QUARTERLY STATEMENT

Q3 AND
Q1 – Q3 2021

GRENKE GROUP

GRENKE

GROUP KEY FIGURES

	UNIT	Q3 2021	Q3 2020	Change (%)	Q1-Q3 2021	Q1-Q3 2020	Change (%)
NEW BUSINESS LEASING	EURk	372'194	517'645	–28.1	1'136'659	1'601'230	–29.0
DACH*	EURk	112'797	146'015	–22.8	328'186	435'872	–24.7
Western Europe (without DACH)*	EURk	94'579	125'831	–24.8	302'623	389'011	–22.2
Southern Europe*	EURk	82'459	137'250	–39.9	257'166	438'121	–41.3
Northern / Eastern Europe*	EURk	61'576	82'680	–25.5	184'571	265'267	–30.4
Other regions*	EURk	20'784	25'869	–19.7	64'112	72'958	–12.1
NEW BUSINESS FACTORING	EURk	178'469	154'358	15.6	509'097	467'750	8.8
of which Germany	EURk	51'182	40'636	26.0	158'457	132'166	19.9
of which International	EURk	127'287	113'722	11.9	350'640	335'583	4.5
GRENKE BANK							
Deposits per end of period	EURk	1'521'321	1'300'037	17.0	1'521'321	1'300'037	17.0
New business SME lending business incl. microcredit business	EURk	905	32'093	–97.2	21'756	104'273	–79.1
CONTRIBUTIONS MARGIN 2 (CM2) ON NEW BUSINESS							
LEASING	EURk	63'580	95'230	–33.2	207'223	289'544	–28.4
DACH*	EURk	13'808	21'006	–34.3	42'929	63'462	–32.4
Western Europe (without DACH)*	EURk	17'305	25'187	–31.3	59'690	75'206	–20.6
Southern Europe*	EURk	15'827	26'659	–40.6	52'626	83'464	–37.0
Northern / Eastern Europe*	EURk	12'099	16'465	–26.5	36'953	51'007	–27.6
Other regions*	EURk	4'541	5'912	–23.2	15'024	16'403	–8.4
FURTHER INFORMATION LEASING							
Number of new contracts	units	48'724	64'293	–24.2	154'015	190'328	–19.1
Mean acquisition value	EUR	7'639	8'051	–5.1	7'380	8'413	–12.3
Mean term of contract per end of period	months	48	48	0.0	48	48	0.0
Volume of leased assets per end of period	EURm	8'732	9'031	–3.3	8'732	9'031	–3.3
Number of current contracts per end of period	units	988'651	993'823	–0.5	988'651	993'823	–0.5

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

Consolidated franchise companies:
Leasing: Australia (2x), Canada (3x), Chile, Latvia, Norway, Singapore, USA
Factoring: Hungary, Ireland, Italy, Poland, Portugal, UK

	UNIT	Q3 2021	Q3 2020	Change (%)	Q1-Q3 2021	Q1-Q3 2020	Change (%)
			adjusted[1]			adjusted[1]	
INCOME STATEMENT							
Net interest income	EURk	90'845	99'605	−8.8	280'452	305'564	−8.2
Settlement of claims and risk provision	EURk	37'259	47'372	−21.3	121'382	170'506	−28.8
Total operating expenses	EURk	60'793	53'079	14.5	187'227	163'485	14.5
Operating result	EURk	27'092	35'842	−24.4	74'967	81'619	−8.2
Earnings before taxes (EBT)	EURk	25'409	32'770	−22.5	67'819	73'482	−7.7
NET PROFIT	EURk	20'123	26'487	−24.0	52'374	59'658	−12.2
NET PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS	EURk	23'960	27'636	−13.3	47'934	58'199	−17.6
Net profit attributable to hybrid capital holders	EURk	0	0	n.a.	9'404	7'428	26.6
Net profit attributable to non-controlling interests	EURk	−3'837	−1'149	−233.9	−4'964	−5'969	16.8
Earnings per share (basic and diluted)	EUR	0.51	0.60	−15.0	1.03	1.26	−18.3
Cost / income ratio	percent	51.2	40.5	26.4	51.1	41.5	23.1
Staff cost	EURk	30'481	27'263	11.8	95'492	88'026	8.5
of which total remuneration	EURk	25'182	22'263	13.1	79'101	72'211	9.5
of which fixed remuneration	EURk	20'270	18'491	9.6	63'216	56'323	12.2
of which variable remuneration	EURk	4'912	3'772	30.2	15'885	15'888	−0.0
Average number of employees in full-time equivalent (FTE)	employees	1'833	1'868	−1.9	1'835	1'861	−1.4

[1] Figures for 2020 have been adjusted in accordance with IAS 8.42 (including the consolidation of the franchise companies)

	UNIT	Sept. 30, 2021	Dec. 31, 2020	Change (%)
STATEMENT OF FINANCIAL POSITION				
Total assets	EURm	6'794	7'332	−7.3
Lease receivables	EURm	5'124	5'636	−9.1
Equity persuant to statement of financial position[2]	EURm	1'227	1'193	2.8
Equity persuant to CRR	EURm	1'126	1'031	9.2
Equity ratio	percent	18.1	16.3	11.0
Embedded value, leasing contract portfolio (excl. equity before taxes)	EURm	482	664	−27.4
Embedded value, leasing contract portfolio (incl. equity after taxes)	EURm	1'552	1'657	−6.3

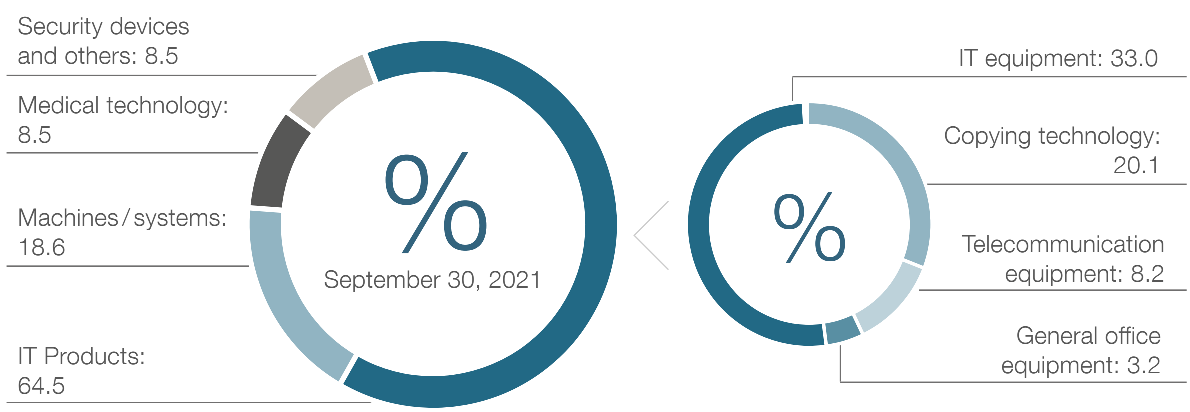
[2] Including AT1 bonds (hybrid capital), which are reported as equity under IFRS

AT A GLANCE

DIVERSIFICATION:

LEASING NEW BUSINESS PORTFOLIO

IT PRODUCTS (IN DETAIL)



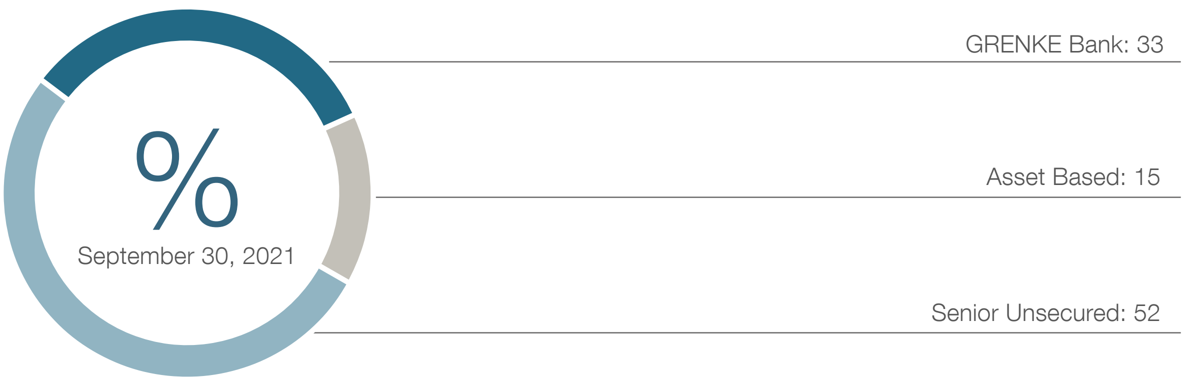
* deviation from 100% based on rounding

KEY FIGURES Q1 – Q3 2021:

CONSOLIDATED GROUP NET PROFIT	EARNINGS PER SHARE	RATIO
52.4 EUR million	1.03 EUR	18.1 percent

REFINANCING BASE:

THREE PILLARS: GRENKE CONSOLIDATED GROUP'S REFINANCING MIX



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INTERIM GROUP MANAGEMENT REPORT

1. Consolidated Group Principles

1.1 GRENKE Overview

The GRENKE Group acts as a global financing partner for small and medium-sized enterprises (SMEs). Customers have access to solutions from a single source: from flexible small-ticket leasing and demand-driven banking products to convenient factoring. Fast and easy processing, along with personal contact with customers and partners, are a key focus. Founded in Baden-Baden, Germany, in 1978, the Company operates worldwide in 33 countries with currently more than 1,900 employees.

1.2 Business Model

By providing a range of lease financing for small-ticket IT and office communication products and software starting at a net purchase price of EUR 500, GRENKE has defined and developed a market that is addressed only selectively by many of the lease providers. The net acquisition value for more than 90 percent of the leases is less than EUR 25k. The Consolidated Group has also been expanding its business model in the past several years beyond its offers for IT and office communication products to include new product groups such as small machinery and systems and medical and security devices.

In phases of economic volatility, the Consolidated Group manages its business by modifying its acceptance practices for lease applications. By focusing strictly on low-risk new business, for example, by excluding high-risk sectors and customers, new business can be managed in a targeted manner in line with the market. In the past, this approach has enabled the Consolidated Group to achieve risk-adequate margins and operate profitably on a sustainable basis, irrespective of cyclical fluctuations.

1.3 Segments

The GRENKE Group is divided into three segments: Leasing, Banking, and Factoring. For a description of the business activities, please refer to the explanations starting on page 26 of the 2020 Annual Report. Financial segment reporting is provided in the half-year and annual reports.

1.4 Targets and Strategy

GRENKE provides financial services for SMEs with a focus on small-ticket leasing. GRENKE's lease offers have made it one of the leading providers in Germany, Switzerland, Italy and France. The Consolidated Group's medium-term objective is to position GRENKE as a comprehensive small-ticket financial service provider for medium-sized businesses located not only in Europe but also internationally.

The Consolidated Group has a wide range of refinancing instruments at its disposal, which its uses as part of the overall strategy depending on market conditions. Financing is essentially based on three pillars: GRENKE Bank's deposits, asset-based financing (including ABCP programmes), and senior unsecured instruments such as bonds, debentures and commercial paper. In using these instruments, the Consolidated Group avoids maturity transformation, thereby eliminating potential interest rate and follow-on financing risks at the portfolio level. GRENKE also attaches great importance to maintaining an equity base that enables the Company to retain its investment grade rating and has had an internal benchmark for the equity ratio of 16.0 percent for several years. For a detailed description of the Consolidated Group's targets and strategy, please refer to the explanations starting on page 28 of the 2020 Annual Report.

2. Business Performance

- // Leasing new business in the third quarter amounts to EUR 372.2 million; adverse effects from global supply bottlenecks
- // Contribution margin 2 equals 17.1 percent (Q3 2020: 18.4 percent)
- // Guidance for net profit increased from the previous range of EUR 60 million to EUR 80 million to a range of EUR 90 million to EUR 100 million as a result of the high profitability and the capital gain of roughly EUR 20 million
- // Equity ratio reaches 18.1 percent, significantly exceeding the minimum target of 16.0 percent

2.1 Significant Events and Transactions

The German credit rating agency Gesellschaft für Bonitätsbeurteilung mbH (GBB) lowered its rating for the GRENKE Group from A to A- on July 1, 2021. The outlook remains negative. The GBB justified this change primarily citing the Company's earnings situation, which had been adversely affected by the Covid-19 pandemic, and the progress still needed in governance and risk & compliance management to restore investor confidence. The economic viability of the business model continues to be rated as high and, therefore, the GRENKE Group continues to be assigned a high credit rating.

S&P Global Ratings confirmed GRENKE AG's "BBB+ / A-2" long-term and short-term issuer rating on July 21, 2021. S&P left the outlook for the long-term rating at "negative". As part of the rationale for this rating, S&P acknowledged GRENKE AG's profitability and stable liquidity, despite the currently tense market situation. The agency expressed its expectation that GRENKE will continue to show solid performance and resilience.

On July 22, 2021, Germany's Federal Financial Supervisory Authority, BaFin, ordered GRENKE AG to disclose the errors identified in the enforcement procedure for the audit of the 2019 consolidated financial statements. The corresponding formal announcement was made in the Federal Gazette (www.bundesanzeiger.de) and via DGAP (www.dgap.de) on July 27, 2021. The announcement of the error findings concluded this procedure. As expected, BaFin's criticisms of GRENKE from the audit in its notice dated July 16, 2021, related to the accounting treatment of franchise companies, the determination of risk provisions in accordance with IFRS 9, and the goodwill recognised in Portugal and Poland in the 2019 consolidated financial statements. In GRENKE's opinion, the notice does not give rise to any further need for adjustments to the 2020 consolidated financial statements or earlier financial statements. According to GRENKE's understanding, BaFin also sees no need for further adjustments in this regard.

On July 28, 2021, the GRENKE Group published an ad hoc release announcing an increase in its earnings forecast for 2021 of consolidated net profit in the range of EUR 60 million and EUR 80 million. The forecast previously published in the 2020 annual report was EUR 50 million to EUR 70 million.

The Annual General Meeting of GRENKE AG on July 29, 2021 elected Norbert Freisleben, a graduate economist, Nils Kröber, attorney, and Dr Konstantin Mettenheimer, both attorney and tax advisor, as the successors to Wolfgang Grenke, Claudia Karolina Krcmar and Florian Schulte, who resigned from the Supervisory Board at their own request at the end of the Annual General Meeting. Dr Oliver Recklies was announced as the successor to Sven Noppes, member of the Board of Directors of GRENKE BANK AG, who will leave the Company on December 31, 2021. Dr Oliver Recklies joined the Board of Directors of GRENKE BANK AG on October 1, 2021 and assumed the responsibilities of Sven Noppes. The Board of Directors now consists of Helge Kramer and Dr Oliver Recklies. The shareholders of GRENKE AG resolved the distribution of a dividend of EUR 0.26 per share.

On August 22, 2021, the GRENKE Group announced the sale of GRENKE BANK AG's minority interest of 25.01 percent in the fintech company viafintech GmbH to paysafecard.com Wertkarten GmbH, Vienna (Austria), for a price in the lower double-digit million euro range. GRENKE BANK AG had acquired a stake in viafintech GmbH (at that time still operating under the name "Cash Payment Solutions GmbH") in 2015 and will continue to support the company as its main payment processor under a long-term cooperation agreement. On November 2, GRENKE announced the completion of the sale after fulfilling all of the conditions required, specifically the formal official approval in accordance with the German Foreign Trade and Payments Ordinance. GRENKE will realise an extraordinary net profit of approximately EUR 20 million from the sale in the fourth quarter of 2021. For further details on the sale of viafintech GmbH, please refer to Subsequent Events and Company Forecast in Sections 4.3 and 5 of this quarterly statement.

GRENKE BANK AG was once again awarded the sole contract for the Government's Microcredit Fund under the auspices of the German Federal Ministry of Labour and Social Affairs and has been offering the product on the market again since September. Following the launch in 2015 and the extension three years later, this is the third time GRENKE has taken on the role of lender of the government microcredit loans of up to EUR 25,000 for micro, small and medium-sized enterprises (SMEs).

On September 9, 2021, the GRENKE Group increased an existing bond (ISIN: XS2155486942) by a further EUR 125.0 million. This increase strengthened the liquidity base for the further development of new business. The high order book demand of over EUR 230.0 million confirmed the capital market's confidence in GRENKE. The issue yield is approximately 2.5 percent. Until October 25, 2021, the EUR 125.0 million will trade under ISIN XS2386650191. After that, they will be merged with the existing ISIN XS2155486942.

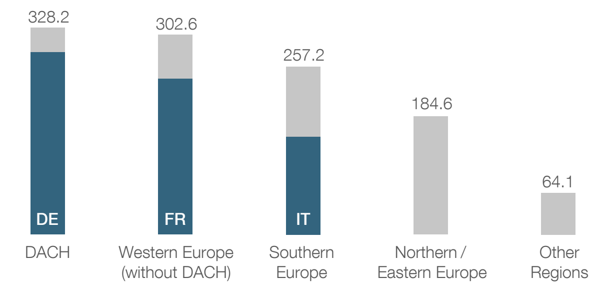
The macroeconomic environment was characterised by opposing forces during the reporting quarter. While declining Covid-19 infection numbers and growing progress in vaccination campaigns in several countries had led to the further easing of economic and social restrictions, it had become increasingly apparent during the quarter that the pandemic had structurally disrupted global supply chains in some areas. In many sectors, there is a shortage of important intermediate products, especially electronic components such as semiconductors. Significant bottlenecks are also being experienced in transport capacities such as sea containers. These issues have led to substantial losses in industrial production and significant price increases for the scarce intermediate products concerned.

2.2 New Business

The GRENKE Group's total new business, comprising the newly financed business volume of the subsidiaries and the consolidated franchise companies, was down 21.7 percent year-on-year in the third quarter of 2021 at EUR 551.6 million (Q3 2020: EUR 704.1 million). The main reason for the decline was global supply bottlenecks at manufacturers of computer and office technology as a result of the corona crisis, which had a negative impact on the Consolidated Group's new leasing business. In the first nine months of 2021, there was an overall decline in new business of 23.3 percent to EUR 1,667.5 million (Q1 – Q3 2020: EUR 2,173.3 million).

New business leasing by region

As per September 30, 2021, in EUR millions



New leasing business – defined as the total acquisition costs of newly acquired leased assets – reached a volume of EUR 372.2 million in the third quarter of 2021 (Q3 2020: EUR 517.6 million), or 28.1 percent below the prior-year figure. Supply bottlenecks at manufacturers of computer and office technology led to a delay in the expected recovery of the markets in the third quarter. On a sequential basis (Q2 2021: EUR 398.6 million), new leasing business fell by 6.6 percent.

All of the Consolidated Group's reporting regions recorded declines in new leasing business in the third quarter. In the DACH region, consisting of Germany, Austria, and Switzerland, new leasing business fell 22.8 percent year-on-year to EUR 112.8 million (Q3 2020: EUR 146.0 million). In Germany, the decline was 21.8 percent. In Western Europe without DACH, new business decreased by 24.8 percent to EUR 94.6 million in the third quarter of 2021 (Q3 2020: EUR 125.8 million). In France, the most important single market in this region, new business volume decreased by 24.5 percent. The sharpest decline of all regions was recorded in Southern Europe, where new business fell by 39.9 percent to EUR 82.5 million (Q3 2020: EUR 137.3 million). In Italy, the region's most important market, the decline was 54.4 percent. In Spain, in contrast, the decline was comparatively moderate at 8.6 percent. In the Northern / Eastern Europe region, new business decreased by 25.5 percent to EUR 61.6 million (Q3 2020: EUR 82.7 million). In the most important single market in this region, the United Kingdom, business volume fell by 36.7 percent. Starting from a still relatively low base, there was a 19.7 percent decline in new business volume in the other regions to EUR 20.8 million (Q3 2020: EUR 25.9 million).

In the first nine months of 2021, new leasing business reached a volume of EUR 1,136.7 million (Q1 – Q3 2020: EUR 1,601.2 million). This corresponds to a decline of 29.0 percent.

In the third quarter, the GRENKE Group registered a total of 100,416 lease applications (Q3 2020: 132,065). The number of new leasing contracts concluded in the reporting quarter was 48,724 (Q3 2020: 64,293), corresponding to an almost unchanged conversion rate (applications into contracts) of 48.5 percent (Q3 2020: 48.7 percent). The international markets accounted for 78,077 applications (Q3 2020: 105,286), resulting in 34,327 (Q3 2020: 46,900) new contracts. Accordingly, the conversion rate there was 44.0 percent (Q3 2020: 44.5 percent). In the DACH region, the conversion rate fell to 64.4 percent (Q3 2020: 65.0 percent).

The focus of new business during the corona pandemic on small-ticket financing solutions for companies with good to very good creditworthiness and industry ratings led to a year-on-year decline in the mean acquisition value per lease contract to EUR 7,639 (Q3 2020: EUR 8,051). Compared with the previous quarter (Q2 2021: EUR 7,108), the mean acquisition value per lease contract increased by 7.5 percent as a result of the targeted financing of individual larger tickets.

IT products accounted for 62.5 percent of the leasing portfolio in the third quarter (Q3 2020: 63.1 percent). Medical technology products, small machinery and equipment, security devices, and other items accounted for a combined 37.5 percent of new business in the reporting period (Q3 2020: 36.9 percent). The aforementioned supply bottlenecks affected not only IT products but also the other product groups, resulting in relatively minor shifts in the percentage shares in the reporting period.

As expected, the CM2 margin in the third quarter fell slightly to 17.1 percent (Q3 2020: 18.4 percent) compared with the high figure for the first half of 2021 (Q1 – Q2 2021: 18.8 percent). The decline in the CM2 margin was mainly the result of increased refinancing costs. In absolute terms, contribution margin 2 from new leasing business fell to EUR 63.6 million in the reporting quarter (Q3 2020: EUR 95.2 million). In the first nine months of 2021, the CM2 margin was almost on a par with the previous year at 18.2 percent (Q1 – Q3 2020: 18.1 percent).

Within the Consolidated Group's reporting regions, the CM2 margin fell most sharply in the DACH region in the third quarter to 12.2 percent (Q3 2020: 14.4 percent). Margin declines were also recorded in Western Europe without DACH (18.4 percent after 20.1 percent) and in the other regions (21.9 percent after 22.9 percent). In contrast, largely stable CM2 margins were achieved in the Southern Europe (19.2 percent after 19.4 percent) and Northern / Eastern Europe (19.7 percent after 19.9 percent) regions.

The CM1 margin of the leasing business (contribution margin 1 at acquisition cost) was 10.9 percent in the third quarter of 2021 and reached a value of EUR 40.4 million (Q3 2020: 12.7 percent or EUR 65.9 million). Increased refinancing costs were mainly responsible for the decline in the CM1 margin.

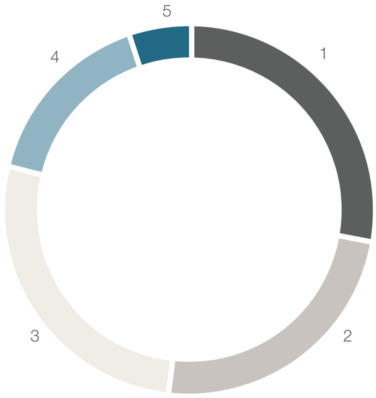
Acceptance of the eSignature process, which enables leases to be processed completely digitally, continued to rise. The proportion of contracts concluded via eSignature increased to 37.0 percent in the reporting quarter (Q3 2020: 30.4 percent).

Factoring, which accounts for a small share of the balance sheet volume overall (1.2 percent of total assets), generated new business, defined as the total of purchased receivables, of EUR 178.5 million in the third quarter. As a result, new factoring business rose to 15.6 percent above the level of the previous year (Q3 2020: EUR 154.4 million).

In Germany, new factoring business increased by 26.0 percent to EUR 51.2 million (Q3 2020: EUR 40.6 million). With an increased share of receivables management (excluding financing function) of 30.9 percent (Q3 2020: 25.3 percent), where no default risks are assumed, the gross margin in Germany decreased to 1.2 percent (Q3 2020: 1.4 percent). In the international markets, new factoring business increased by 11.9 percent to EUR 127.3 million (Q3 2020: EUR 113.7 million). The share of receivables management (excluding financing function) here was 23.1 percent (Q3 2020: 27.5 percent). The gross margin in the international markets was almost unchanged at 1.32 percent (Q3 2020: 1.30 percent). The gross margin relates to the average period of a factoring transaction of approximately 22 days in Germany (Q3 2020: approximately 26 days) and approximately 43 days at international level (Q3 2020: approximately 47 days).

GRENKE Bank's new business was significantly influenced by the almost complete discontinuation of the lending business with small and medium-sized enterprises (SMEs). Accordingly, the Bank's new business in the reporting quarter exclusively comprised microcredit business operated within the framework of the "Mikrokreditfonds Deutschland" programme and thus fell by 97.2 percent to EUR 0.9 million (Q3 2020: EUR 32.1 million). The decline also takes into account the high level of new business with KfW loans in the prior-year quarter in the wake of the Covid-19 pandemic. GRENKE Bank's deposit volume was EUR 1,521.3 million as of the reporting date of September 30, 2021. It exceeded the figure of EUR 1,300.0 million at the end of September 2020 by 17.0 percent. As of December 31, 2020, the deposit business had amounted to a volume of EUR 1,537.3 million.

New business by region



	2021 Q3	2020 Q3
LEASING (IN PERCENT)		
1 DACH	30.3	28.2
2 Western Europe (without DACH)	25.4	24.3
3 Southern Europe	22.2	26.5
4 Northern/Eastern Europe	16.5	16.0
5 Other Regions	5.6	5.0

GRENKE GROUP (IN EUR MILLIONS)	2021 Q3	2020 Q3
New business Leasing	372.2	517.6
New business Factoring	178.5	154.4
New SME lending business (microcredit business) GRENKE Bank	0.9	32.1

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

3. Net Assets, Financial Position and Results of Operations

3.1 Full Consolidation of Franchise Companies

Due to recent findings in connection with the consolidation criteria for the franchise companies, GRENKE AG has retrospectively fully consolidated the franchise companies in the consolidated financial statements as of December 31, 2020. The prior-year comparative figures for the third quarter and the first nine months have been adjusted accordingly.

Selected information from the consolidated income statement

EURk	2021 Q1 – Q3	2020 Q1 – Q3*
NET INTEREST INCOME	280'452	305'564
Settlement of claims and risk provision	121'382	170'506
NET INTEREST INCOME AFTER SETTLEMENT OF CLAIMS AND RISK PROVISION	159'070	135'058
Profit from service business	87'964	86'961
Profit from new business	26'285	33'094
Gains (+) / losses (–) from disposals	– 4'697	– 3'864
INCOME FROM OPERATING BUSINESS	268'622	251'249
Staff costs	95'492	88'026
of which total remuneration	79'101	72'211
of which fixed remuneration	63'216	56'323
of which variable remuneration	15'885	15'888
Selling and administrative expenses (excluding staff costs)	69'209	55'111
of which IT project costs	4'351	2'148
EARNINGS BEFORE TAXES	**67'819**	**73'482**
NET PROFIT	**52'374**	**59'658**
EARNINGS PER SHARE (IN EUR; BASIC / DILUTED)	**1.03**	**1.26**

* Figures for 2020 have been adjusted in accordance with IAS 8.42 (including the consolidation of the franchise companies)

3.2 Results of Operations

3.2.1 Comparison of the Third Quarter 2021 versus 2020

Interest and similar income from financing business decreased by 10.0 percent to EUR 104.6 million in the third quarter of 2021 (Q3 2020: EUR 116.2 million). The decrease was the result of the decline in new business in the 2020 financial year and in 2021 year-to-date. Interest expenses fell by 17.0 percent to EUR 13.8 million (Q3 2020: EUR 16.6 million) due to the lower refinancing requirements associated with a lower volume of new business. On balance, net interest income in the third quarter was EUR 90.8 million, down 8.8 percent year-on-year (Q3 2020: EUR 99.6 million).

The trend of reduced expenses for the settlement of claims and risk provision in the first half of 2021 continued in the reporting quarter with a decrease of 21.3 percent to EUR 37.3 million (Q3 2020: EUR 47.4 million). It should be noted that the corresponding expenses in the prior-year quarter were burdened by expenses for risk provisioning due to the spread of the Covid-19 pandemic. Expenses for the settlement of claims and risk provision also benefited from the comparatively low volume of new business in the third quarter, as IFRS 9 requires the expected credit losses for lease receivables over the subsequent 12 months to be recognised upon the acquisition of the lease receivable.

Accordingly, the loss rate (expenses for settlement of claims and risk provision for the reporting period extrapolated to one year in relation to the volume of leased assets at the respective reporting date) improved to 1.7 percent in the third quarter of 2021 (Q3 2020: 2.1 percent). The loss rate was thus within the range expected for the full year of no more than 2.0 percent.

Due to the year-on-year decline in risk provisioning, net interest income after settlement of claims and risk provision increased by 2.6 percent to EUR 53.6 million in the reporting quarter (Q3 2020: EUR 52.2 million).

Profit from service business increased by 4.2 percent to EUR 30.5 million in the third quarter (Q3 2020: EUR 29.3 million). As a result of the decline in new business volume, on the other hand, profit from new business fell by 12.1 percent to EUR 8.0 million in the reporting quarter (Q3 2020: EUR 9.1 million). Gains / losses from disposals improved to EUR – 1.1 million (Q3 2020: EUR – 1.6 million). Income from operating business increased overall by 2.2 percent to EUR 90.9 million in the third quarter of 2021 (Q3 2020: EUR 89.0 million), mainly due to lower expenses for settlement of claims and risk provision.

Staff costs, the Consolidated Group's largest expense item in absolute terms, increased by 11.8 percent to EUR 30.5 million in the third quarter (Q3 2020: EUR 27.3 million). This percentage increase was partly a result of comparison effects, as variable remuneration had declined significantly in the prior-year quarter. In the reporting quarter, variable remuneration increased again by 30.2 percent to EUR 4.9

million (Q3 2020: EUR 3.8 million). Compared to the second quarter of 2021, however, staff costs decreased by 8.6 percent. The average number of employees in the reporting quarter was 1,833 (based on full-time equivalents; Q3 2020: 1,868), or 1.9 percent lower than the prior-year figure.

Depreciation, amortisation and impairment increased by 25.4 percent to EUR 8.4 million in the third quarter (Q3 2020: EUR 6.7 million) due to impairment on an internally generated software application. Selling and administrative expenses increased by 14.6 percent to EUR 22.0 million (Q3 2020: EUR 19.2 million). This increase mainly resulted from higher expenses for deposit insurance and association fees at GRENKE Bank (EUR 0.9 million), as well as higher IT project costs, which had expanded to EUR 1.6 million (Q3 2020: EUR 0.4 million). The increase in IT project costs stemmed primarily from the utilisation of consulting services. The balance of other operating income and expenses was EUR –3.1 million in the third quarter of 2021 (Q3 2020: EUR 0.0 million). This increase was mainly due to higher other operating expenses of EUR 4.1 million (Q3 2020: EUR 1.3 million).

The cost-income ratio rose to 51.2 percent in the third quarter of 2021 (Q3 2020: 40.5 percent) and was thus slightly above the target of below 50 percent for the full year.

The operating result in the third quarter of 2021 decreased by 24.4 percent to EUR 27.1 million (Q3 2020: EUR 35.8 million) and earnings before taxes by 22.5 percent to EUR 25.4 million (Q3 2020: EUR 32.8 million). As expected, the tax rate increased to 20.8 percent after 19.2 percent in the prior-year quarter. As a result, net profit equalled EUR 20.1 million (Q3 2020: EUR 26.5 million), for a decrease of 24.0 percent. The non-controlling interests' share of earnings to be reported due to the consolidation of the franchise companies amounted to EUR –3.8 million (Q3 2020: EUR –1.1 million). Accordingly, earnings per share in the third quarter of 2021 were EUR 0.51 (Q3 2020: EUR 0.60).

3.2.2 Comparison of first nine months of 2021 vs 2020

In the first nine months of 2021, net interest income decreased by 8.2 percent to EUR 280.5 million (Q1 – Q3 2020: EUR 305.6 million). Expenses for settlement of claims and risk provision decreased by 28.8 percent compared to the very high prior-year figure due to the pandemic and amounted to EUR 121.4 million (Q1 – Q3 2020: EUR 170.5 million). Accordingly, the loss rate improved to 1.9 percent (Q1 – Q3 2020: 2.5 percent). Consequently, net interest income after settlement of claims and risk provision increased by 17.8 percent to EUR 159.1 million in the nine-month period (Q1 – Q3 2020: EUR 135.1 million).

Profit from service business increased by 1.2 percent in the first nine months, while the profit from new business decreased by 20.6 percent. Gains / losses from disposals amounted to EUR –4.7 million (Q1 – Q3 2020: EUR –3.9 million). Accordingly, income from operating business increased by 6.9 percent in the first nine months of 2021 and reached EUR 268.6 million (Q1 – Q3 2020: EUR 251.2 million).

In the nine-month period, staff costs and depreciation and amortisation increased by 8.5 percent and 10.7 percent, respectively, resulting in a cost-income ratio of 51.1 percent (Q1 – Q3 2020: 41.5 percent).

The operating result in the first nine months decreased by 8.2 percent to EUR 75.0 million (Q1 – Q3 2020: EUR 81.6 million) and earnings before taxes declined by 7.7 percent to EUR 67.8 million (Q1 – Q3 2020: EUR 73.5 million). With a tax rate of 22.8 percent (Q1 – Q3 2020: 18.8 percent), net profit amounted to EUR 52.4 million (Q1 – Q3 2020: EUR 59.7 million). This corresponds to a decrease of 12.2 percent and results in earnings per share of EUR 1.03 (Q1 – Q3 2020: EUR 1.26).

3.3 Net Assets and Financial Position

Selected information from the consolidated statement of financial position

EURk	Sept. 30, 2021	Dec. 31, 2020
CURRENT ASSETS	**3'306'500**	**3'407'121**
of which cash and cash equivalents	1'018'256	944'733
of which lease receivables	1'953'990	2'066'352
NON-CURRENT ASSETS	**3'487'565**	**3'924'660**
of which lease receivables	3'170'140	3'569'940
TOTAL ASSETS	**6'794'065**	**7'331'781**
CURRENT LIABILITIES	**2'118'013**	**2'073'208**
of which financial liabilities	1'900'278	1'868'140
NON-CURRENT LIABILITIES	**3'449'360**	**4'065'470**
of which financial liabilities	3'349'754	3'941'970
EQUITY	**1'226'692**	**1'193'103**
Equity ratio (in percent)	18.1	16.3
TOTAL LIABILITIES AND EQUITY	**6'794'065**	**7'331'781**

3.3.1 Net Assets

In comparison to their level at the end of the 2020 financial year, total assets as of September 30, 2021 decreased by 7.3 percent to EUR 6.8 billion (December 31, 2020: EUR 7.3 billion). This decline was caused primarily by a drop in the largest balance sheet item, non-current and current lease receivables, which fell by a total of 9.1 percent to EUR 5.1 billion (December 31, 2020: EUR 5.6 billion) as a result of new business development in recent quarters.

Cash and cash equivalents, in contrast, increased to EUR 1,018.3 million as of September 30, 2021, representing an increase of 7.8 percent compared to the level at the end of the 2020 financial year (December 31, 2020: EUR 944.7 million). Amid the persistently difficult macroeconomic situation, the GRENKE Group continues to focus especially on maintaining sufficient liquidity in order to have the leeway to respond to market conditions. The Consolidated Group is also obligated under regulatory requirements to maintain a liquidity buffer. As a result, as of September 30, 2021, the Consolidated Group held EUR 781.3 million (December 31, 2020: EUR 711.2 million) in accounts at the Deutsche Bundesbank, which resulted in corresponding interest expenses due to the negative deposit interest rate.

Following the agreement to sell the shares in viafintech GmbH, the investment was reclassified from “investments accounted for using the equity method” to “assets held for sale” as of the quarterly reporting date in accordance with IAS 28. The reclassification was made as the completion of the sale is considered highly probable within 12 months. This balance sheet item amounted to EUR 3.9 million as of September 30, 2021 (December 31, 2020: EUR 0.0 million).

On the liabilities side of the balance sheet, the decline in total assets is reflected in current and non-current financial liabilities, which decreased by a total of 9.6 percent to EUR 5.3 billion (December 31, 2020: EUR 5.8 billion). Current and non-current liabilities from refinancing continued to account for the largest share of financial liabilities, falling by 12.7 percent compared with the end of 2020 to EUR 3.7 billion (December 31, 2020: EUR 4.3 billion). Current and non-current liabilities from GRENKE Bank’s deposit business amounted to EUR 1.5 billion, which was unchanged compared to the level as of December 31, 2020 (EUR 1.5 billion).

Deferred lease payments increased as a result of the reporting date to EUR 48.2 million as of September 30, 2021 (December 31, 2020: EUR 28.8 million). It is important to note however that this balance sheet item is often subject to major fluctuations during the year.

Equity increased by 2.8 percent to EUR 1,226.7 million as of September 30, 2021 (December 31, 2020: EUR 1,193.1 million). The Consolidated Group net profit of EUR 52.4 million generated in the reporting period was partially offset by the dividend payment (EUR 12.1 million) and the interest payment on hybrid capital (EUR 9.4 million). In contrast, effects from the market valuation of hedging instruments (EUR 1.1 million) and currency translation (EUR 1.8 million) had a positive impact. The decrease in total assets resulted in an increase in the equity ratio to 18.1 percent as of the end of September 2021 (December 31, 2020: 16.3 percent). The equity ratio thus continued to exceed the Consolidated Group’s self-set target of a minimum of 16 percent.

3.3.2 Liquidity

Thanks to the high level of cash and cash equivalents and the broadly diversified refinancing structure, the GRENKE Group was in a position to meet its payment obligations at all times during the reporting period.

Through the subsidiary Grenke Finance PLC, an existing bond was increased by EUR 125.0 million in the first nine months of 2021. Further information on the bonds issued is presented in the notes to the condensed interim consolidated financial statements and is also available on GRENKE's website at www.grenke.com/investor-relations/debt-capital/issued-bonds. Bonds in the amount of EUR 315 million and promissory notes amounting to EUR 65 million, DKK 46 million and SEK 48 million were redeemed in the reporting period as scheduled. Promissory notes in the amount of EUR 148 million were redeemed early.

The ABCP programmes were utilised in the amount of EUR 567.7 million and GBP 120.5 million as of September 30, 2021 (December 31, 2020: EUR 680.2 million and GBP 122.4 million). The total volume of these programmes equalled EUR 947.8 million and GBP 150.0 million (December 31, 2020: EUR 947.8 million and GBP 150.0 million).

The Consolidated Group's unutilised credit lines (i.e. bank credit lines plus the available volume of bonds and commercial paper) amounted to EUR 3,439.0 million and HRK 750.0 million as of the reporting date (December 31, 2020: EUR 3,367.9 million, PLN 240 million, HRK 40.0 million and CHF 10 million).

GRENKE BANK AG's refinancing via customer deposits amounted to EUR 1,521.3 million as of September 30, 2021, compared to EUR 1,300.0 million as of September 30, 2020, corresponding to an increase of 17.0 percent.

3.3.3 Financial Position

Selected information from the consolidated statement of cash flows

EURk	2021 Q1 – Q3	2020 Q1 – Q3*
- Investments in new lease receivables	–1'172'413	–1'642'376
+ Addition of new refinancing (excl. deposit business)	468'587	997'630
+ Net addition to deposit business	–19'971	413'556
(I) CASH FLOW FROM INVESTMENTS IN NEW BUSINESS	**–723'797**	**–231'190**
+ Payments by lessees	1'757'581	1'667'021
- Repayments of refinancing (excl. deposit business)	–874'046	–1'048'398
(II) CASH FLOW FROM EXISTING BUSINESS	**883'535**	**618'623**
(III) OTHER CASH FLOW FROM OPERATING ACTIVITIES	**–30'124**	**46'625**
CASH FLOW FROM OPERATING ACTIVITIES (I) + (II) + (III)	**129'614**	**434'058**
Net cash flow from operating activities	113'484	421'446
Cash flow from investing activities	–4'908	–12'116
Cash flow from financing activities	–35'590	–50'487
TOTAL CASH FLOW	**72'986**	**358'843**

* Figures for 2020 have been adjusted in accordance with IAS 8.42 (including the consolidation of the franchise companies)

Cash flow from operating activities equalled EUR 129.6 million in the first nine months of 2021, which was significantly below the prior-year figure (Q1 – Q3 2020: EUR 434.1 million). In the presentation above, net cash flow from investments in new business includes investments for new lease receivables, consisting of the net acquisition values for the leasing objects and the costs incurred directly upon conclusion of the contracts. Due to the lower volume of new business, investments in new lease receivables decreased to EUR – 1,172.4 million in the first nine months of 2021 (Q1 – Q3 2020: EUR – 1,642.4 million). These were offset by cash inflows and outflows from the increase in refinancing (EUR 468.6 million compared to EUR 997.6 million in the prior-year period) and GRENKE Bank's deposit business (EUR – 20.0 million compared to EUR 413.6 million in the prior-year period). In total, net cash flow from investments in new business decreased to EUR – 723.8 million (Q1 – Q3 2020: EUR – 231.2 million). In assessing this development, it is important to note that GRENKE deliberately built up a liquidity reserve in the prior-year period. In contrast, cash flow from existing business increased to EUR 883.5 million (Q1 – Q3 2020: EUR 618.6 million).

After interest and taxes paid and received, net cash flow from operating activities amounted to EUR 113.5 million in the reporting period (Q1 – Q3 2020: EUR 421.4 million).

Cash flow from investing activities was EUR –4.9 million in the nine-month period 2021 (Q1 – Q3 2020: EUR –12.1 million) and mainly included payments for the acquisition of property, plant and equipment and intangible assets in the amount of EUR –5.4 million (Q1 – Q3 2020: EUR –12.7 million).

Cash flow from financing activities in the reporting period improved to EUR –35.6 million (Q1 – Q3 2020: EUR –50.5 million), primarily as a result of the lower dividend payment for the previous year of EUR 12.1 million (Q1 – Q3 2020: EUR 28.2 million). The interest payment on hybrid capital amounted to EUR 13.4 million (Q1 – Q3 2020: EUR 10.7 million). The repayment of lease liabilities also resulted in a cash outflow of EUR 10.1 million (Q1 – Q3 2020: EUR 9.4 million).

As a result of the above, total cash flow in the first nine months of 2021 amounted to EUR 73.0 million (Q1 – Q3 2020: EUR 358.8 million). Cash and cash equivalents increased to EUR 1,017.0 million as of the September 30, 2021 reporting date, compared to EUR 944.7 million at the end of the 2020 financial year.

4. Related Party Disclosures

For related party disclosures, please refer to the notes to the condensed interim consolidated financial statements on page 42.

5. Report on Risks, Opportunities and Forecasts

5.1 Risks and Opportunities

No significant changes to the opportunities and risks most recently presented in the 2020 Annual Report (published May 21, 2021) occurred in the reporting period. With regard to the future development of the Consolidated Group, as well as of the Company and its subsidiaries, no particular risks associated with the business above and beyond the customary level could be identified.

5.2 Macroeconomic and Sector Environments

The increasing bottlenecks in global supply chains have led to a slowdown in the economic recovery in Germany since July 2021. The ifo Business Climate Index fell for the third month in succession in September 2021. The slowdown is affecting the manufacturing sector in particular, where shortages of raw materials and intermediate products have led to some significant production losses. Accordingly, in October 2021 the International Monetary Fund (IMF) lowered its growth forecast for Germany to 3.1 percent (July forecast: 3.6 percent). At the same time, the IMF raised its forecast for 2022 to 4.6 percent (July forecast: 4.1 percent), underlining its expectation that supply chain bottlenecks are a temporary phenomenon. By contrast, the IMF became more optimistic for the other major economies in the euro zone in 2021, raising its expectations for France to 6.3 percent (July forecast: 5.8 percent) and for Italy to 5.8 percent (July forecast: 4.9 percent). For the euro zone as a whole, the IMF now expects growth of 5.0 percent (July forecast: 4.6 percent).

5.3 Company Forecast

The forecast for the financial year 2021 must take into account that the ongoing Covid-19 pandemic and related economic constraints continue to create a challenging market environment.

Supply bottlenecks at manufacturers of computer and office technology led to a delay in the expected recovery of the markets in the third quarter of 2021. Accordingly, on October 4, 2021, the Board of Directors adjusted its forecast for new leasing business in the 2021 financial year to EUR 1.5 billion to EUR 1.7 billion (previously EUR 1.7 billion to EUR 2.0 billion; 2020: EUR 2.0 billion) within the scope of an ad hoc announcement. The adjusted forecast for new business is based on the expectation that business momentum will pick up again in the fourth quarter of 2021 as a result of a launched sales campaign.

The forecast for net profit has been increased and narrowed down from the previous range of EUR 60 million to EUR 80 million to a range of EUR 90 to EUR 100 million as a result of the continued high profitability of the business and the one-off income from the sale of the stake in viafintech GmbH, which will be recognised in the fourth quarter of 2021.

The target for the cost-income ratio for 2021 remains below 50 percent (2020: 43.1 percent). For 2021, the loss rate is expected to be below 2.0 percent.

The Board of Directors expects the equity ratio to remain stable at above 16 percent at the end of 2021 (2020: 16.3 percent). When evaluating the equity ratio, it is important to take the effects of the full consolidation of the franchise companies into account. The elimination of goodwill attributable to the franchise companies reduces the regulatory and rating-related capital requirements.

6. Subsequent Events

On October 29, 2021, GRENKE AG announced that the Company's Supervisory Board had additionally appointed Chief Financial Officer Dr Sebastian Hirsch as Deputy Chair of the Board of Directors effective November 1, 2021. In doing so, the Board recognised Dr Hirsch's performance in managing the challenges GRENKE faced particularly in connection with the Covid-19 pandemic. Dr Hirsch has been a member of GRENKE AG's Board of Directors since 2017 and is responsible for Controlling, M&A, Treasury, Legal, Tax and Investor Relations. In October of last year, he was appointed CFO of GRENKE AG.

On November 2, 2021, GRENKE announced the closing of the sale of the minority interest of 25.01 percent in the fintech company viafintech GmbH to paysafecard.com Wertkarten GmbH, Vienna (Austria). The signing of the transaction had already taken place on August 22, 2021. The investment was sold by GRENKE BANK AG, a wholly owned subsidiary of GRENKE AG. GRENKE will realise an extraordinary after-tax gain of approximately EUR 20 million from the sale in the fourth quarter of 2021. GRENKE will continue to support viafintech GmbH as a partner bank under a long-term cooperation agreement.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Consolidated income statement

EURk	Jul. 1, 2021 to Sep. 30, 2021	Jul. 1, 2020 to Sep. 30, 2020	Jan. 1, 2021 to Sep. 30, 2021	Jan. 1, 2020 to Sep. 30, 2020
		adjusted[1]		adjusted[1]
Interest and similar income from financing business[2]	104'628	116'218	324'023	353'279
Expenses from interest on refinancing and deposit business	13'783	16'613	43'571	47'715
NET INTEREST INCOME	**90'845**	**99'605**	**280'452**	**305'564**
Settlement of claims and risk provision	37'259	47'372	121'382	170'506
Of which, impairment losses	34'962	46'153	116'901	166'505
NET INTEREST INCOME AFTER SETTLEMENT OF CLAIMS AND RISK PROVISION	**53'586**	**52'233**	**159'070**	**135'058**
Profit from service business	30'493	29'250	87'964	86'961
Profit from new business	7'958	9'053	26'285	33'094
Gains(+) / losses (–) from disposals	–1'088	–1'569	–4'697	–3'864
INCOME FROM OPERATING BUSINESS	**90'949**	**88'967**	**268'622**	**251'249**
Staff costs	30'481	27'263	95'492	88'026
Depreciation and impairment	8'361	6'666	22'526	20'348
Selling and administrative expenses (not including staff costs)	21'951	19'150	69'209	55'111
Other operating expenses	4'138	1'302	9'912	10'319
Other operating income	1'074	1'256	3'484	4'174
OPERATING RESULT	**27'092**	**35'842**	**74'967**	**81'619**
Result from investments accounted for using the equity method	–10	–36	–409	–254
Expenses / income from fair value measurement	773	127	1'104	–1'186
Other interest income	859	345	2'120	1'521
Other interest expenses	3'305	3'508	9'963	8'218
EARNINGS BEFORE TAXES	**25'409**	**32'770**	**67'819**	**73'482**
Income taxes	5'286	6'283	15'445	13'824
NET PROFIT	**20'123**	**26'487**	**52'374**	**59'658**
of which total comprehensive income attributable to ordinary shareholders and hybrid capital holders of GRENKE AG	23'960	27'636	57'338	65'627
of which total comprehensive income attributable to non-controlling interests	–3'837	–1'149	–4'964	–5'969
Earnings per share (basic / diluted in EUR)	0.51	0.60	1.03	1.26
Average number of shares outstanding	46'495'573	46'390'871	46'495'573	46'366'326

[1] Figures for 2020 have been adjusted as illustrated in chapter 5.
[2] Interest and similar income based on effective interest method: 3,635 EURk (previous year: 3,323 EURk).

Consolidated statement of comprehensive income

EURk	Jul. 1, 2021 to Sep. 30, 2021	Jul. 1, 2020 to Sep. 30, 2020	Jan. 1, 2021 to Sep. 30, 2021	Jan. 1, 2020 to Sep. 30, 2020
		adjusted[1]		adjusted[1]
NET PROFIT	**20'123**	**26'487**	**52'374**	**59'658**
ITEMS THAT MAY BE RECLASSIFIED TO PROFIT AND LOSS IN FUTURE PERIODS				
Appropriation to / reduction of hedging reserve	–656	329	935	2'436
thereof: income tax effects	93	–47	–134	–348
Change in currency translation differences	–349	–474	1'848	–4'200
thereof: income tax effects	0	0	0	0
ITEMS THAT MAY BE RECLASSIFIED TO PROFIT AND LOSS IN FUTURE PERIODS				
Equity instruments (IFRS 9)	0	0	–75	0
thereof: income tax effects	0	0	0	0
Appropriation to / reduction of reserve for actuarial gains and losses	0	0	0	0
thereof: income tax effects	0	0	0	0
OTHER COMPREHENSIVE INCOME	**–1'005**	**–145**	**2'708**	**–1'764**
TOTAL COMPREHENSIVE INCOME	**19'118**	**26'342**	**55'082**	**57'894**
of which total comprehensive income attributable to ordinary shareholders and hybrid capital holders of GRENKE AG	36'839	53'906	60'431	62'652
of which total comprehensive income attributable to non-controlling interests	–17'721	–27'564	–5'349	–4'758

[1] Figures for 2020 have been adjusted as illustrated in chapter 5.

Consolidated statement of financial position

EURk	Sep. 30, 2021	Dec. 31, 2020
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	1'018'256	944'733
Derivative financial instruments that are assets	4'520	5'074
Lease receivables	1'953'990	2'066'352
Other current financial assets	153'445	161'757
Trade receivables	6'059	6'384
Lease assets for sale	17'411	24'095
Assets held for disposal	3'942	0
Tax assets	14'391	22'214
Other current assets	134'486	176'512
TOTAL CURRENT ASSETS	**3'306'500**	**3'407'121**
NON-CURRENT ASSETS		
Lease receivables	3'170'140	3'569'940
Derivative financial instruments that are assets	1'073	2'442
Other non-current financial assets	101'825	120'767
Investments accounted for using the equity method	172	4'523
Property, plant and equipment	83'542	86'646
Right-of-use assets	42'287	47'680
Goodwill	43'702	43'629
Other intangible assets	19'890	23'829
Deferred tax assets	21'614	23'110
Other non-current assets	3'320	2'094
TOTAL NON-CURRENT ASSETS	**3'487'565**	**3'924'660**
TOTAL ASSETS	**6'794'065**	**7'331'781**

Consolidated statement of financial position

EURk	Sep. 30, 2021	Dec. 31, 2020
LIABILITIES AND EQUITY		
LIABILITIES		
CURRENT LIABILITIES		
Financial liabilities	1'900'278	1'868'140
Lease liabilities	11'291	11'647
Derivative liability financial instruments	6'017	4'534
Trade payables	34'658	38'638
Tax liabilities	11'737	6'660
Deferred liabilities	25'662	32'313
Other current liabilities	80'215	82'476
Deferred lease payments	48'155	28'800
TOTAL CURRENT LIABILITIES	**2'118'013**	**2'073'208**
NON-CURRENT LIABILITIES		
Financial liabilities	3'349'754	3'941'970
Lease liabilities	32'157	36'754
Derivative liability financial instruments	12'272	20'765
Deferred tax liabilities	49'283	60'219
Pensions	5'863	5'736
Other non-current liabilities	31	26
TOTAL NON-CURRENT LIABILITIES	**3'449'360**	**4'065'470**
EQUITY		
Share capital	46'496	46'496
Capital reserves	298'019	298'019
Retained earnings	711'045	675'200
Other components of equity	1'586	–1'507
TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLD- ERS OF GRENKE AG	**1'057'146**	**1'018'208**
Additional equity components[2]	200'000	200'000
Non-controlling interests	–30'454	–25'105
TOTAL EQUITY	**1'226'692**	**1'193'103**
TOTAL EQUITY AND LIABILITIES	**6'794'065**	**7'331'781**

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

Consolidated statement of cash flows

EURk		Jan. 1, 2021 to Sep 30, 2021	Jan. 1, 2020 to Sep. 30, 2020
			adjusted[1]
	EARNINGS BEFORE TAXES	**67'819**	**73'482**
	NON-CASH ITEMS CONTAINED IN NET PROFIT FOR THE PERIOD AND RECONCILIATION TO CASH FLOW FROM OPERATING ACTIVITIES		
+	Amortization / depreciation	22'526	20'348
–/+	Profit / loss from the disposals of equipment and intangible assets	–2	–46
–/+	Investment income	7'843	6'698
–/+	Other non-cash effective income / expenses	5'725	1'302
+/–	Increase / decrease in other provisions	–6'524	–3'761
–	Additions of lease receivables	–1'172'413	–1'642'376
+	Payments by lessees	1'757'581	1'667'021
+	Disposals / reclassifications of lease receivables at residual carrying values	275'839	221'683
–	Interest income from lease receivables	–313'767	–343'430
+/–	Increase in other receivables from lessees	–18'322	48'663
+/–	Currency translation differences	–16'756	50'008
=	Change in lease receivables	512'162	1'569
+	Additions of liabilities from the refinancing of lease receivables	468'587	997'630
–	Payment of annuities to refinancers	–874'046	–1'048'398
–	Disposal of liabilities from the refinancing of lease receivables	–182'644	–162'773
+	Interest expense from lease liabilities	35'282	41'432
+/–	Currency translation differences	11'575	–40'510
=	Change in liabilities from the refinancing of lease receivables	–541'246	–212'619
+/–	Increase / decrease in liabilities from deposit business	–19'971	413'556
	CHANGES IN OTHER ASSETS / LIABILITIES		
–/+	Increase / decrease in other assets	77'061	101'095
–/+	Increase / decrease in lease assets from operating leases	–1'888	–2'636
+/–	Increase / decrease in deferred lease payments	19'355	19'085
+/–	Increase / decrease in other liabilities	–13'246	15'985
=	**CASH FLOW FROM OPERATING ACTIVITIES**	**129'614**	**434'058**
–/+	Taxes paid / received	–8'287	–5'915
–	Interest paid	–9'963	–8'218
+	Interest received	2'120	1'521
=	**NET CASH FLOW FROM OPERATING ACTIVITIES**	**113'484**	**421'446**
–	Purchase of equipment and intangible assets	–5'414	–12'677
–	Proceeds from sale of equipment and intangible assets	–75	0
+	Current Assets	581	561
=	**CASH FLOW FROM INVESTING ACTIVITIES**	**–4'908**	**–12'116**
+/–	Raising / repayment of bank liabilities	0	–2'193
–	Repayment of lease liabilities	–10'095	–9'394
–	Interest coupon payment for hybrid capital (net)	–13'406	–10'664
–	Dividend payment	–12'089	–28'236
=	**CASH FLOW FROM FINANCING ACTIVITIES**	**–35'590**	**–50'487**

Consolidated statement of cash flows (continued)

	CASH FUNDS		
	Cash on hand and balances with banks	944'733	445'978
–	Bank liabilities from overdrafts	–69	–73
=	**CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD**	**944'664**	**445'905**
+/–	Change due to currency translation	–602	1'925
=	**CASH FUNDS AFTER CURRENCY TRANSLATION**	**944'062**	**447'830**
	CASH FUNDS AT THE END OF PERIOD		
	Cash on hand and balances with banks	1'018'256	807'678
–	Bank liabilities from overdrafts	–1'208	–1'005
=	**CASH AND CASH EQUIVALENTS AT THE END OF PERIOD**	**1'017'048**	**806'673**
	CHANGE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD	72'986	358'843
	Net cash flow from operating activities	113'484	421'446
+	Cash flow from investing activities	–4'908	–12'116
+	Cash flow from financing activities	–35'590	–50'487
=	**TOTAL CASH FLOW**	**72'986**	**358'843**

[1] Figures for 2020 have been adjusted as illustrated in chapter 5.

Consolidated statement of changes in equity

EURk	Share capital	Capital reserves	Retained earnings / Consolidated net profit	Hedging reserve	Reserve for actuarial gains / losses
EQUITY AS OF JAN. 1, 2021	**46'496**	**298'019**	**675'200**	**–1'692**	**–1'588**
Net profit			57'338		
Other comprehensive income				935	
TOTAL COMPREHENSIVE INCOME			**57'338**	**935**	
Dividend payment in 2021 for 2020			–12'089		
Interest coupon payment for hybrid capital (net)					
Interest coupon for hybrid capital (net)			–9'404		
EQUITY AS OF SEP. 30, 2021	**46'496**	**298'019**	**711'045**	**–757**	**–1'588**
EQUITY AS OF JAN. 1, 2020	**46'354**	**289'314**	**626'098**	**–2'193**	**–1'393**
Net profit			65'627		
Other comprehensive income				2'436	
TOTAL COMPREHENSIVE INCOME			**65'627**	**2'436**	
Dividend payment in 2020 for 2019			–37'083		
Capital increase (shares issued from Scrip Dividend)	142	8'705			
Interest coupon payment for hybrid capital (net)					
Interest coupon for hybrid capital (net)			–7'428		
Change in scope of consolidation					
EQUITY AS OF SEP. 30, 2020	**46'496**	**298'019**	**647'214**	**243**	**–1'393**

[1] Figures for 2020 have been adjusted as illustrated in chapter 5.

Currency translation	Revaluation for equity instru-ments (IFRS 9)	Total equity attributable to shareholders of GRENKE AG	Additional equity components	Non-controlling interests	Total equity
−341	**2'114**	**1'018'208**	**200'000**	**−25'105**	**1'193'103**
		57'338		−4'964	52'374
2'233	−75	3'093		−385	2'708
2'233	**−75**	**60'431**		**−5'349**	**55'082**
		−12'089			−12'089
			−9'404		−9'404
		−9'404	9'404		
1'892	**2'039**	**1'057'146**	**200'000**	**−30'454**	**1'226'692**
3'781	**2'355**	**964'316**	**200'000**	**−21'102**	**1'143'214**
		65'627		−5'969	59'658
−5'411		−2'975		1'211	−1'764
−5'411		**62'652**		**−4'758**	**57'894**
		−37'083			−37'083
		8'847			8'847
			−7'428		−7'428
		−7'428	7'428		
				252	252
−1'630	**2'355**	**991'304**	**200'000**	**−25'608**	**1'165'696**

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. General Information

GRENKE AG is a stock corporation with its registered office located at Neuer Markt 2, Baden-Baden, Germany. The Company is recorded in the commercial register at the local court of Mannheim, Section B, under HRB 201836. This quarterly statement of GRENKE AG is a quarterly statement pursuant to Section 53 of the Exchange Rules for the Frankfurt Stock Exchange and does not constitute a complete set of interim financial statements as defined by the International Accounting Standard (IAS) 34. The quarterly statement has been prepared in accordance with the accounting standards of the International Financial Standards (IFRSs) as adopted by the EU. They should be read in conjunction with the IFRS consolidated financial statements as of December 31, 2020. These statements have not been reviewed by an auditor as defined in Section 115 (5) of the German Securities Trading Act (WpHG).

Covid-19 Pandemic

The global economy continued to be affected by the Covid-19 pandemic in the third quarter of 2021. This development also affected the interim financial statements of the GRENKE Group. GRENKE responded early on by already establishing working groups in the past year to deal with the potential effects of the pandemic on the business areas and to decide on the corresponding actions to take. One of these actions was the conclusion of deferral agreements with customers in the 2020 financial year. For more details on the actions taken as a result of the current effects of the pandemic, please refer to the information provided in the interim group management report.

2. Accounting Policies

The accounting policies applied to the interim consolidated financial statements are generally the same as those applied in the previous year. Exceptions relate to changes resulting from the mandatory application of new accounting standards discussed in the paragraph below. Early application was waived for the amended standards and interpretations that will be mandatory in the 2022 financial year or later. GRENKE AG will apply these standards to the consolidated financial statements at the time of their mandatory application. This application is not expected to have any material impact on the reporting.

The same accounting and valuation methods apply to these interim financial statements as to the consolidated financial statements as of December 31, 2020, that we refer to here. We have furthermore added supplemental information in the sections that follow.

2.1 Deferral Agreements

In the 2020 financial year, GRENKE entered into deferral agreements with its leasing customers, under which the customers had received support due to the Covid-19 pandemic and its consequences. As of December 31, 2020, the deferral period for the majority of contracts had already expired. The remaining outstanding deferred amounts due at the beginning of the year were largely repaid in the first half-year of 2021.

In addition, deferral agreements were also concluded with customers in the lending business. The deferral measures granted in the customer lending business essentially expired as of the reporting date. For further information, please refer to the accounting policies described in the notes to the consolidated financial statements as of December 31, 2020.

2.2 Accounting Standards and Interpretations Already Published but not yet Implemented

Amendments to IFRS 4 "Insurance Contracts" Extension of the Temporary Exemption from the Application of IFRS 9

The IASB published an amendment to IFRS 4 on June 25, 2020, extending the existing option for the deferred initial application of IFRS 9 to the new effective date of IFRS 17.

Amendments to IAS 1 "Presentation of Financial Statements" on the classification of liabilities

In January 2020, IAS 1 "Classification of Liabilities as Current or Non-current" was published. The amendments to IAS 1 clarify that the classification of liabilities as current or non-current should be based on the entity's substantial rights at the reporting date. On July 15, 2020, the IASB deferred first-time adoption of the amendment by one year for financial years beginning on or after January 1, 2023.

Amendments to IFRS 3 "Business Combinations", IAS 16 "Property, Plant and Equipment", IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and Annual Improvements to IFRS 2018–2020

Several limited IFRS amendments including the omnibus of annual improvements, 2018 – 2020 cycle, which makes amendments to IFRS 1 "First-time Adoption of IFRS", IFRS 9 "Financial Instruments", IAS 41 "Agriculture" and an example of IFRS 16 "Leases", were published by the IASB on May 14, 2020, with an effective date of January 1, 2022.

Amendments to IFRS 17 "Insurance Contracts"

The new accounting standard IFRS 17 "Insurance Contracts", published on May 18, 2017, will replace standard IFRS 4. On March 18, 2020, the IASB also decided to postpone the mandatory adoption of the standard to financial years beginning on or after January 1, 2023. Adoption by the EU is still pending.

Amendments to IAS 1 "Presentation of Financial Statements" and IFRS Practice Statement 2 "Making Materiality Judgements"

The amendments to IAS 1 require entities to present only their "material" accounting policies in the notes (previously, it was "significant" accounting policies). The amendments are applicable for the first time - subject to adoption into EU law - as of January 1, 2023.

Amendment to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"

The amendments to IAS 8 clarify the distinction between changes in accounting policies and changes in accounting estimates. The mandatory application of the amendment to the standard is effective for financial years beginning on or after January 1, 2023. Adoption by the EU is still pending.

Amendment to IAS 12 "Income Taxes" on the recognition of deferred taxes from a single transaction

According to the amendment to IAS 12, the scope of the exemption is adjusted so that no deferred tax assets or liabilities need to be recognised at the date of addition of an asset or liability. The amendments are effective for annual reporting periods beginning on or after January 1, 2023. Early application is permitted.

3. First-Time Application of New Accounting Standards

In the 2021 financial year, the GRENKE Group took into account all new and revised standards and interpretations that were mandatory for the first time as of January 1, 2021 and have already been adopted into European law (endorsement), insofar that these standards and interpretations were relevant for the GRENKE Group.

None of the following revised or amended standards had a material impact on the accounting or reporting of the consolidated financial statements of GRENKE AG.

Amendments to IFRS 9 "Financial Instruments", IAS 39 "Financial Instruments: Recognition and Measurement", IFRS 7 "Financial Instruments: Disclosures", IFRS 4 "Insurance Contracts" and IFRS 16 "Leases" – Interest Rate Benchmark Reform – Phase 2

The IASB amendments to IFRS 9, IAS 39 and IFRS 7 published on September 26, 2019, concluded the first phase of the project entitled "IBOR Reform and its Effects on Financial Reporting". The amendments address accounting issues in the run-up to the transition to alternative benchmark interest rates and are aimed at continuing existing hedge accounting relationships. The amendments relate specifically to certain simplifications in connection with the rules on hedge accounting.

- // In assessing the probability that a planned transaction will occur, it must be assumed that the reform will not change the interest rate reference parameter underlying the hedged cash flows.
- // In assessing whether a hedging relationship is effective, an unchanged benchmark interest rate is also to be assumed.
- // If a non-contractual benchmark component is hedged, the determination of the separately identifiable risk component required at the inception of the hedge is sufficient.

An exception to the retrospective assessment under IAS 39 was also introduced and applies only to the hedging relationships that are directly affected (underlying transaction or hedging instrument). It allows hedge accounting to be continued even if the hedging relationship is no longer effective. A further simplification is provided with regard to the criterion of separate identifiability in macro hedging: If a hedged underlying transaction within a macro hedge was designated as such, this assessment does not need to be renewed at a later date. Furthermore, the effects of the changes on the hedging relationships must be explained in the notes.

With the replacement of the IBOR reference rates and the EONIA by other reference rates called Risk-Free Rates (RFR), the phase 2 of the project on the possible impact of the reform of the Interbank Offered Rate ("IBOR") on financial reporting has been launched. The amendments serve to implement specific issues when the reference rate has been replaced by an RFR reference rate. According to the original regulations on hedge accounting, the pending changes to the reference interest rates would have resulted in the termination of hedging relationships in many cases. With the amendments to IFRS 9 and IAS 39, continuation is achieved despite existing uncertainties regarding reference interest rates, as, for example, the "highly probable criterion" is always considered to be met. The amendments have no impact on the consolidated financial statements of GRENKE AG as no hedging relationships influenced by reference interest rates are designated in hedge accounting.

Amendments to IFRS 16 “Leases” in connection with corona-related lease concessions

On May 28, 2020, the IASB amended IFRS 16 “Leases” (“Covid-19 Pandemic-Related Lease Concessions”). The amendment relates to the accounting effects of concessions granted in the Covid-19 pandemic. The objective of the amendment is to provide lessees with relief from applying the contract modification requirements of IFRS 16. The practical expedients explicitly do not apply to lessors, as the IASB considers the complexity of the amendments and the procedural possibilities of implementation to be less critical for lessors. The amendment is effective for annual reporting periods beginning on or after June 1, 2020. The standard amendment was endorsed by the EU on October 9, 2020. The IASB issued “Coronavirus Pandemic-Related Lease Concessions after June 30, 2021 (Amendment to IFRS 16)” on March 31, 2021, extending the effective date of the May 2020 amendment to the standard by one year. The amendment has no material impact on GRENKE AG’s consolidated financial statements, as GRENKE specifically acts as a lessor, to whom the amendment does not apply.

4. Use of Assumptions and Estimates

In preparing the interim consolidated financial statements, assumptions and estimates have been made that have had an effect on the recognition and carrying amounts of assets, liabilities, income, expenses, and contingent liabilities.

The estimates and underlying assumptions are subject to regular reviews. Changes to estimates are prospectively recognised and have occurred in the following areas:

// Determination of impairments for financial assets

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

// Assumptions in the context of impairment tests for the measurement of existing goodwill

// Recognition of lease assets for sale at estimated residual values

// Fair value of financial instruments

// Recognition and measurement of deferred taxes on tax-loss carryforwards

// Recognition and measurement of actual tax assets and tax liabilities

The determination of impairment for financial assets is based on assumptions and estimates for default risks and expected loss rates. When making these assumptions and selecting the inputs for the calculation of impairment, the Consolidated Group exercises discretion based on past experience, existing market conditions and forward-looking estimates at the end of each reporting period. The key assumptions and inputs used are presented in the section entitled “Accounting Policies”. In accordance with the announcements made by various regulators (ESMA, EBA), an assessment of the modelling of IFRS 9 impairment and the estimation of expected credit losses (ECL) is carried out. The ECL model, including the input parameters and sub models, is validated at least once a year or based on the occasion and updated if necessary.

Non-guaranteed (calculated) residual values are taken into account when determining the present value of the lease receivables in accordance with IFRS 16. The calculated residual values at the end of the lease term depend on the maturity group of the respective lease and include the expected follow-up business and the expected sales proceeds at the end of the term based on past experience within the scope of country clusters. For additions since January 1, 2021, the calculated residual values amount to between 1.0 percent and 25.5 percent of the acquisition cost. The calculated residual values are determined on the basis of statistical analyses using the best possible estimate. In the event of a decline in the revenue actually achievable in the follow-up business (consisting of disposal and post-leasing), impairment of the lease receivables is taken into account, whereas an increase is not taken into account.

The cash flows used to measure goodwill under the discounted cash flow method are based on current business plans and internal plans. This involved making assumptions as to the future development of income and expenses. Assumptions as to the future growth rates of the respective cash-generating unit were made on the basis of historical figures and past income and expense patterns that were projected into the future.

These estimates and the underlying methodology may have a significant impact on the values determined. The overall economic environment and thus the estimates regarding the further new business and return developments of the cash-generating units are associated with additional uncertainties due to the Covid-19 pandemic. If significant assumptions differ from actual figures, impairments may have to be made in the future in profit and loss.

The measurement of lease assets for sale is based on the average sales proceeds per age group realised in the past financial year in relation to the original cost. Lease assets for sale are measured at historical residual values, taking their actual saleability into account. If a sale is considered unlikely due to the condition of the asset, the asset is impaired in profit and loss.

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

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

Due to the complexity of tax legislation, taxpayers and local tax authorities may have varying constructions and interpretations of the tax laws. This can lead to subsequent tax payments for prior financial years. Tax provisions are recognised in the event that the amounts stated in the tax declarations are not likely to be realised (uncertain tax items). The amount is determined from the best estimate of the anticipated tax payment. Tax receivables from uncertain tax items are recognised when probable and when adequately ensured they can be realised. The assumptions are based on the management's assessment of the amount of uncertain tax items.

We refer to the accounting policies in the notes to the consolidated financial statements as of December 31, 2020.

5. Adjustments

The retrospective amendments which were applied to the consolidated financial statements as of December 31, 2020 led to a corresponding change in the consolidated income statement as of September 30, 2020. Net interest income increased by EUR 10,493k and settlement of claims and risk provision rose by EUR 8,657k. In the same context, gains(+)/losses(-) from disposals decreased by EUR 2,103k. Overall, there was a reduction in earnings before taxes of EUR 3,991k and net profit (after taxes) of EUR 3,982k. For further information, please refer to section "2.3 Adjustments in Accordance with IAS 8" in the consolidated financial statements as of December 31, 2020 contained in the notes to the consolidated financial statements.

6. Lease Receivables

EURk	Sep. 30, 2021	Dec. 31, 2020
CHANGES IN LEASE RECEIVABLES FROM CURRENT CONTRACTS		
RECEIVABLES AT BEGINNING OF PERIOD	**5'614'509**	**5'725'472**
+ Change during the period	–530'485	–110'963
LEASE RECEIVABLES (CURRENT + NON-CURRENT) FROM CURRENT CONTRACTS AT END OF PERIOD	**5'084'024**	**5'614'509**
CHANGES IN LEASE RECEIVABLES FROM TERMINATED CONTRACTS / CONTRACTS IN ARREARS		
GROSS RECEIVABLES AT BEGINNING OF PERIOD	**525'869**	**434'939**
+ Additions to gross receivables during the period	115'888	148'498
– Disposals of gross receivables during the period	46'560	57'568
GROSS RECEIVABLES AT END OF PERIOD	**595'197**	**525'869**
TOTAL GROSS RECEIVABLES (CURRENT AND TERMINATED)	**5'679'221**	**6'140'378**
IMPAIRMENT AT BEGINNING OF PERIOD	**504'086**	**384'762**
+ Additions of accumulated impairment during the period	51'005	119'324
IMPAIRMENT AT END OF PERIOD	**555'091**	**504'086**
Lease receivables (carrying amount, current and non-current) at beginning of period	5'636'292	5'775'649
LEASE RECEIVABLES (CARRYING AMOUNT, CURRENT AND NON-CURRENT) AT END OF PERIOD	**5'124'130**	**5'636'292**

The following overview shows the gross amount of lease receivables and the impairment of lease receivables according to the IFRS 9 impairment level. The GRENKE Group does not have any financial instruments classified as POCI as defined by IFRS 9.

		Sep. 30, 2021			Dec 31, 2020
EURk	Level 1	Level 2	Level 3	Total	Total
GROSS LEASE RECEIVABLES					
Germany	1'126'177	43'908	43'618	1'213'703	1'263'860
France	999'475	88'428	123'530	1'211'433	1'310'064
Italy	792'037	118'097	227'648	1'137'782	1'344'292
Other countries	1'696'897	135'821	283'585	2'116'303	2'222'162
TOTAL GROSS LEASE RECEIVABLES	**4'614'586**	**386'254**	**678'381**	**5'679'221**	**6'140'378**
Impairment	44'653	32'735	477'703	555'091	504'086
CARRYING AMOUNT	**4'569'933**	**353'519**	**200'678**	**5'124'130**	**5'636'292**

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

		Sep. 30, 2021			Dec 31, 2020
EURk	Level 1	Level 2	Level 3	Total	Total
IMPAIRMENT AS OF JAN. 1, 2021	**65'728**	**53'835**	**384'523**	**504'086**	**384'762**
Newly extended or acquired financial assets*	11'236	3'586	5'661	20'483	49'311
Reclassifications					
to Level 1	6'097	–3'598	–2'499	0	0
to Level 2	–2'034	16'262	–14'228	0	0
to Level 3	–2'235	–11'436	13'671	0	0
Change in risk provision due to change in level	–5'006	–5'966	55'619	44'647	86'094
Mutual contract dissolution or payment for financial assets (without derecognition)	–19'188	–13'337	–20'638	–53'163	–57'048
Change in contractual cash flows due to modification (no derecognition)	–18'129	–10'460	3'651	–24'938	41'506
Change in category in processing losses	0	0	48'263	48'263	17'936
Change in models/risk parameters used in ECL calculation	4'091	459	36'451	41'001	17'739
Derecognition of financial assets	–23	–187	–38'343	–38'553	–40'731
Currency translation and other differences	175	106	1'069	1'350	–5'605
Accrued interest	3'941	3'471	4'503	11'915	10'122
IMPAIRMENT AS OF SEP. 30, 2021	**44'653**	**32'735**	**477'703**	**555'091**	**504'086**
thereof impairment on non-performing lease receivables	0	0	439'552	439'552	323'043
thereof impairment on performing lease receivables	44'653	32'735	38'151	115'539	181'043

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

7. Financial Liabilities

The GRENKE Group's financial liabilities consist of current and non-current financial liabilities:

EURk	Sep. 30, 2021	Dec. 31, 2020
CURRENT FINANCIAL LIABILITIES		
Asset-backed	347'272	377'174
Senior unsecured	573'715	565'099
Committed development loans	82'171	106'442
Liabilities from deposit business	895'912	819'356
thereof current account liabilities	0	4'200
Other bank liabilities	1'208	69
thereof current account liabilities	1'208	69
TOTAL CURRENT FINANCIAL LIABILITIES	**1'900'278**	**1'868'140**
NON-CURRENT FINANCIAL LIABILITIES		
Asset-backed	370'371	429'334
Senior unsecured	2'270'227	2'648'647
Committed development loans	83'730	142'036
Liabilities from deposit business	625'426	721'953
TOTAL NON-CURRENT FINANCIAL LIABILITIES	**3'349'754**	**3'941'970**
TOTAL FINANCIAL LIABILITIES	**5'250'032**	**5'810'110**

7.1 Asset-Based Financial Liabilities

7.1.1 Structured Entities

The following consolidated structured entities were in place as of the reporting date: Opusalpha Purchaser II Limited (Helaba), Kebnekaise Funding Limited (SEB AB), CORAL Purchasing (Ireland) 2 DAC (DZ Bank), FCT "GK"-COMPARTMENT "G 2" (UniCredit), FCT "GK"-COMPARTMENT "G 3" (HSBC) and FCT "GK"-COMPARTMENT "G 4" (Helaba). All structured entities have been set up as asset-backed commercial paper (ABCP) programmes.

EURk	Sep. 30, 2021	Dec. 31, 2020
Programme volume in local currency		
EURk	947'802	947'802
GBPk	150'000	150'000
Programme volume in EURk	1'122'113	1'114'648
Utilisation in EURk	707'761	804'519
Carrying amount in EURk	618'979	709'626
thereof current	293'232	321'680
thereof non-current	325'747	387'946

7.1.2 Sales of Receivables Agreements

EURk	Sep. 30, 2021	Dec. 31, 2020
Programme volume in local currency		
EURk	16'500	20'000
GBPk	100'000	100'000
BRLk	165'000	185'000
Programme volume in EURk	159'052	160'257
Utilisation in EURk	98'508	96'295
Carrying amount in EURk	98'508	96'295
thereof current	53'907	54'963
thereof non-current	44'601	41'332

7.1.3 Residual Loans

The residual loans are partly used to finance the residual values of lease agreements in which the instalments were sold as part of the sale of receivables.

EURk	Sep. 30, 2021	Dec. 31, 2020
Carrying amount	156	587
thereof current	133	531
thereof non-current	23	56

7.2 Senior Unsecured Financial Liabilities

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

EURk	Sep. 30, 2021	Dec. 31, 2020
Bonds	2'480'896	2'662'498
thereof current	342'263	338'819
thereof non-current	2'138'633	2'323'679
Promissory notes	172'104	394'844
thereof current	75'278	119'046
thereof non-current	96'826	275'798
Revolving credit facility	155'932	101'235
thereof current	121'164	52'065
thereof non-current	34'768	49'170
Money market trading	0	16'063
Overdrafts	14'885	13'438
Accrued interest	20'125	25'668

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

EURk	Sep. 30, 2021	Dec. 31, 2020
Bonds EURk	5'000'000	5'000'000
Commercial paper EURk	750'000	750'000
Syndicated revolving credit facility	250'000	0
Revolving credit facility EURk	30'000	300'000
Revolving credit facility PLNk	0	100'000
Revolving credit facility CHFk	0	20'000
Revolving Credit Facility CLPk	20'250'000	20'250'000
Revolving credit facility THRk	125'000	125'000
Money market trading EURk	0	35'000

7.2.1 Bonds

No new bonds have been issued to date in the financial year. An existing bond was increased by EUR 125,000k and bonds amounting to EUR 315,000k were repaid on schedule.

7.2.2 Promissory Notes

One new promissory note was issued this financial year to-date with a volume of BRL 10,000k. Scheduled repayments amounted to EUR 65,000k, DKK 46,000k and SEK 48,000k. Early repayments amounted to EUR 148,000k.

7.2.3 Syndicated Revolving Credit Facility

GRENKE signed a new syndicated revolving loan facility with a total volume of EUR 250,000k in the 2021 financial year. Of this amount, EUR 75,000k can be drawn in GBP and CHF. The banks involved are Deutsche Bank AG, DZ BANK AG, HSBC Trinkaus & Burkhardt AG, Landesbank Hessen-Thüringen, Le Crédit Lyonnais, Norddeutsche Landesbank and SEB AB Frankfurt Branch.

7.3 Committed Development Loans

The following table shows the carrying amounts of the utilised development loans at different development banks.

EURk	Sep. 30, 2021	Dec. 31, 2020
Europäische Investitionsbank	9'828	9'775
NRW Bank	30'688	55'896
Thüringer Aufbaubank	2'394	3'552
Investitionsbank des Landes Brandenburg	562	1'467
KfW	121'449	176'443
Landeskreditbank Baden-Württemberg	980	1'345
Accrued interest	0	0
TOTAL DEVELOPMENT LOANS	**165'901**	**248'478**

8. Equity

GRENKE AG's share capital remained unchanged compared to December 31, 2020 and continues to be divided into 46,495,573 registered shares.

The Annual General Meeting, held on July 29, 2021, resolved to distribute a dividend of EUR 0.26 per share (previous year: EUR 0.80). The dividend was paid on August 2, 2021.

9. Disclosures on Financial Instruments

9.1 Fair Value Hierarchy

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

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Measurement procedures in which all input factors having a significant effect on the recognition of fair value are directly or indirectly observable in the market

Level 3: Measurement procedures that use input factors that have a significant effect on the fair value recognised and are not based on observable market data

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

The GRENKE Group recognises reclassifications between the different levels of the valuation hierarchy at the end of the reporting period in which the change has occurred. In the reporting period, there were no reclassifications between the three levels of the valuation hierarchy.

9.2 Fair Value of Financial Instruments

9.2.1 Fair Value of Primary Financial Instruments

The following table presents the carrying amounts and fair values of financial assets and financial liabilities by category of financial instruments that are not measured at fair value. This table does not contain information on the fair value of financial assets and financial liabilities when the carrying amount represents an appropriate approximation to the fair value, which includes the following line items of the statement of financial position: cash and cash equivalents, trade receivables, and trade payables. All primary financial instruments are assigned to Level 2 of the valuation hierarchy except for exchange-listed bonds that are included in refinancing liabilities and which are assigned to Level 1 of the valuation hierarchy and the other investment that is assigned to Level 3 of the fair value hierarchy. Their carrying amount and fair value of the exchange-listed bonds as of the reporting date was EUR 2,480,896k (previous year as of December 31, 2020: EUR 2,662,498k) and EUR 2,464,637k (previous year as of December 31, 2020: EUR 2,498,603k), respectively. All primary financial assets are allocated to the “At amortised cost” (AC) measurement category except for lease receivables, which are measured according to IFRS 16, and other investments, which are assigned to the FVOCIoR category and measured at fair value. Financial liabilities are also measured at (amortised) cost.

EURk	Fair value Sep. 30, 2021	Carrying amount Sep. 30, 2021	Fair value Dec. 31, 2020	Carrying amount Dec. 31, 2020
FINANCIAL ASSETS				
Lease receivables	5'668'471	5'124'130	6'341'277	5'636'292
Other financial assets	262'210	250'006	288'512	277'260
thereof factoring receivables	57'227	57'227	53'582	53'582
thereof receivables from the lending business	154'876	142'672	163'010	151'758
thereof other financial assets	50'107	50'107	71'920	71'920
FINANCIAL LIABILITIES				
Financial liabilities	5'262'174	5'250'032	5'672'117	5'810'110
thereof refinancing liabilities	3'713'989	3'727'486	4'095'744	4'268'732
thereof liabilities from the deposit business	1'546'977	1'521'338	1'576'304	1'541'309
thereof bank liabilities	1'208	1'208	69	69

9.2.2 Fair Value of Derivative Financial Instruments

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

EURk	Fair value Sep. 30, 2021	Carrying amount Sep. 30, 2021	Fair value Dec. 31, 2020	Carrying amount Dec. 31, 2020
FINANCIAL ASSETS				
DERIVATIVE FINANCIAL INSTRUMENTS WITH HEDGING RELATIONSHIP				
Interest rate derivatives	0	0	0	0
Cross-currency swaps	1'592	1'592	1'764	1'764
Forward exchange derivatives	1'241	1'241	2'069	2'069
DERIVATIVE FINANCIAL INSTRUMENTS WITHOUT HEDGING RELATIONSHIP				
Interest rate derivatives	158	158	351	351
Forward exchange derivatives	2'602	2'602	3'332	3'332
TOTAL	5'593	5'593	7'516	7'516
FINANCIAL LIABILITIES				
DERIVATIVE FINANCIAL INSTRUMENTS WITH HEDGING RELATIONSHIP				
Interest rate derivatives	0	0	0	0
Cross-currency swaps	9'557	9'557	13'623	13'623
Forward exchange derivatives	5'556	5'556	8'458	8'458
DERIVATIVE FINANCIAL INSTRUMENTS WITHOUT HEDGING RELATIONSHIP				
Interest rate derivatives	105	105	1'356	1'356
Forward exchange derivatives	3'071	3'071	1'862	1'862
TOTAL	18'289	18'289	25'299	25'299

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

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

9.3 Measurement Methods and Input Factors Used

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

Type and level	Measurement method	Input factors
FAIR VALUE HIERARCHY LEVEL 1		
Exchange-listed bonds	n/a	Quoted market price as of the reporting date
FAIR VALUE HIERARCHY LEVEL 2		
Other financial assets	Present value of estimated future cash flows	Available interest rates at comparable conditions and residual terms using the counterparty's credit risk
Financial liabilities (liabilities from the refinancing of the leasing business, promissory note loans, bank liabilities)	Present value of estimated future cash flows	Available interest rates at comparable conditions and residual terms using the own credit risk (Debt Value Adjustment [DVA])
Forward currency contracts/ Cross currency swaps	Mark-to-market Present value of estimated future cash flows	Available interest rates at the end of the term in the traded currencies using the own counterparty risk (Debt Value Adjustment [DVA]) or the counterparty's credit risk (Credit Value Adjustment [CVA]) derived from available credit default swap (CDS) quotes
Interest rate derivatives	Present value of estimated future cash flows	Available interest rates at comparable conditions and residual terms using the own counterparty risk DVA (Debt Value Adjustment) or the counterparty's credit risk CVA (Credit Value Adjustment) derived from available credit default swap (CDS) quotes
FAIR VALUE HIERARCHY LEVEL 3		
Other investments (investment in Finanzchef24 GmbH)	Discounted cash flow model Present value of estimated future cash flows	Business plan of Finanzchef24 GmbH to determine future cash flows; sustainable growth rate of future cash flows; parameters to determine the discount rate (in particular, risk-free interest rate, market risk premium, beta factor, adjustment factors)

10. Revenue from Contracts with Customers

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

EURk	Segment	Jan. 1, 2021 to Sep. 30, 2021	Jan. 1, 2020 to Sep. 30, 2020[1]
REVENUE FROM CONTRACTS WITH CUSTOMERS (IFRS 15)			
Gross revenue from service and protection business (service business)	Leasing	94'212	92'830
Service fee for making lease assets available for use	Leasing	2'757	3'883
Revenue from reminder fees	Leasing	756	1'258
Revenue from reminder fees	Factoring	12	15
Other revenue from lessees	Leasing	816	722
Disposal of lease assets	Leasing	123'681	112'539
Commission income from banking business	Banking	344	320
TOTAL		**222'578**	**211'567**

[1] Prior-year figures have been adjusted as explained in chapter 5.

11. Income and Other Revenue

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

EURk	Jan. 1, 2021 to Sep. 30, 2021	Jan. 1, 2020 to Sep. 30, 2020[1]
REVENUE FROM CONTRACTS WITH CUSTOMERS (IFRS 15)	**222'578**	**211'567**
OTHER REVENUE (IFRS 9, IFRS 16)		
Interest and similar income from financing business	324'023	353'279
Revenue from operating leases	15'998	14'858
Portions of revenue from lease down payments	5'465	8'384
TOTAL	**568'064**	**588'088**

[1] Prior-year figures have been adjusted as explained in chapter 5.

12. Income Taxes

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

EURk	Jan. 1, 2021 to Sep. 30, 2021	Jan. 1, 2020 to Sep. 30, 2020[1]
Current taxes	21'187	14'780
Corporate and trade taxes (Germany)	84	1'030
Foreign income taxes	21'103	13'750
Deferred taxes	–5'742	–956
Germany	2'560	5'286
International	–8'302	–6'242
TOTAL	**15'445**	**13'824**

[1] Prior-year figures have been adjusted as explained in chapter 5.

13. Group Segment Reporting

EURk	Leasing Segment		Bank Segment	
January to September	2021	2020[1]	2021	2020[1]
OPERATING INCOME				
External operating income	274'327	254'133	–8'982	–7'813
Internal operating income	–43'024	–37'515	43'887	38'135
TOTAL OPERATING INCOME	231'303	216'618	34'905	30'322
thereof non-cash items	111'547	160'057	3'034	5'555
NON-INTEREST EXPENSES				
Staff costs	87'736	80'928	4'087	3'251
Depreciation / amortisation and impairment	21'864	19'713	664	653
Selling and administrative expenses	63'051	50'491	6'388	3'323
SEGMENT RESULT	67'814	69'954	11'462	14'304
Result from companies accounted for using the equity method	–149	–53	–260	–201
Other financial result				
EARNINGS BEFORE TAXES ACCORDING TO CONSOLIDATED INCOME STATEMENT	67'665	69'901	11'202	14'103
As of September 30				
SEGMENT ASSETS	6'087'859	6'732'015	2'147'808	2'252'866
thereof investments accounted for using the equity method	172	322	0	4'201
SEGMENT LIABILITIES	5'068'938	5'735'910	1'856'427	1'968'804

[1] Some prior-year figures have been adjusted as explained in chapter 5.

13.1 Business Segments

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

13.2 Reportable Segments

13.2.1 Leasing

The Leasing segment comprises all of the activities that are related to the Consolidated Group's business as a lessor. The services offered consist of the provision of financing to commercial lessees, rental, service, protection and maintenance offerings, as well as the disposal of used equipment.

The GRENKE Group's leasing business focuses primarily on the small-ticket leasing of IT products, such as PCs, notebooks, servers, monitors, peripheral devices, software, telecommunication and copier equipment, medical devices as well as other IT products. Nearly all leases concluded provide for full cost recovery.

Factoring Segment		Consolidation & Other		Consolidated Group	
2021	2020[1]	2021	2020[1]	2021	2020[1]
3'277	4'929	0	0	268'622	251'249
–863	–620	0	0	0	0
2'414	**4'309**	**0**	**0**	**268'622**	**251'249**
2'320	893	0	0	116'901	166'505
4'090	4'126	–421	–279	95'492	88'026
701	518	–703	–536	22'526	20'348
1'567	2'394	–1'797	–1'097	69'209	55'111
–4'255	**–2'677**	**–54**	**38**	**74'967**	**81'619**
0	0	0	0	–409	–254
		–6'739	–7'883	–6'739	–7'883
–4'255	**–2'677**	**–6'793**	**–7'845**	**67'819**	**73'482**
77'259	**77'248**	**–1'554'866**	**–1'775'672**	**6'758'060**	**7'286'457**
0	0	0	0	172	4'523
80'578	**75'135**	**–1'499'590**	**–1'708'050**	**5'506'353**	**6'071'799**

13.2.2 Banking

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

13.2.3 Factoring

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

13.3 Segment Data

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

The Board of Directors of GRENKE AG is the responsible body for assessing the performance of the GRENKE Group. In addition to the growth of new business in the Leasing segment (total acquisition costs of newly acquired leased assets), the Board of Directors has determined the deposit volume for GRENKE Bank and the gross margin for the Factoring segment as key performance indicators. The other measures include, in particular, operating segment income, non-interest expenses, segment result before other financial result, as well as staff costs, selling and administrative expenses, and depreciation and amortisation. Other financial result and tax expense / income are the main components of the consolidated statement of income that are not included in the individual segment information.

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

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

// Banking: Net interest income after settlement of claims and risk provision

// Factoring: Net interest income after settlement of claims and risk provision

The non-cash items represent impairment losses.

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

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

14. Changes in the Scope of Consolidation in the 2021 Financial Year

There were no changes to the scope of consolidation in the first three quarters of 2021.

15. Payments to Hybrid Capital Holders

On March 31, 2021, GRENKE AG made the coupon payment of EUR 13,406k to hybrid capital holders as scheduled (previous year: EUR 10,664k).

16. Related Party Disclosures

The Supervisory Board of GRENKE AG concluded a phantom stock agreement with all members of the Board of Directors in office. Payments under these agreements during the financial year to-date amounted to EUR 0k (previous year as of September 30, 2020: EUR 653k).

As of September 30, 2021, the value of all existing phantom stock agreements amounted EUR 3k (previous year as of September 30, 2020: EUR 0k). This amount is recognised under staff costs in the income statement and is included under variable remuneration components.

Michael Bücker was appointed Chairman of the Board of Directors by the Supervisory Board with effect from August 1, 2021.

At the Annual General Meeting on July 29, 2021, Wolfgang Grenke, Claudia Karolina Krcmar and Florian Schulte retired from the Supervisory Board. The Annual General Meeting elected Norbert Freisleben, Nils Kröber and Dr Konstantin Nikolaus Maria Mettenheimer to the Supervisory Board by way of supplementary election.

Transactions with Associated Companies and Subsidiaries

Liabilities to associated companies resulted from GRENKE Bank's deposit business and balances on current accounts. GRENKE Bank received deposits and balances on current accounts of EUR 501k (previous year as of December 31, 2020: EUR 574k) from associated companies as of the September 30, 2021 reporting date. Loan receivables amounted to EUR 1,300k (previous year as of December 31, 2020: EUR 600k). Interest expenses of EUR 0k (previous year as of September 30, 2020: EUR 0k) and interest income of EUR 38k (previous year as of September 30, 2020: EUR 5k) arose. There were no reportable transactions with subsidiaries in the 2021 or 2020 financial year.

Transactions with Persons in Key Positions

In the course of its ordinary business activities, GRENKE BANK AG provides services to related parties in key positions and their close family members. As of the reporting date, GRENKE Bank received deposits and balances on current accounts of EUR 18,238k (previous year as of December 31, 2020: EUR 10,726k) from persons in key positions and their close family members. The related interest expense amounted to EUR 20k (previous year as of September 30, 2020: EUR 18k). Credit card accounts not yet settled showed a balance of EUR 42k (previous year as of December 31, 2020: EUR 13k) with a credit card limit of EUR 291k (previous year as of December 31, 2020: EUR 316k) to related persons in key positions as of the reporting date. No further loans were extended to this group of persons during the reporting period.

Income of EUR 6k (previous year as of September 30, 2020: EUR 11k) arose with persons in key positions from, among other things, the charging on of data line costs and the sale of goods. As of the reporting date, there are receivables of EUR 0k (previous year as of December 31, 2020: EUR 1k) from these transactions. The GRENKE Group incurred expenses of EUR 0k (previous year to September 30, 2020: EUR 37k) from transactions with persons in key positions. The expenses in the previous year mainly relate to a consulting agreement with a member of the Supervisory Board, which was terminated in the 2020 financial year.

Transactions with Other Related Parties

Liabilities to other related parties result from GRENKE Bank AG's deposit business and balances on current accounts. GRENKE Bank AG received deposits and balances on current accounts of EUR 3,659k (previous year as of December 31, 2020: EUR 2,888k) from other related parties as of the reporting date of September 30, 2021. Credit lines for current accounts were utilised in the amount of EUR 793k (previous year as of December 31, 2020: EUR 807k), while credit line limits amounted to EUR 840k (previous year as of December 31, 2020: EUR 840k). Interest expenses of EUR 17k (previous year as of September 30, 2020: EUR 113k) and interest income of EUR 19k (previous year as of September 30, 2020: EUR 25k) arose. Income from other related parties in the amount of EUR 89k (previous year as of September 30, 2020: EUR 244k) mainly results from rental income and the charging on of leased line costs, licence costs and other costs. In addition, the GRENKE Group incurred expenses with related parties in the amount of EUR 901k (previous year as of September 30, 2020: EUR 1,025k). These are mainly interest expenses from loans and commission expenses. The corresponding liabilities mainly relate to loans and amounted to EUR 6,805k as of the reporting date of September 30, 2021 (previous year as of December 31, 2020: EUR 5,128k). Receivables from other related persons and companies mainly include collateral payments to other related companies and persons and amounted to EUR 10,657k as of the reporting date of September 30, 2021 (previous year as of December 31, 2020: EUR 10,664k).

17. Contingent Liabilities

There were no material or structural changes to contingent liabilities as of September 30, 2021 compared to the level as of December 31, 2020.

18. Employees

In the interim reporting period, the GRENKE Group's headcount (excluding the Board of Directors) averaged 1,855 employees (previous year as of September 30, 2020: 1,888). A further 66 employees (previous year as of September 30, 2020: 76) are in training.

19. Subsequent Events

At GRENKE BANK AG, Sven Noppes will leave the Board of Directors on December 31, 2021. He will be succeeded by Dr Oliver Recklies as of October 2021.

In the third quarter, GRENKE decided to sell its minority interest of 25.01 percent in the fintech company viafintech GmbH. The investment will be sold by GRENKE BANK AG, a wholly owned subsidiary of GRENKE AG.

The investment in viafintech was therefore classified as held for sale as of September 30, 2021 and is now no longer reported under "Investments accounted for using the equity method" in accordance with IAS 28, but separately under the balance sheet item "Assets held for sale" (EUR 3,942k) in accordance with IFRS 5.

As of November 1, 2021, the sale was completed and the sales price was collected. For further information, please refer to the group management report as of September 30, 2021.

CALENDER OF EVENTS

January 4, 2022 // New business figures Q4 2021

March 17, 2022 // Annual report 2021

April 5, 2022 // New business figures Q1 2022

May 12, 2022 // Quarterly Statement for the 1st Quarter 2022

May 25, 2022 // Annual General Meeting

July 5, 2022 // New business figures Q2 2022

August 11, 2022 // Financial report for Q2 and Q1-Q2 2022

October 5, 2022 // New business figures Q3 2022

November 10, 2022 // Quarterly statement for Q3 and Q1-Q3 2022

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Disclaimer

Figures in this financial report are usually presented in EURk and EUR millions. Rounding differences may occur in individual figures compared to the actual EUR amounts. Such differences are not significant in character due to their nature. For reasons of easier readability, gender-specific language is generally avoided, and the respective terms apply equally to all genders to ensure equal treatment.

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