https://www.hwwi.org/wp-content/uploads/2024/12/HWWI\\_Konjunkturprognose\\_4\\_2024.pdf](https://www.hwwi.org/wp-content/uploads/2024/12/HWWI_Konjunkturprognose_4_2024.pdf) (03/31/2025).

<sup>4</sup> German Federal Office of Statistics (01/16/2025). +2.2% Inflation Rate in 2024. [https://www.destatis.de/DE/Presse/Pressemitteilungen/2025/01/PD25\\_020\\_611.html](https://www.destatis.de/DE/Presse/Pressemitteilungen/2025/01/PD25_020_611.html) (02/20/2025).

<sup>5</sup> European Central Bank (06/06/2024) Monetary Policy Decisions. <https://www.ecb.europa.eu/press/pr/date/2024/html/ecb.mp240606~2148ecdb3c.de.html> (02/20/2025).

<sup>6</sup> European Central Bank (03/06/2025). Monetary Policy Decisions. <https://www.ecb.europa.eu/press/pr/date/2025/html/ecb.mp250306~d4340800b3.de.html> (03/12/2025).

<sup>7</sup> Statista (01/17/2025). China: Growth of Real Gross Domestic Product (GDP) from Q4 2021 to Q4 2024. <https://de.statista.com/statistik/daten/studie/179388/umfrage/wachstum-des-bruttoinlandsprodukts-bip-in-china-nach-quartalen/> (02/21/2025).

<sup>8</sup> Statista (02/14/2025). China: Relative Change in Export Volume from December 2023 to December 2024. <https://de.statista.com/statistik/daten/studie/173902/umfrage/veraenderung-der-monatlichen-exporte-aus-china-gegenueber-dem-vorjahresmonat/> (02/21/2025).

<sup>9</sup> U.S. Customs and Border Protection, Department of Homeland Security. (05.02.2025). Implementation of Additional Duties on Products of the People's Republic of China Pursuant to the President's February 1, 2025 Executive Order Imposing Duties To Address the Synthetic Opioid Supply Chain in the People's Republic of China. <https://www.federalregister.gov/documents/2025/02/05/2025-02293/implementation-of-additional-duties-on-products-of-the-peoples-republic-of-china-pursuant-to-the> (02/21/2025).

<sup>10</sup> German Federal Office of Statistics (02/19/2025). After Nine Years, United States is Again Germany's Most Important Trading Partner in 2024. [https://www.destatis.de/DE/Presse/Pressemitteilungen/2025/02/PD25\\_063\\_51.html](https://www.destatis.de/DE/Presse/Pressemitteilungen/2025/02/PD25_063_51.html) (02/21/2025).

<sup>11</sup> German Economic Institute (02/21/2025) 5-Percent Target Just Barely Achieved: China's Growth Is Running Out of Steam. <https://www.iwkoeln.de/studien/gero-kunath-chinas-wachstum-geht-die-puste-aus.html> (02/21/2025).

The U.S. economy expanded by 2.8% in 2024, particularly after the renewed election of Donald Trump as U.S. President.<sup>12</sup> As in Germany, inflation also subsided in the United States compared to the previous year.<sup>13</sup> For this reason, the U.S. central bank has likewise lowered its base interest rate in several steps since September 2024.<sup>14</sup> Gross domestic product in the Eurozone expanded by 0.7% and in the EU by 0.9% in 2024.<sup>15</sup> Both these developments represent an improvement over 2023. The EU-wide unemployment rate was 5.9%, corresponding to about 13 million unemployed persons, in November 2024. As in the previous year, the Eurozone unemployment rate of 6.3% was again higher than the EU-wide unemployment rate.<sup>16</sup>

In summary, SGE's issuance volume is highly dependent on various macroeconomic factors, chief among them the volatility of markets, which directly impacts trading activity and can therefore also increase SGE's issuance activity. Investors are often more active in times of heightened market volatility, leading to increased trading volumes and thus favoring issuance volumes. Another key factor is economic growth, especially gross domestic product (GDP). Expanding GDP normally increases consumption and investment, which would likewise have a positive effect on trading volumes and thus issuance volumes.

## II. Business developments

Compared to the prior fiscal year, issuance activity increased by 29.4% in financial year 2024 (2024: 704,342 issued products; 2023: 544,197 issued products). The increased issuance activity is attributable to the high level of customer activity, which had the effect of broadening the Company's offering of issued products.

In total, 31,345 investment products (PY: 28,925) were issued in 2024. In the category of products without capital protection, 15,012 products were issued as discount certificates, 13,068 products as bonus certificates, 2,492 products as reverse convertibles, 383 products as index/participation certificates, and 7 products as express certificates. In the category of products with capital protection, 383 products were issued as capital protection certificates.

Furthermore, 672,997 leverage products were issued (PY: 515,272). In addition to 463,119 products with knock-out options, 157,601 products were issued as warrants and 52,277 products as factor certificates in the category of products without knock-out options.

The German market accounted for 79% of total issuance activity and foreign markets accounted for 21% (of which: 49% France, 30% Scandinavian market, 9% Switzerland, 3% Benelux, 4% Iberian market, 5% Italy).

<sup>12</sup> Bureau of Economic Analysis. (30.01.2025). Gross Domestic Product, 4th Quarter and Year 2024 (Advance Estimate). <https://www.bea.gov/news/2025/gross-domestic-product-4th-quarter-and-year-2024-advance-estimate> (02/21/2025).

<sup>13</sup> Statista (01/14/2025). Monthly 12-month Inflation Rate in the United States from November 2020 to November 2024. <https://www.statista.com/statistics/273418/unadjusted-monthly-inflation-rate-in-the-us/> (02/24/2025).

<sup>14</sup> Statista (02/04/2025). Monthly Federal Funds Effective Rate in the United States from July 1954 to January 2025. <https://www.statista.com/statistics/187616/effective-rate-of-us-federal-funds-monthly/> (02/24/2025).

<sup>15</sup> Eurostat (02/14/2025). 0.1% Rise in Eurozone GDP and Employment. <https://ec.europa.eu/eurostat/web/products-euro-indicators/w/2-14022025-ap> (02/24/2025).

<sup>16</sup> Eurostat (01/07/2025). 6.3% Unemployment Rate in the Eurozone. <https://ec.europa.eu/eurostat/de/web/products-euro-indicators/w/3-07012025-bp> (02/24/2025).

The subsidiary ALD Finanz Lease GmbH, Hamburg, acquired in 2017 held its own in a still difficult market environment, although its profits were lower. The decline in profits resulted mainly from the smaller lease portfolio, the lower amount of loans outstanding at the subsidiary BDK, and lower results from the marketing of leased assets at the end of the lease terms.

The overall performance in the financial year can be regarded as positive considering the expansion of issuance activities.

### **III. Financial position, cash flows and liquidity position, and financial performance**

#### **a) Financial position**

Compared to the previous year, total assets declined by EUR 3,139 million to EUR 23,936 million. This reduction is primarily attributable to lower issuance volumes in the categories of warrants and trust assets. These declines affected the balance sheet item of Other assets, which amounted to EUR 18,126,129 thousand (PY: EUR 20,909,812 thousand), and the line item of Trust assets, which amounted to EUR 365,610 thousand (PY: EUR 587,776 thousand). The overall decrease is mainly attributable to the fact that many warrant products expired in financial year 2024, which caused a reduction of total assets at 12/31/2024.

The balance sheet mainly presents the issued certificates (balance sheet item: Liabilities from issued certificates) and the hedging transactions conducted in this connection (balance sheet item: Receivables from affiliated companies from the investment of issue proceeds) and the issued warrants (balance sheet item: Other liabilities) and the hedging transactions conducted in this connection (balance sheet item: Other assets). The value of the items presented in the balance sheet varies depending on the number and nominal amounts of issued securities and the related hedging transactions.

The Company presented the companies acquired at January 1, 2017 (ALD Lease Finanz GmbH and Société Générale Securities Services GmbH) in the balance sheet as Noncurrent financial assets – Interests in affiliated companies. With regard to the interests in Société Générale Securities Services GmbH, the previously recognized impairment of EUR 515 thousand, which lowered the purchase price to EUR 1.00, was kept in place in view of the future earnings expectations resulting from the discontinuation of operating activities as of 12/31/2023.

The share capital of Société Générale Effekten GmbH remains unchanged at EUR 26 thousand (PY: EUR 26 thousand). In addition, the company holds EUR 1,138 thousand (PY: EUR 1.138 thousand) in profit carried forward. The Company's equity remained unchanged year-on-year because the Company entered into a profit transfer agreement with Société Générale Frankfurt as of January 1, 2016, and thus any profits earned or losses incurred are transferred to or compensated by Société Générale Frankfurt.

Receivables are owed by Société Générale S.A. Frankfurt Branch and Société Générale S.A., Paris, particularly in connection with the issuing activities. Receivables are also owed by ALD Lease Finanz GmbH, Hamburg, and by Société Générale Securities Services GmbH, Aschheim, under the profit transfer agreements concluded on September 26, 2017 and December 1, 2017, respectively.

Société Générale Effekten GmbH is not subject to any significant default risks in relation to third parties because they are covered by the global guarantee with Société Générale S.A., Paris.

Liabilities are mainly incurred from the issuance of certificates and warrants, as well as a loan received from Société Générale S.A. Frankfurt Branch for the acquisition of the subsidiaries Société Générale Securities Services GmbH, Aschheim, and ALD Lease Finanz GmbH, Hamburg, as of January 1, 2017.

The financial position was sound in financial year 2024.

#### b) Financial performance

The proceeds from the sale of issued warrants and certificates are always offset by the expenses for the acquisition of the corresponding hedging transactions, so that the Company itself does not generate any profit from its issuance activities. In accordance with IDW RS HFA 35 para. 86, the cash flows resulting from the termination of the hedge have been recognized directly in equity, with no effect on the income statement, insofar as they offset each other.

Because currency risks are hedged, exchange rate fluctuations have no effect on the Company's income statement.

The revenues of EUR 8,633 thousand (PY: EUR 8,041 thousand) consisted of cost reimbursements for services, plus a 5% mark-up for administrative expenses, under the cost-plus arrangements in effect with Société Générale S.A., Paris, in the amount of EUR 6,769 thousand and with Société Générale S.A. Frankfurt Branch in the amount of EUR 1,864 thousand.

Personnel expenses and other operating expenses are passed on to Société Générale S.A., Paris, and Société Générale S.A., Frankfurt Branch, based on a "cost plus" arrangement. Other operating expenses increased by EUR 25 thousand.

Interest and similar expenses mainly consisted of interest payments on the loan granted by Société Générale Frankfurt in December 2016 to finance the acquisition of subsidiaries.

Due to the profit transfer agreement concluded with Société Générale Frankfurt effective January 1, 2016, the Company shows no net profit/loss for the year as of December 31, 2024.

The financial performance was sound in financial year 2024.

c) Cash flows and liquidity position

The nature and execution of the Company's business activities are aimed at maintaining a balanced liquidity position at all times.

Liabilities from the issuance of certificates and warrants are always hedged by maturity-matched financial instruments denominated in the same currency and bearing an identical price risk.

Business transactions affecting cash flow result from the issues and the corresponding hedging transactions, from the payment of personnel and other operating expenses, and the charging of these expenses to Société Générale S.A., Paris, and Société Générale Frankfurt.

Due to the complete reimbursement of all expenses incurred upon issuance by the parent company, the Company has sufficient liquidity and is in a position to satisfy all payment obligations.

At the reporting date of December 31, 2024, the Company recognized a liability to Société Générale Frankfurt in the amount of EUR 407,223 thousand, which is presented in the item of Liabilities to affiliated companies. At the reporting date of December 31, 2024, the Company had receivables under cost-plus arrangements from the affiliated companies Société Générale Frankfurt in the amount of EUR 1,561 thousand and Société Générale S.A. in the amount of EUR 841 thousand.

Under the profit transfer agreements in effect, the Company had receivables from ALD Lease Finanz GmbH in the amount of EUR 32,627 thousand, one receivable from Société Générale Securities Services GmbH in the amount of EUR 5,623 thousand, and liabilities to Société Générale Frankfurt in the amount of EUR 32,698 thousand.

The Company can resort to a committed credit facility of Société Générale S.A. Frankfurt Branch in the amount of EUR 10,000 thousand, which had been drawn down by an amount of EUR 4,352 thousand as of the reporting date. In addition, Société Générale S.A., Paris, promised the Company in a letter of comfort dated April 30, 2015 that the liquidity risks from expenses and the issuance business are secured.

The liquidity position was sound in financial year 2023.

The Société Générale Group emphasizes the strength of its balance sheet (CET1 ratio of 13.3% at December 31, 2024), which provides a cushion of around 310 basis points above the regulatory requirements. It strengthened its good liquidity position further, with a LCR ratio of 156% at the end of December 2024. Société Générale S.A., Paris, will recommend to the Annual General Meeting the payment of a dividend of EUR 1.09 per share.



#### **IV. Financial/ non-financial performance indicators**

On the one hand, the Company is a pure issuing vehicle without its own credit rating, which generates income from the cost-plus agreements in effect with Société Générale S.A. Paris and Société Générale Frankfurt. On the other hand, the Company derives its income from the equity interests held by the Company. The management of the issuance vehicle is based on the “engineering” of new products and the associated targeted placement of securities with investors. The subsidiaries manage their business under their own responsibility. Issuance volume as measured by the number of products is applied as a key performance indicator for SGE.

The Company largely relies on the systems and control procedures of the parent company for its own internal controlling. To enhance operational efficiency, the parent company continuously adjusts its systems and control procedures and adds to these controls as needed. The financial accounting processes and the related controls are reviewed on a continual basis and adjusted when necessary. No other non-financial performance indicators are used.

#### **C. Report on the Company’s future development, opportunities and risks**

##### **I. Expected development of the Company (Forecast Report)**

The adverse factors that led to a contraction of gross domestic product in 2024 will continue to influence the German economy in 2025. Nonetheless, Germany could experience a modest economic upturn in the first quarter. Although business investment will remain low due to persistent uncertainty, difficult financing conditions, and low capacity utilization, demand in the construction and manufacturing sectors has risen of late. Thanks to substantial wage increases, there is a strong potential for higher consumer spending, although it will be dampened by the rather negative outlook for the labor market. The recent, highly unfavorable trend of exports of up to -8.5% could be less pronounced in the first quarter.<sup>17</sup> However, the United States has recently announced high additional tariffs on EU products, which could have a massively negative impact on German exports.<sup>18</sup> According to forecasts, Germany can expect low economic growth of 0.3% in the full year 2025.<sup>19</sup> Nonetheless, there remains a tendency to stagnation.

In January 2025, the year-over-year inflation rate in Germany was 2.3%, that being 0.2% lower than at the end of 2024. This decline is probably attributable primarily to the more moderate rate of increase in food prices and the decrease in energy prices. However, prices for services continued to drive inflation higher, as they did throughout 2024. From the level in January 2024, prices for services rose by 4% in 2024, that being considerably higher than the overall rate of

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<sup>17</sup> Statista (02/07/2025). Change in German export volume compared to the same month last year from December 2023 to December 2024. <https://www.statista.com/statistics/1304303/export-volume-monthly-change-germany/> (02/27/2025), German Bundesbank (02/24/2025). The Economy in Germany. <https://publikationen.bundesbank.de/publikationen-de/berichte-studien/monatsberichte/monatsbericht-februar-2025-928514?article=konjunktur-in-deutschland-950650> (02/25/2025).

<sup>18</sup> European Parliament (02/13/2025). Trade between the EU and the United States: Potential Impacts of New Tariffs on Europe. <https://www.europarl.europa.eu/topics/de/article/20250210STO26801/handel-zwischen-der-eu-und-den-usa-moegliche-auswirkungen-neuer-zolle-auf-europa#warenhandel-3> (02/27/2025).

<sup>19</sup> Statista (01/27/2025). IMF Forecast: Growth of Real Gross Domestic Product (GDP) in the Most Important Industrialized and Emerging-Market Countries in the Years from 2023 to 2026. <https://de.statista.com/statistik/daten/studie/38043/umfrage/prognose-zur-entwicklung-des-bip-in-ausgewaehlten-laendern/> (02/24/2025).

inflation.<sup>20</sup> Food prices can be expected to rise at a faster rate again in the further course of the current year as the influence of falling energy prices on the overall rate of inflation subsides and prices for services will only slowly come down. Thus, the inflation rate will probably remain high in 2025, although it should draw closer to the 2% target.<sup>21</sup>

Since January 2025, the base interest rate has been 2.65% after repeated cuts. The ECB's Governing Council is confident in the progress of disinflation and likewise expects inflation to reach the 2% target and remain stable at that level. Nonetheless, the European Central Bank prefers to no longer commit itself to a clear path of interest rates. Instead, decisions regarding interest rates will be made on the basis of current information and data at each meeting of the Governing Council. Given the positive trend of disinflation, the European Central Bank expects that the rate of inflation will only average 2.1% in 2025.<sup>22</sup>

Compared to December 2024, the unemployment rate rose by 0.4% to 6.4%, corresponding to 186,000 additional unemployed persons, in January 2025. Thus, the total number of unemployed persons came to 2,993,000 in January 2025, exceeding the total number of unemployed persons in January 2024 by 187,000.<sup>23</sup> The average unemployment rate in 2024 was 6.0%, that being 0.3% higher than in 2023.<sup>24</sup> According to forecasts, unemployment is expected to rise in all of Germany's federal states in 2025, causing the unemployment rate to rise to 6.1%.<sup>25</sup>

The growth strategy of the Société Générale Group is focused on Germany, as evidenced by issuance activity, given that 79% of products are issued in Germany.

The Management anticipates a moderate increase in the issuance volume, which should rise by 5% to 10% over the level in 2024. . As in prior years, a broad range of warrants and certificates will be offered in 2025. In particular, the Company's European presence will be expanded further. Moreover, the volatile market environment will probably lead to a higher volume of follow-up issues of turbo warrants as barriers are breached.

In 2025, the Company expects a profit contribution from ALD Lease Finanz GmbH of EUR 39.3 million and expenses from the absorption of the net loss of Société Générale Securities Services GmbH in the amount of approximately EUR 0.2 million on the basis of the profit transfer agreements concluded with those companies.

Including the accrued interest on the borrowed loans in the amount of approx. EUR 7.0 million and the reimbursements made on the basis of the cost-plus agreement, the Company expects a profit of approx. EUR 32.1 million before the profit transfer to Société Générale Frankfurt.

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<sup>20</sup> German Federal Office of Statistics (02/13/2025). Inflation Rate at +2.3% in January 2025. [https://www.destatis.de/DE/Presse/Pressemitteilungen/2025/02/PD25\\_055\\_611.html](https://www.destatis.de/DE/Presse/Pressemitteilungen/2025/02/PD25_055_611.html) (02/24/2025).

<sup>21</sup> German Bundesbank (12/13/2024). Germany Forecast: Significantly Dimmed Growth Outlook; Inflation to fall Back to 2%. <https://publikationen.bundesbank.de/publikationen-de/berichte-studien/monatsberichte/monatsbericht-dezember-2024-947558?article=deutschland-prognose-wachstumsausblick-deutlich-eingetuebt-inflation-geht-zurueck-auf-2--947440> (02/24/2025).

<sup>22</sup> German Bundesbank (02/24/2025). Monetary Policy and Banking Industry. <https://publikationen.bundesbank.de/publikationen-de/berichte-studien/monatsberichte/monatsbericht-februar-2025-928514?article=geldpolitik-und-bankgeschaef-950646> (02/25/2025).

<sup>23</sup> German Federal Employment Agency (01/31/2025). Labor Market in January 2025. <https://www.arbeitsagentur.de/presse/2025-06-arbeitsmarkt-im-januar-2025> (02/25/2025).

<sup>24</sup> German Federal Employment Agency (01/03/2025). Annual Review 2024. <https://www.arbeitsagentur.de/presse/2025-02-jahresrueckblick-2024> (02/25/2025).

<sup>25</sup> Institute for Labor Market and Occupational Research (10/07/2024). Weak Development of Regional Labor Markets. <https://doku.iab.de/kurzber/2024/kb2024-20.pdf> (02/25/2025).

Thanks to the existing credit facility with Société Générale S.A., Frankfurt Branch, in the amount of EUR 10 million, no liquidity shortages are expected.

## **II. Risk Report**

The Company's risk situation is characterized by its well-organized transaction structure and its close integration into the Société Générale group. The fact that all risks incurred are borne by the parent company under the terms of a "global guarantee" is taken into consideration with respect to the risk management of the warrants and certificates business.

In the 2024 financial year, potential effects from sustainability risks on SGE, including its subsidiaries ALD Lease Finanz GmbH and Société Générale Securities Services GmbH, were taken into consideration. Sustainability risks are events or conditions from the areas of the environment, social affairs, or corporate governance, the occurrence of which can have actual or potential negative impacts on the financial position, cash flows and liquidity position, financial performance, and reputation of ALD Lease Finanz GmbH. Such risks include climate-related risks in the form of physical risks and transition risks. Sustainability risks are taken into consideration in the corresponding risk types.

Potentially occurring risks in financial year 2024 were as follows:

### Counterparty default risks

There are no settlement risks because the payments from the sale of the securities issued and from the purchase of the hedging transactions, as well as those from any exercise of options, are always balanced. Receivables from offsetting transactions are only owed by Société Générale S.A., Paris. The credit rating of Société Générale S.A., Paris, and its subsidiaries is the key factor for risk assessment.

The possible increasing importance of CO2 footprints in financial markets could have a negative impact on the business model, if price mechanisms consider such ESG factors earlier or more intensively than the loan inventory grows, and thus the refinancing sources become costlier or scarcer.

### Market price risks

All market price risks associated with issued warrants and certificates are fully hedged by means of hedging transactions with Société Générale S.A., Paris. This means there are no price risks, currency risks or interest rate risks.

### Liquidity risks

Daily monitoring of the payment flows and close coordination with the back-office departments of Société Générale S.A., Paris, ensure that the Company is always in a position to fulfill its payment obligations. No liquidity risks can be discerned at present due to the integration into the Société Générale group, the hedging of issues by means of direct offsetting transactions with Société Générale S.A., Paris, and the existing cost-plus agreements for issuance and administrative expenses.

### Operational risks

Société Générale S.A., Paris, has developed processes and systems for monitoring and controlling operational risks that are used by Société Générale Effekten GmbH. They are essentially based on the principle of permanent monitoring. Specially designed applications document processes and evaluate them according to prescribed criteria in order to prevent losses from operational risks. In addition to operational risks, climate-related risks are also to be considered.

Climate-related risks are divided into four sub-categories: Physical risks (consequences of extreme weather events and changes in climatic and ecological conditions), mitigation risks (statutory measures to reduce greenhouse gas emissions), transition risks (risks following adjustment processes) and adaptation risks (measures to prepare society and the environment for the effects of the climate crisis). The greatest risks to society can arise from physical risks. To minimize these risks, precautions in the context of the Business Continuity Plan (BCP) were undertaken to maintain seamless business operations in the event of disruptions to the infrastructure.

The same rules and principles apply to the outsourced processes in the service centers in Bangalore and Bucharest as apply to Société Générale Effekten GmbH. Compliance with required processes is assured by means of standardized committees and key process indicators.

The described measures and processes made it possible to ensure that no operational risks occurred in financial year 2024 in the following areas:

- Regulatory reports
- Information technology risks
- Outsourcing risks
- Fraud risks

There were no significant changes to the risk situation compared to the prior year. Based on currently available information, there are no discernible risks that could endanger the Company's continued operation as a going concern. Operational risks have been limited by the ability of employees to work from home. They can work from home via a secured VPN access.

The new product process described in the opportunity report does not exacerbate existing risks or give rise to new risks. Neither the Ukraine-Russia conflict nor the Middle East conflict nor high inflation had serious effects on the Company.

The hedging relationships between issued certificates and warrants, on the one hand, and offsetting transactions, on the other hand, are always assured by means of complete symmetrical representation.

Although risks of non-compliance with laws and regulations exist in principle, it should be remembered that the extent of regulations to be observed by SGE as a non-regulated entity is not significant. SGE is part of the Group-wide governance system with respect to the implementation of written regulations (SG Code), controls, and risk assessments. We have not become aware of any violations of legal requirements applicable to SGE in financial year 2024.

With regard to cyber-security, a lower risk of cyber-criminality was observed in 2024. The continuing implementation of the Group's cyber-security strategy plan will further enhance cyber-security at SGE as well.

### Potential legal risks

The Company is exposed to risks from legal disputes or proceedings involving investors, authorities, or business partners in which we are either currently involved or which could arise in the future. In addition, the Company and its products are subject to constant tax and regulatory audits. The outcome of current, pending, or future audits and proceedings cannot be foreseen; as a result, expenses can be incurred due to decisions handed down by courts or other authorities or the agreement of settlements that are not covered in full or in part by insurance benefits and which could have an impact on the Company and its results. Significant legal risks are covered by counter-guarantees given by the Société Générale S.A. Frankfurt.

## **III. Report on opportunities**

The recent, highly unfavorable trend of exports of up to -8.5% could be less pronounced in the first quarter.<sup>26</sup> However, the United States has recently announced high additional tariffs on EU products, which could have a massively negative impact on German exports.<sup>27</sup> The IMF expects low economic growth of 0.3% in the full year 2025.<sup>28</sup> The investment strategy of investors is directly impacted by this uncertain economic outlook.

To offer investors the best-possible selection of products, the product portfolio is adapted to current market conditions on a daily basis. The economic uncertainty could prompt investors to shift their focus from traditional sectors to alternative sectors that are potentially less impacted by

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<sup>26</sup> Statista (02/07/2025). Change in German export volume compared to the same month last year from December 2023 to December 2024. <https://www.statista.com/statistics/1304303/export-volume-monthly-change-germany/> (02/27/2025), German Bundesbank (02/24/2025). "The Economy in Germany". <https://publikationen.bundesbank.de/publikationen-de/berichte-studien/monatsberichte/monatsbericht-februar-2025-928514?article=konjunktur-in-deutschland-950650> (02/25/2025).

<sup>27</sup> European Parliament (02/13/2025). "Trade Between the EU and the United States: Potential Impacts of New Tariffs on Europe". <https://www.europarl.europa.eu/topics/de/article/20250210STO26801/handel-zwischen-der-eu-und-den-usa-moegliche-auswirkungen-neuer-zolle-auf-europa#warenhandel-3> (02/27/2025).

<sup>28</sup> Statista (01/27/2025). IMF Forecast: Growth of Real Gross Domestic Product (GDP) in the Most Important Industrialized and Emerging-Market Countries in the Years from 2023 to 2026. <https://de.statista.com/statistik/daten/studie/38043/umfrage/prognose-zur-entwicklung-des-bip-in-ausgewaehlten-laendern/> (02/24/2025).

the current challenges. Such a shift would create opportunities for SGE to offer a broader range of products tailored to suit the changed preferences of investors.

The Company's strategy is designed to identify emerging opportunities in good time, to assess them using our risk management system or resource estimator, and to use them for the Company's successful development by implementing suitable measures. It is particularly important in a volatile market environment to react flexibly to the needs of investors and develop innovative products that are aligned with different sectors and investment trends.

Due to the Company's activity as an issuance vehicle within the group of Société Générale S.A., Paris, which hedges all risks with hedging transactions, a New Product Committee (NPC) is appointed in each case to design new products at the level of Société Générale S.A., Paris. In this context, all departments involved in the issuing process point out their specific needs and resource allocations.

It is particularly important in a volatile market environment to react flexibly to the needs of investors and develop innovative products that are aligned with different sectors and investment trends.

Consideration is given to all relevant factors for the Company, such as markets, competitive situation, strategic orientation, existing organization, personnel, back office, technical processing capacity, and volume factors. The risks of the 2025 financial year will be analyzed to that effect and the risk management system will be adjusted accordingly.

Under the current circumstances, particularly given the Ukraine-Russia conflict, the Middle East conflict, potential trade restrictions resulting from tariffs, and the high inflation rate, it is difficult to make a statement about the outlook for the 2025 financial year. However, , the Management expects the positive development to continue.

In a volatile market environment characterized by uncertainties and geopolitical tensions, opportunities can also arise for SGE. Heightened volatility could lead to an increase in trading activity, which could have a positive effect on issuance volumes. In times like these, investors often seek out diversified investment products and innovative solutions to hedge their portfolios or benefit from market movements.

In addition, the proactive adjustment of the product portfolio to suit changing market conditions enables SGE to react flexibly to the needs of investors and tap new business opportunities. This strategic approach combined with robust risk management could put SGE in a position to benefit from the challenges of the market while also safeguarding the interests of investors.

All things considered, therefore, the Management believes that a positive business performance in 2025 is possible despite the prevailing uncertainties.

#### **D. Internal controls and risk management system as they relate to the financial reporting process**

At the Group level, the Société Générale Group is subject to supervision by the French supervisory authority ACPR and since November 4, 2014, supervision by the European Central Bank (ECB); it is also subject to the regulations of French bank regulation, which require a minimum standard for all Group entities.

To the extent that local laws and regulations prescribe stricter standards than the laws applicable in France, the stricter standards are applicable in every case.

The internal control system (ICS) is based on the three-lines-of-defense model, which is continually adjusted to match the latest requirements.

#### **FIRST LINE OF DEFENSE**

The first line of defense (LOD1) is the level of Business Units (BUs) and Support Units (SUs), which assume risks and bear direct responsibility for continuous operational management. The BUs and SUs bear primary responsibility for risk assessment and for control and oversight measures within their given areas, and for the ongoing performance of first-level controls according to the norms, standards and procedures established by the second line of defense. At the level of the first line of defense, suitable procedures and control systems are employed to ensure risk identification, analysis, measurement, control and mitigation with due regard to the Group's risk appetite and in compliance with all external and internal requirements for their business activities. To this end, the senior managers of the BUs and SUs or the managers responsible for business processes implement the following measures, to the extent necessary:

- Allocation of necessary and adequate resources to perform the first-level controls;
- Specification of normative first-level control processes (LOD1) to ensure the fulfillment of the control objectives in an appropriate relationship to the Group's risk appetite;
- Assurance of the preparation, implementation and monitoring of the first-level controls;
- Monitoring of the quality of implementation and appropriateness of the reported results;
- Regular review of controls and the implementation of necessary changes, particularly in the case of changes in the business activities and the associated risks due to new laws and regulations;
- Quarterly approval of control measures at the senior management level;
- Communication of control results.

Senior operational managers are also responsible for ensuring that all employees under their supervision are appropriately informed of and trained in their responsibilities related to risk management and control.

## SECOND LINE OF DEFENSE

The Risk Department, Compliance Department and Finance Department form the second line of defense (LOD2). They are responsible for the identification, assessment, analysis, measurement, monitoring and control of all risks, as well as correct reporting in the form of a risk summary prepared by the respective Group entities. This includes the adoption of suitable norms, standards and procedures in consideration of the operational risk framework and the provision of material indicators and analyses for general risk monitoring. They are also responsible for assessing the Group's risk profile and for the effectiveness of the operational risk framework at the level of the BUs and SUs. The three SUs monitor and support the implementation of risk management measures by the BUs in order to ensure the appropriateness and effectiveness of the processes and controls at the level of the first line of defense. By continually performing second-level control activities, they ensure the appropriateness, functionality and effectiveness of the continual first-level controls.

In this context, the three strategic SUs exercise the following functions in the risk areas assigned to them:

- Groupwide control function;
- Continual second-level control activities.

Within the Finance Department (DFIN), the Groupwide control function is distributed to several sub-departments, depending on the process in question. The responsibilities of these departments ("process owners") are listed in the following:

- The Accounting Department is responsible for processes related to the preparation of accounting information;
- The Regulation Department is responsible for processes related to the preparation of supervisory or regulatory information;
- The ALM Department is responsible for processes related to the management of structural risks;
- The Funding and Treasury Department is responsible for processes related to funding and liquidity management;
- The Finance Management Department is responsible for processes related to the preparation of management reports and indicators and for finance administration;
- The Finance Communication Department is responsible for processes related to finance communication;
- The Vendor Payments Department is responsible for processes related to the payment of overhead costs and vendors.



## **THIRD LINE OF DEFENSE**

Within Société Générale S.A., Paris, the second-level control teams report to the responsible Group SUs. The Risk Management Function or the Finance Management Function (DFIN) under the supervision of the Risk Division are therefore responsible for the control function for second-level structural risks.

Within the third line of defense, all Group-level activities, transactions and processes are reviewed by the General Inspection or Internal Audit Departments (LOD3), without exception. General Inspection and Internal Audit are also authorized to audit Group activities in countries that do not have a Group location. The awarding of services to outside service providers is subject to audits by General Inspection or Internal Audit under the leadership of the General Inspections Committee (CIIG), i.e. several Group companies can commission a single audit of a service provider engaged by them jointly.

## **CONTINUAL CONTROLS**

### **CONTINUAL FIRST-LEVEL CONTROL ACTIVITIES**

The continual first-level control activities are performed within the BUs as part of their operational activities. They ensure the security and quality of transactions and operational activities. These control activities comprise a number of continual measures to ensure compliance with regulations and with the validation and security requirements for transactions at the operational level.

The continual control activities include:

- Risk avoidance systems: These control measures are performed on a regular and ongoing basis or by means of automated processes within the scope of transaction processing. This includes a framework plan for risk management, i.e. security regulations and controls (including automated ones) within the scope of transaction processing or controls within the scope of operational processes.
- Control activities by the senior management: Line managers are responsible for ensuring the correct functioning of all systems in their area of responsibility. In this context, regularly performed, formal procedures ensure employees' compliance with regulations and procedures and the effective performance of first-level controls. The control activities of line managers mainly comprise adjustments of the primary controls from the standard normative controls.

Division managers use controls performed by dedicated teams, e.g. (i) for sensitive processes for which stricter or standardized controls are required or to avoid self-controls, and/or (ii) insofar as the bundling of control activities increases productivity.

## CONTINUAL SECOND-LEVEL CONTROL ACTIVITIES

Continual second-level control activities are the measures belonging to the second line of defense. In this way, operational managers bear responsibility for risk assessment and management, as well as operational security, using inter alia the prescribed standards and the procedures, methods and controls defined for this purpose. The continual second-level control activities are performed by teams that act independently of the operational teams:

At the Group level, the continual control activities are performed by teams that report to the Group Sus that form the second line of defense for the following three functions:

- Finance: The continual second-level control activities relate to quality in accounting, regulatory or supervisory and financial information, as well as tax matters, with the exception of tax avoidance risks (FATCA – Foreign Account Tax Compliance Act and CRS – Common Reporting Standard);
- Compliance: The continual second-level control activities relate to compliance audits and comprise legal audits and audits related to tax avoidance risks;
- Risk: The continual second-level control activities relate to credit and market risks, as well as structural risks such as liquidity risk and operational risks. Operational risks particularly include risks within the scope of the core business (including fraudulent acts), as well as procurement, communication, property or personnel risks and risks in IT processes and systems.

Frankfurt am Main, April 30, 2025

The Management

Société Générale Effekten GmbH

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Helmut Höfer

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Timo Felix Zapf

# ESEF Documents of Société Générale Effekten GmbH at December 31, 2024

The reproductions of the annual financial statements and the management report prepared for publication purposes ("ESEF Documents") with the file name "JA.xhtml" (SHA256 Hash Value: 142d7d94046688ff91f03f2723b836115bdcf6f7129120ed14f9016024b9d421) are available for download by the issuer in the protected client portal.



# Auditor's Report by the Independent Auditor

To Société Générale Effekten GmbH, Frankfurt am Main

## Report on the Audit of the Annual Financial Statements and Management Report

### Audit opinions

We have audited the annual financial statements of Société Générale Effekten GmbH, Frankfurt am Main, which comprise the balance sheet as at December 31, 2024 and the income statement for the financial year from January 1 to December 31, 2024 and the notes to the financial statements, including a description of recognition and measurement methods. In addition, we have audited the management report of Société Générale Effekten GmbH, Frankfurt am Main, for the financial year from January 1 to December 31, 2024.

The management report contains a legally not required link to the parent company's guarantee. In accordance with the German legal regulations, we did not audit the content of this link and the information to which the link refers.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply with the regulations of German commercial law applicable to corporations in all material respects, and give a true and fair view of the financial position and cash flows of the Company as at December 31, 2024 and its financial performance for the financial year from January 1 to December 31, 2024 in accordance with German generally accepted accounting principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. The management report contains a legally not required link to the parent company's guarantee. Our audit opinion does not extend to this link and the information to which the link refers.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and the management report.

### Basis for the audit opinions

We conducted our audit of the annual financial statements and the management report in accordance with Section 317 HGB and the EU Financial Statements Audit Regulation (EU-APrVO - No 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the annual financial statements and the management report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and

German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, we declare pursuant to Article 10 (2) letter f) of the EU Audit Regulation that we have not provided any prohibited non-auditing services according to Article 5 (1) EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and the management report.

### **Key audit matters in the audit of the annual financial statements**

We determined that there are no key audit matters to be communicated in our auditor's report.

### **Responsibility of the Management and the Audit Committee for the annual financial statements and the management report**

The Management is responsible for the preparation of the annual financial statements that comply, in all material respects, with the regulations of German commercial law applicable to corporations, and that the annual financial statements give a true and fair view of the financial position, cash flows and financial performance of the Company in compliance with German generally accepted accounting principles. In addition, the Management is responsible for such internal controls as it has determined necessary in accordance with German generally accepted accounting principles to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraudulent acts (i.e., manipulation of accounting records and misappropriation of assets) or errors.

In preparing the annual financial statements, the Management is responsible for assessing the Company's ability to continue as a going concern. It also has the responsibility for disclosing, as applicable, matters related to a going concern. In addition, it is responsible for financial reporting based on the going concern basis of accounting unless barred by factual or legal circumstances.

Furthermore, the Management is responsible for the preparation of the management report that, as a whole, provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. In addition, the Management is responsible for such arrangements and measures (systems) as it has considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient suitable evidence for the assertions in the management report.

The Audit Committee is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and the management report.

### **Auditor's responsibilities for the audit of the annual financial statements and the management report**

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatements, whether due to fraudulent acts or errors, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements, and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraudulent acts or errors and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgement and maintain professional skepticism throughout the audit. We also

- Identify and assess the risks of material misstatements in the annual financial statements and the management report, whether due to fraudulent acts or errors, plan and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraudulent acts is higher than the risk of not detecting a material misstatement resulting from errors, as fraudulent acts may involve collusion, forgery, intentional omissions, misrepresentations, or the overriding of internal controls.
- Obtain an understanding of the internal controls relevant to the audit of the annual financial statements and arrangements and measures relevant to the audit of the management report in order to plan audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the Company and these arrangements and measures.
- Evaluate the appropriateness of accounting policies used by the Management and the reasonableness of estimates made by the Management and related disclosures.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, determine whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and the management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the presentation, structure and content of the annual financial statements as a whole, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the financial position, cash flows and financial performance of the Company in compliance with German generally accepted accounting principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by the Management in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the Management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, the actions taken or safe-guards implemented to eliminate threats to independence.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

## Other legal and regulatory requirements

### **Report on the audit of the electronic reproductions of the annual financial statements and the management report prepared for disclosure purposes in accordance with Section 317 (3a) HGB**

In accordance with Section 317 (3a) HGB, we conducted an audit with reasonable assurance to determine whether the reproductions of the annual financial statements and the management report contained in the file provided to us with the audited ESEF documents, „JA.xhtml“ (SHA256 hash value: 142d7d94046688ff91f 03f2723b836115bdcf6f7129120ed14f9016024b9d421), and prepared for disclosure purposes (also referred to hereinafter as the “ESEF Documents”) meet the requirements of Section 328 (1) HGB for the European Single Electronic Format (“ESEF Format”) in all material respects. In accordance with the German statutory regulations, this audit only covers the transposition of the information contained in the annual financial statements and the management report into the ESEF Format and it therefore does not cover the information contained in these reproductions or any other information contained in the above-mentioned file.

In our opinion, the reproductions of the annual financial statements and the management report contained in the above-mentioned file provided to us and prepared for disclosure purposes meet the requirements of Section 328 (1) HGB for the European Single Electronic Format in all material respects. Beyond this audit opinion and our audit opinions on the attached annual financial statements and the attached management report for the financial year from January 1 to December 31, 2024 contained in the foregoing “Report on the audit of the annual financial statements and the management report,” we provide no audit opinion on the information contained in these reproductions or the other information contained in the above-mentioned file.

We conducted our audit of the reproductions of the annual financial statements and the management report contained in the above-mentioned file provided to us in accordance with Section 317 (3a) HGB and in compliance with the IDW Auditing Standard: Audit of the electronic reproductions of financial statements and management reports prepared for disclosure purposes in accordance with Section 317 (3a) HGB (IDW PS 410 (June 2022)). Our responsibility for this audit is described further below. Our audit practice observed the IDW quality management standard “Quality Management Requirements in Audit Practice” (IDW QMS 1 (09/2022)).

The Management of the Company is responsible for the preparation of the ESEF Documents with the electronic reproductions of the annual financial statements and the management report in accordance with Section 328 (1) sentence 4 no. 1 HGB.

The Management of the Company is also responsible for such internal controls as they have determined necessary to enable the preparation of ESEF Documents that are free from violations, whether due to intent or error, of the requirements of Section 328 (1) HGB for the European Single Electronic Format.



The Audit Committee is responsible for overseeing the process for the preparation of the ESEF Documents as part of the financial reporting process.

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from violations, whether due to intent or error, of the requirements of Section 328 (1) HGB. We exercise professional judgement and maintain professional skepticism throughout the audit. We also

- Identify and assess the risks of material violations, whether due to intent or error, of the requirements of Section 328 (1) HGB, plan and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.
- Obtain an understanding of the internal controls relevant to the audit of the ESEF Documents in order to plan audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these controls.
- Assess the technical validity of the ESEF Documents, i.e. whether the file containing the ESEF Documents provided to us meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in effect at the reporting date for the technical specifications for this file.
- Assess whether the ESEF Documents enable a content-identical XHTML reproduction of the audited annual financial statements and the audited management report.

### **Further information pursuant to Article 10 of the EU Audit Regulation**

We were elected as the auditor by the annual general meeting on November 20, 2024. We were engaged by the Management on January 21, 2025 to audit the annual financial statements. We have been the auditor of the annual financial statements of Société Générale Effekten GmbH continually since financial year 2024.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

## **Other Issue — Use of the Auditor's Report**

Our auditor's report must always be read in conjunction with the audited annual financial statements and the audited Group management report, as well as the audited ESEF Documents. The annual financial statements and the Group management report transposed into the ESEF format — including the versions to be filed in the Register of Companies — are merely electronic reproductions of the audited annual financial statements and the audited Group management report and do not replace them. In particular, the ESEF Report and our audit opinion included therein may only be used in conjunction with the audited ESEF Documents provided in electronic form.

## **German Public Auditor Responsible for the Engagement**

The German Public Auditor responsible for the engagement is Alina Sorokina.

Frankfurt am Main, April 30, 2025

KPMG AG  
Wirtschaftsprüfungsgesellschaft

[*ROUND SEAL:*  
*KPMG AG*  
*WIRTSCHAFTSPRÜFUNGS-*  
*GESELLSCHAFT*  
*BERLIN*]

[*signatures*]

Alina Sorokina  
30/04/2025  
Sorokina  
Wirtschaftsprüferin  
[German Public Auditor]

[*signatures*]

Constantin Dirk Schück  
30/04/2025  
Schück  
Wirtschaftsprüfer  
[German Public Auditor]