Grenke – Business Anomalies Detected

Viceroy’s data-dive shows direct ties between CTP and Wolfgang Grenke’s consulting firm, Senat’s global money laundering operation, & confirmation of Sacoma’s bearer shares structure.

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October 20, 2020 – Since Viceroy’s original Grenke publication on September 14, 2020 management has side-stepped questions surrounding the previous beneficial owner of CTP Handels-und Beteiligungs, a supposed “third party” entirely controlled by Grenke insiders with risk-free financing from Grenke AG.

We can now show Wolfgang Grenke’s involvement in CTP since at least the early 2000s:

▪ EEC East European Consulting – now EECA Consulting – consulting firm established by Wolfgang Grenke in the 90s, and of which he was managing director until at least 2007. We believe EECA was deeply involved with the establishment and operations of CTP as they shared Wolfgang’s “confidant” employees with CTP and Sacoma since inception. The consulting group is responsible for CTP’s domains and continues to be the listed contact to this day.
  o EECA’s ownership of the ctp-holding.at domain and involvement with CTP Handels proves beyond a doubt that Grenke AG misled investors about Wolfgang Grenke’s prior involvement.

▪ Despite the obvious nature of the CTP/Grenke relationship, Mr Grenke wildly claims that Friedhelm Gruber was the beneficial owner/controller of Soft-Line and CPT Holding FZE. Gruber’s consulting company, Senat, literally makes a business of hiding ownership structures in tax efficient domiciles and has more recently enabled a high-profile €450m+ fraud and embezzlement scheme.
  o Mr Grenke’s – and by default, Grenke AG’s – willingness to even associate with Senat speaks volumes to their complete inability to secure internal controls and mitigate audit risks.
  o It may be the case that Senat assisted in the creation and maintenance of Soft-line and Sacoma’s tax effective structure, but it is absurd to suggest that the UBOs of CTP were a group of consultants who make a living creating opaque, tax efficient corporate structures!

▪ While filings for this partnership are slim, it shows clear third-party activity between Konprecht and Grenke. Konprecht was the Managing Director of CTP (thus a vast majority of Grenke’s franchisees) since at least 2013, and a former executive at Grenke.

▪ Viceroy can show that Sacoma AG shares were all bearer shares, which give ownership merely through physical possession of the share certificate meaning the true owners of Sacoma AG could remain unknown. It is no coincidence that Wolfgang Grenke “purchased” this company immediately after the Swiss authorities announced an impending ban on bearer shares and a move to transparent beneficial ownership structures.

Grenke AG’s refusal to name CTP’s beneficial owners likely coincides with its exposure to Senat, whose sole purposes appears to have been to defraud investors, obscure relationships and enrich insiders.
In terms of background:

- Grenke has financed and provided guarantees to many dozens of off-balance sheet trading entities which they appear to control entirely, but label as franchisees.
- Viceroy’s work has previously associated these franchisees to insiders, namely through their beneficiaries:
  - **CTP Handels-und Beteiligungen** – Grenke has purchased >€100m of franchisees from CTP. CTP also retains control of an unknown number of franchisees, through which it has charged millions in fees and paid many millions more in dividends over the last two decades. Wolfgang “indirectly” acquired CTP through the acquisition of CTP shareholder, Sacoma AG in early 2020, but has placed confidants in management of both entities since inception. The hot topic now is who was the true beneficiary of Sacoma AG prior to this.
  - **WGW Investments** – formerly CTP Holdings. WGW is the beneficiary of Grenke’s US franchisees, and has been owned by Wolfgang Grenke since its inception in 2018
  - **Garuna AG** – Has minority ownership in various franchisees internationally, and is controlled by Wolfgang Grenke’s girlfriend and confidant, Ms. Corina Stingaciu since 2014.
- CTP accounts suggest that millions upon millions of dividends are paid out to beneficiaries. More detailed accounts would likely also show the existence of extortionate consulting agreements.

It is blindingly obvious given their nature and circumstances that this franchise structure is a massive and ongoing undisclosed related party relationship. **Management still faces the arduous task of consolidating these franchisees which they have financed and provided guarantees for since 2000.**

*BaFin’s investigations must incorporate CTP, Sacoma AG, Garuna AG, Senat, and all of Wolfgang Grenke’s affiliates.*
Wolfgang’s Eastern European Consulting

Wolfgang Grenke has consistently stated that he was not the beneficiary of CTP prior to Jan 2020 “under corporate law” but there are too many links between him and CTP for this to be true.

**EEC Eastern European Consulting GmbH**, which merged with EECA Consulting\(^2\) in mid-2008, is a consulting business founded by Wolfgang Grenke in 1998, and of which he was managing director until 2007.

The combined entity EECA appears to have set up CTP in the 2000s. Its staff are listed as contacts for CTP’s website and domains, and it continues to manage its domain registration\(^4\) to this day.

CTP and EECA both moved into the same address in late 2008: Franz-Josefskai 27 where CTP would remain until 2016.

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\(^2\) https://www.online-handelsregister.de/handelsregisterauszug/ni/Hannover/HRB/201531/EEC-East-European-Consulting-GmbH

\(^3\) https://www.companyhouse.de/p/Wolfgang-Grenke-o984tFCx2HmUevVQ5Su0hF5W4

\(^4\) Note: domain registration is not the same as CTP’s mail servers, which are managed by Grenke AG themselves.
EEC also shares staff with CTP specifically Joanna Bielicka and Friedhelm Gruber, the latter of which Wolfgang now believes to be the previous ultimate controller of CTP Holding FZE.

EEC’s business description is even more telling involving finance leasing of movable assets and light vehicles. This is backed up by company filings which go so far as to mention the lack of approval process for the aforementioned leases. Clearly EEC is referring to the same line of business as Grenke, and that this was either a precursor, facilitator, or both, of CTP.

Wolfgang Grenke appears to have set up CTP through his consulting group from the very beginning. It is obvious that Sacoma, Soft-Line and CTP Holding FZE, the beneficial owners of CTP were consistently controlled by insiders since ~2000.

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5 https://www.kompany.at/p/at/223986t
6 https://www.kompany.at/p/at/295704i
Wolfgang’s Fallback – Money Launderers & Tax-Effective Structure Masters Owned CTP

On an interview with Handelsblatt, Wolfgang Grenke stated he believed Friedhelm Gruber was, in fact, the controller of Soft-Line AG and CTP Holding FZE during their ownership of CTP.

Gruber serves as the CEO of the Senat group of companies, consultancy group which specialises in concealing company and ownership structures through opaque veils in Dubai.

It is blindingly obvious that Grenke and his confidants appear to have been the real beneficiaries of CTP since the beginning: and hilarious that Mr Grenke has refuted this by suggesting Gruber, who sets up tax-free domiciled structures, was the UBO.

More recently, Senat has been involved in a high-profile multimillion-dollar fraud case which used an extensive money laundering network. Senat principals have been convicted on this case already, including Michael Waechter, who owns CTP Holding FZE’s domain.

\[ \text{Figure 9 Senat Dubai Pamphlet}^{9} \]

It is beyond belief that Mr Grenke actually suggests Gruber, tied to the hip with money launderers and convicted criminals at Senat, were the ultimate beneficial owners of CTP.

Does Mr Grenke maintain that Gruber was the controller of Soft-Line AG and CTP Holding FZE when Gruber’s company, Senat, was clearly involved in concealing identities and facilitating fraud internationally?

The Quinn Case

In 2011, the IBRC (Irish Bank Resolution Corporation, formerly Anglo Irish Bank) began proceedings against Ireland’s Quinn family. The claim was that their company had borrowed hundreds of millions after which the family covertly siphoned assets securing the loan out of the company into offshore and opaque jurisdictions.

Senat insiders facilitated this scheme, which included:

1. Using a Senat bank account to strip assets from IPG companies, before wiring the funds elsewhere
2. Using a Senat email address to incorporate bogus entities through which assets would be stripped.
3. Used those bogus entities to sell nonexistent software to IBC entities.

The IBRC asserts that Senat, outside of the State-owned body’s reach, was involved in an effort to effectively siphon and launder money:

\[ \text{The services offered by the Dubai office have been tailored to assist companies (mainly from Europe) to profit from the obvious benefits of a tax-free environment and to tap into an economy that according to the International Monetary Fund (IMF) “has an underlying strength, and despite external and domestic shocks, still remains favorable.”} \]

\[ \text{Figure 10 Dutch solicitor with Quinn links dies in Dubai– The Irish Times}^{10} \]

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Senat principals Willem Smit and Michael Waechter were added to the case for their complicity and found in contempt of court. Smit and Waechter were found to be officers of several fraudulent entities used to siphon assets from IBC. Orders for their committal to prison were issued.

During the time in question, Friedhelm Gruber was at the helm of Senat’s Dubai operations where the scheme was masterminded. During the period in which Soft-Line owned a stake in CTP, its managing director was Paul Vieli, also a director of Senat.

The files reveal that the entities used to facilitate the Quinn scheme were set up by IOS (International Offshore Services), a company notorious for creating and selling opaque shell companies signed off by dummy directors. Other IOS-setup companies were complicit in laundering large sums of money through Latvian banks, generally for Eastern European individuals and companies.

The nail in the coffin is that Waechter was the original registrant of the CTP-Holding.com domain in which he appears to be using a personal email address. Note that this was before Waechter had made headlines for his role in the Quinn scheme. CTP Holding FZE would own CTP after Soft Line AG.

To recap: it may be the case that Senat assisted in the creation and maintenance of Soft-line and Sacoma’s tax effective structure, but it is absurd to suggest that the UBOs of CTP were a group of consultants who make a living creating opaque, tax efficient corporate structures!

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Thomas Konprecht

Registry entries for CTP Handels also show that Konprecht was appointed as managing director of CTP Handels in February 2013, placing him there during its ownership by both CTP Holding FZE and Sacoma AG.

This is made more fascinating by Wolfgang Grenke’s 30+ year business relationship with Konprecht.

While the filings for partnerships such as these are slim, it clearly shows pre-existing third-party relationships existed between the two for over 2 decades. Being the beneficial owner of companies named after your “confidants” will undoubtedly help to disguise your involvement and is perhaps the slimiest way to throw your friends under the bus. It should be investigated whether this demonstrates a tendency on the part of Wolfgang Grenke to use trusted placemen to own and operate companies as their visible face to hide his beneficial and controlling interest.

Grenke’s supervisory board and regulators should question Konprecht regarding his time at CTP Handels, its former owners and what he was doing the three years between his leaving Grenke and taking up his post at CTP.

Sacoma’s Bearer Shares

Viceroy’s investigations show that prior to Wolfgang’s acquisition of Sacoma, the company’s share structure was purely bearer shares. This means that the company was owned by whoever physically possessed the share certificates of Sacoma AG, a completely opaque form of company ownership, making it impossible to identify the true owners.

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12 https://www.kompany.at/p/at/223986t
Bearer shares have a reputation for “involuntary identity arbitrage” and “coincidental tax minimization”, but we believe the private nature of the holdings is why such a structure was chosen for Sacoma AG. As a reminder, Sacoma AG’s only director prior to its purchase by Wolfgang Grenke was Jorg Erich Wilhelm, also a former director of Garuna AG.

Investors can choose to bury their head in the sand, but it seems blindingly obvious that Sacoma was beneficially owned by insiders. Wolfgang Grenke’s “purchase” of Sacoma comes after the Swiss parliament put an end to bearer shares¹⁴ (November, 2019), and a year prior Austria imposed the Beneficial Owners Register Act¹⁵ - both of which would force disclosure of Sacoma’s beneficial owners.

¹³ https://www.kompany.at/p/ch/14030045660
¹⁵ https://www.fma.gv.at/download.php?id=3612
Conclusion

Wolfgang Grenke created and managed EEC, which then went on to manage and create CTP Handels’ web presence along with sharing employees. He is also the beneficial owner of an investment vehicle named after Thomas Konprecht, CTP’s managing director since 2013.

It is absurd that he and the Grenke board are unaware of the previous owner’s identity. The Wolfgang Grenke ecosystem keeps growing.

▪ It is now plainly obvious that the supervisory board has wised up and pushed Wolfgang Grenke out of the board to conduct its damage control investigations and plead ignorance.
▪ Insiders have been looting money from the company for decades, and dozens of off-balance sheet franchisees it effectively controls must be consolidated into its books.
▪ Management have flat out refused to discuss CTP Holding/WGW investment, and the company has failed in its financial reporting, audit, and internal control obligations by failing to report these transactions.
▪ There are now 3 concurrent investigations into this issue alone, trying to determine the best way to disappoint Grenke shareholders.
▪ Company puppets continue to assert that the €100m+ acquisition costs of these transactions is inconsequential. It is not, and this only represents a tiny portion of funds siphoned to insiders.

With the relationships described above we can see that several of the entities and individuals above would have fit the criteria for a related party, and any transactions between Grenke AG and themselves should have been reported.

About

The objective of IAS 24 is to ensure that an entity’s financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances, including commitments, with such parties.

A related party is a person or an entity that is related to the reporting entity:

▪ A person or a close member of that person’s family is related to a reporting entity if that person has control, joint control, or significant influence over the entity or is a member of its key management personnel.
▪ An entity is related to a reporting entity if, among other circumstances, it is a parent, subsidiary, fellow subsidiary, associate, or joint venture of the reporting entity, or it is controlled, jointly controlled, or significantly influenced or managed by a person who is a related party.

Figure 16 IAS 24 IFRS definitions

There is also the lingering involvement of Senat and Bielicka, the former of which has been tied to a separate scheme of management embezzlement and hiding of assets and identities, similar to what we believe is happening at Grenke.

We reiterate our belief that Grenke remains uninvestable. With so many regulatory and disclosure issues still unresolved and management remaining intransigent, we decline to issue a target price. We have informed BaFin of these issues, as its now likely that management are covering their tracks. Grenke appears rotten to the core, with an enrichment program that could only be controlled from inside the company.

Note: This document has been edited as of March 25, 2021
Attention: Whistleblowers

Viceroy encourage any parties with information pertaining to misconduct within Grenke Group, its affiliates, or any other entity to file a report with the appropriate regulatory body.

We also understand first-hand the retaliation whistleblowers sometimes face for championing these issues. Where possible, Viceroy is happy act as intermediaries in providing information to regulators and reporting information in the public interest in order to protect the identities of whistleblowers.

You can contact the Viceroy team via email on viceroy@viceroyresearch.com.

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