INTERIM MANAGEMENT STATEMENT

AS OF MARCH 31, 2021

GATEWAY
REAL ESTATE

AT A GLANCE

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KEY FINANCIAL INDICATORS

in € thousand	01/01 – 03/31/2021	01/01 – 03/31/2020
Financial performance indicators		
Revenue	12,334	27,224
Gross profit	63,388	79,825
EBIT adjusted	40,845	22,668
EBT	32,809	13,037
Consolidated profit	32,295	8,297
Earnings per share in €	0.17	0.04
Financial position and liquidity ratios	**03/31/2021**	**12/31/2020**
Total assets	1,144,572	1,117,626
Equity	390,139	359,820
Equity ratio	34.1%	32.2%
Cash and cash equivalents	22,715	50,549
Net financial debt	491,325	565,960
Leverage ratio (net financial debt/EBIT adjusted LTM)	3.1	4.0
LTV incl. near-cash receivables	53.5%	65.4%
Portfolio indicators	**03/31/2021**	**12/31/2020**
Average gross development volume (GDV) in € billion	5	5
Number of projects (as of end of March)	7	21

For technical reasons, rounding differences may occur in tables and references compared to the mathematically precise values.

OVERVIEW OVER THE FIRST THREE MONTHS 2021

GATEWAY closes
the first quarter with a
significantly positive result

Consolidated profit
reaches

€32.3 million

in the first three months of 2021

Gross development volume (GDV)
exceeds

€5 billion

as of March 31, 2021

Earnings per share
amount to

€0.17

in the first three months of 2021

EBIT adjusted
reaches

€40.8 million

in the first three months of 2021

Forecast for fiscal year 2021:
EBIT adjusted of

€95–110 million

and **EBT** of

€70–80 million

ABOUT US

GATEWAY REAL ESTATE AG, TOGETHER WITH ITS SUBSIDIARIES, IS ONE OF THE LEADING LISTED DEVELOPERS OF RESIDENTIAL REAL ESTATE AND URBAN QUARTERS IN GERMANY, USING RESOURCE-SAVING WOODEN CONSTRUCTION METHODS. THE FOCUS OF OUR REAL ESTATE DEVELOPMENT ACTIVITIES IS ON SUSTAINABILITY AND RESPONSIBLE USE OF RESOURCES. OUR AIM IS TO MINIMIZE DETRIMENTAL EFFECTS ON THE ENVIRONMENT BY FOLLOWING A GREEN BUILDING APPROACH. THUS, WE MAKE A SIGNIFICANT CONTRIBUTION TO REDUCING THE CARBON DIOXIDE CONCENTRATION IN THE EARTH'S ATMOSPHERE.

WE DEVELOP SUSTAINABLE AND MODERN LIVING QUARTERS USING A WOODEN CONSTRUCTION METHOD ACROSS GERMANY, PRIMARILY IN THE TOP 9 CITIES AND SELECTED HIGH-GROWTH REGIONS.

WE ARE COMMITTED TO THE HIGHEST LEVEL OF PROFESSIONALISM AND SUSTAINABILITY IN PROJECT DEVELOPMENT AND TO DELIVERING TAILOR-MADE RISK-OPTIMIZED SOLUTIONS, AND CAN RELY ON AN EXPERIENCED MANAGEMENT TEAM. A CHALLENGING AND SUSTAINABLE PROJECT DEVELOPMENT THAT IS IN LINE WITH MARKET NEEDS REQUIRES AN INTENSE COLLABORATION OF SPECIALISTS THAT COMPLEMENT AND INSPIRE EACH OTHER. IN TERMS OF DEVELOPMENT, WE COVER THE ENTIRE VALUE CHAIN FROM THE ACQUISITION OF LAND AND PROJECTS THROUGH DEVELOPMENT AND CONSTRUCTION TO THE SALE OF THE PROPERTIES.

CONTENT

LETTER OF THE MANAGEMENT BOARD

Dear Shareholders, Ladies and Gentlemen,

The political and social pressure on the industry to operate on a sustainable basis is growing constantly. We are already developing and erecting our residential real estate and urban quarters by employing resource-saving wooden construction methods. In doing so, we follow our sustainability criteria we defined in relation to project development and the purchase of all raw materials, commodities and services which represent the foundation of our entrepreneurial actions. We employ wood as a natural product in an innovative manner in our urban quarter development projects. Thus, we succeed in reducing the CO_2 impact on the atmosphere and achieve a long-term storage of CO_2.

All our buildings comply with at least one of the recognized sustainability standards, such as the Gold Standard requirements as introduced by the German Sustainable Building Council (DGNB). The buildings are energy-plus buildings since our properties produce more energy than what they consume. Electric power is generated on a regenerative basis through the use of combined heat and power plants, photovoltaics and geothermal installations.

We have transferred the combination of innovative design and technology with sustainable resources also to the construction process. We cooperate closely with construction management and jointly develop concepts already in the planning stages. This leads to a reduction of our cost and development risks and represents the basic prerequisite for our efforts to minimize environmental risks.

The COVID-19 pandemic continues to dominate the current situation, with long-lasting effects on health care, employment and quality of life as well as radical changes in social and business life. The effects the pandemic has on businesses remain hardly predictable.

Nevertheless, we are satisfied with the result of the past first quarter of 2021, which was mainly characterized by the sale of our activities in the Commercial Properties Development segment. After we adjusted our strategy in 2020 and will, in future, increasingly focus on the development of residential real estate, we reported already in the first quarter of 2021 that we had sold all shares in the subsidiary Development Partner, which specializes in the development of commercial properties, as well as the shares in three additional commercial project developments. Hence, we completely discontinued our activities in the Commercial Properties Development segment in view of the current pandemic in order to focus, in future, entirely on the Residential Properties Development segment.

Apart from the abovementioned sale, we acquired two large residential property development sites in Cologne and Dresden in February 2021, with an overall development potential of around 540,000 sqm of floor space. Furthermore, we acquired another residential property development in Chemnitz in the first quarter of 2021. Our gross development volume (GDV) amounts to approximately €5.3 billion as of March 31, 2021; including our additional attractive pipeline it amounts to €6 billion.

EBIT adjusted, which is a key financial indicator for us and represents the operating profit plus the result from investments accounted for using the equity method, amounted to a total of €40.8 million in the first three months 2021, while earnings before taxes (EBT) amounted to €32.8 million as of the end of March 2021. Consolidated profit (earnings after tax) amounted to €32.3 million, corresponding to earnings per share of €0.17.

Group equity rose to €390.1 million, and the LTV, including near-cash receivables, was 53.5%. Taking into account hidden reserves in relation to our development properties held as current assets, the LTV would be reduced, conservatively estimated, to at least 43.0%.

There were also personnel-related changes in the first quarter. At the beginning of 2021, Stefan Witjes was appointed as a new member of the Management Board; he is responsible for the business processes in the real estate business. In order to be able to efficiently implement the adjusted strategy, we have further expanded our internal project development capacities and hired five new employees by the end of May 2021. The relocation of our registered office to Berlin helped us acquire qualified talent from the project development area.

For the fiscal year 2021, we continue to expect an adjusted EBIT of €95–110 million and consolidated earnings before taxes (EBT) of €70–80 million.

Dear shareholders, we are in a very strong position for the future thanks to our development portfolio, our corporate strategy, and our very dedicated and experienced team. Therefore, we are grateful for your trust and look forward to a sustainable and successful cooperation with you.

Berlin, May 28, 2021

Tobias Meibom

Stefan Witjes

THE GATEWAY SHARE

PERFORMANCE OF THE GATEWAY SHARES

The shares of Gateway Real Estate AG had a stable development in the first quarter of 2021, thus resisting the negative trend many German equities of the real estate sector were facing throughout the first three months of 2021. While general indices built on the sometimes thrilling closing quarter of 2020 and even soared to new record highs in the first quarter of 2021 due to positive momentum such as the progress in the global vaccination campaigns, this positive sentiment largely did not leave its mark on real estate equities, although they had recovered more quickly from the COVID-19 crisis in 2020, the year of the pandemic.

Accordingly, the German blue-chip index DAX gained around 9.4 percent in the first quarter of 2021, while the FTSE EPRA Nareit Germany Index lost around 7.1 percent over the same period. Whereas residential real estate stocks from Germany, such as the two largest companies of the industry Vonovia and Deutsche Wohnen, had been regarded as “safe havens” by many international investors during the COVID-19 crisis in 2020, sector rotation tendencies emerged early in 2021 as Vonovia lost around 7 percent in the first quarter and Deutsche Wohnen almost 9 percent). This reallocation of capital to companies that were less in the limelight in 2020 and are now perceived as stronger beneficiaries of a soon-to-be end of the pandemic was additionally companied by general concerns over potentially rising interest rates – a development which traditionally has negative effects on the real estate sector.

As often seen in the past, GATEWAY was able to resist these developments thanks to its stable shareholder base. After the year 2020 was ended with a closing price of €2.98, GATEWAY started trading in fiscal year 2021 with a share price of €3.06 and closed the first quarter on March 31, 2021 with a closing price of €3.10. This corresponds to a gain of around 4 percent for GATEWAY’s share price. In the first quarter, the price peaked at €3.30 on March 9, while the lowest share price of the first three months of 2021 was recorded on January 18 at €2.78 (XETRA closing prices).

GATEWAY’s market capitalization amounts to approximately €579 million as of the reporting date March 31, 2021.

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SHARE INFORMATION

ISIN/WKN	DE000A0JJTG7/A0JJTG
Number of shares	186,764,040
Share capital	€186,764,040,00
Ticker symbol	GTY
Market segment	Regulated market (Prime Standard)
Subsector	Real estate
Trading venues	XETRA, Frankfurt am Main, Duesseldorf, Munich, Berlin, Hamburg, Stuttgart
Designated Sponsor	Credit Suisse
Opening price (January 4, 2021)	€3.06
Closing price (March 31, 2021)	€3.10
Highest price in the period (March 9, 2021)	€3.30
Lowest price in the period (January 18, 2021)	€2.78
Market capitalization (March 31, 2021)	€579.0 million

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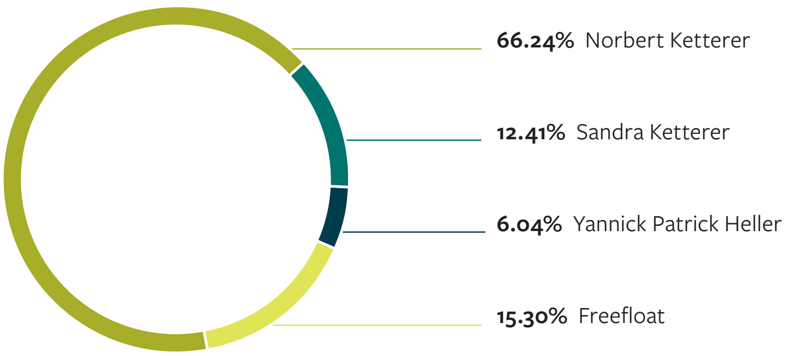
SHAREHOLDER STRUCTURE AS OF MARCH 31, 2021



INTERIM GROUP MANAGEMENT REPORT

1. FUNDAMENTAL INFORMATION ON THE GROUP AND STRATEGY

Gateway Real Estate AG (in the following also referred to as "GATEWAY", "Company" or "Group", in each case referring to the GATEWAY Group as a whole) is one of the leading listed real estate developers with a focus on residential real estate in Germany. In this context, GATEWAY focuses on Germany's Top 9 cities – Berlin, Cologne, Dresden, Duesseldorf, Frankfurt am Main, Hamburg, Leipzig, Munich and Stuttgart – as well as on selected high-growth areas and covers all of the important steps in the value creation chain of a development project with its own in-house teams.

In all of its project developments, GATEWAY pursues the strategy of generating attractive margins and, at the same time, minimizing the project development risk by means of a detailed process management. In the fiscal year 2020, the corporate strategy was extended; the Company now increasingly seeks to develop residential real estate for long-term holding and administration to generate sustainable rental revenues. Accordingly, the Standing Assets and Residential Properties Development segments will be expanded further in the medium term, and the activities in the Commercial Properties Development segment were fully discontinued through the sale of all shares held in Development Partner AG as well as in three further project companies in February 2021.

GATEWAY regularly carries out sensitivity analyses in connection with the calculation and supervision of projects, in which the effects of potential increases in construction costs are examined and suitable countermeasures taken to offset them are reviewed. Upon purchase, all our projects are generally evaluated and analyzed on an individual basis. In order to facilitate a close cost control and management, a regular internal meeting is held each month for each project, with the Management Board also being involved in each case. In connection with all sales of real estate and development projects, the Management Board, in turn, has to liaise with the Real Estate Committee, which consists of two members of the Supervisory Board and must grant its approval for the transaction.

When acquiring new plots of land, GATEWAY focuses on space where there are no finally approved zoning or land use plans. This enables GATEWAY to leverage potential value thanks to its long-standing expertise in the process of obtaining planning permissions and to actively determine the planning process for developments early on. GATEWAY's focus as regards land purchases is always on real estate development rather than the speculative resale of undeveloped sites. Accordingly, GATEWAY also lives up to its corporate social responsibility by newly constructing much needed residential space in Germany's metropolitan growth regions.

In connection with the sale of its development projects, GATEWAY exclusively addresses institutional investors, operates on the basis of lean and recurring sales structures and primarily follows a forward sales model pursuant to which properties are sold to investors once the building permit is obtained. GATEWAY then completes the projects, but generates revenue already upon the conclusion of a forward sales contract based on the progress of the construction activities. This strategy, together with contractually agreed payment schedules, enables GATEWAY to generate long-term and stable cash flows from its development projects.

As of March 31, 2021, GATEWAY has a diversified development pipeline with a total gross development volume of approximately €5.3 billion.

2. BUSINESS DEVELOPMENT

The first three months of 2021 were characterized by the sale of the activities in the Commercial Properties Development segment (all of the shares held in the subsidiary Development Partner, which specializes in the development of commercial properties, as well as the shares in three additional commercial project developments). Moreover, two large residential development sites in Cologne and Dresden as well as one additional residential project development in Chemnitz were acquired.

3. FINANCIAL POSITION

As a result of the acquisition of the two large residential development sites in Cologne and Dresden in the first three months of the current fiscal year, the effects on the financial position arising from the sale of the subsidiaries of the Commercial Properties Development segment, which was also conducted in the first quarter of 2021, could be largely offset.

Accordingly, GATEWAY Group's total assets slightly increased from €1,117.6 million as of December 31, 2020 by €26.9 million to a total of €1,144.6 million as of March 31, 2021.

On the assets side, the increase was primarily attributable to non-current assets which rose by €26.4 million and totaled €284.1 million. In contrast, current assets almost remained on the previous year's level, rising slightly by €0.5 million to €860.5 million.

The growth of non-current assets mainly results from the non-current portion of the existing loan receivables of €54.6 million due from the disposed companies of the Commercial Properties Development segment. This was offset by the disposal of the pro rata share in goodwill in the amount of €24.0 million and the disposals of the investments accounted for using the equity method in the amount of €7.1 million.

The value of the investment properties held by the Group amounted to €200.3 million as of the reporting date. The increase by €15.4 million results from a standing asset located in Duisburg, which was newly acquired in the first quarter of 2021.

In terms of current assets, the carrying amount of inventories fell from €667.0 million by €587.5 million due to deconsolidation measures. However, this was offset by higher inventories due to the acquired development projects, which ultimately led to an overall decline of €153.1 million. In addition, current other financial assets also increased by €181.1 million, which mainly involves claims arising under shareholder loans which remain in the selling entities.

Since the sales proceeds received were fully used to repay debt, the balance of cash and cash equivalents amounted to €22.7 million as of March 31, 2021, a decline by €27.8 million. Deconsolidation measures accounted for €22.7 million of that amount.

On the equity and liabilities side, the Group's non-current liabilities amounted to €359.5 million as of the reporting date (December 31, 2020: €197.2 million); the major portion of that amount is attributable to non-current financial liabilities in the amount of €324.6 million (December 31, 2020: €146.3 million). The substantial increase by 121.8% results from the newly acquired project companies (€244.4 million) and the assumed financing of the standing asset (€5.0 million). At the same time, deconsolidation measures led to a reduction by €74.8 million, recognized in the consolidated statement of financial position.

Current liabilities totaled €394.9 million as of March 31, 2021 (December 31, 2020: €560.6 million). The largest portion of that amount (€189.3 million) refers to trade payables (December 31, 2020: €68.6 million). The significant increase by €120.6 million results from the liabilities in the amount of €59.1 million in connection with the purchase price for acquired land assumed as part of the acquisition of the project company in Cologne and from the outstanding liabilities for the share purchase in the amount of €70.9 million.

In addition, an amount of €181.5 million refers to current financial liabilities (December 31, 2020: €459.7 million). They declined primarily due to the sale of the Commercial Properties Development segment of €287.0 million and due to repayments. This is offset by the financings in the amount of €53.7 million assumed within the context of the newly acquired project companies.

The GATEWAY Group's equity as of March 31, 2021 amounted to €390.1 million (December 31, 2020: €359.8 million). The increase is primarily the result of the positive consolidated total comprehensive income in the amount of €32.3 million. Accordingly, the Group's equity ratio rose from 32.0% at the end of the prior year to now 34.1% as of March 31, 2021.

4. CASH FLOWS

The cash inflows and outflows in the first three months of 2021 overall led to a decrease in cash as of March 31, 2021, primarily caused by cash flows from financing activities due to repayments of loans as well as by cash and cash equivalents disposed in connection with the sale of the Commercial Properties Development segment. At the same time, there were cash inflows in connection with payments of purchase price installments that were recorded as part of the cash flows from investing activities.

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CONDENSED CASH FLOW STATEMENT

in € thousand	01/01 – 03/31/2021	01/01 – 03/31/2020
Cash flows from operating activities	–11,738	–10,196
Cash flows from investing activities	24,076	–15,940
Cash flows from financing activities	–40,172	–97,854
Net decrease/increase in cash and cash equivalents	**–27,834**	**–123,990**
Cash and cash equivalents as of 01/01	50,549	216,045
Cash and cash equivalents as of the end of the period	22,715	92,055

The negative cash flows from operating activities increased by €1.5 million compared to the prior-year period and amounted to €–11.7 million in the first three months of the fiscal year 2021. The negative development compared to the prior-year period is due to the outflow of cash and cash equivalents resulting from the increase in inventories by €11.1 million (Q1 2020: €44.9 million), which was attributable to construction activities in connection with project developments. The positive cash flows from investing activities of €24.1 million primarily include the purchase price payments received from the sale of the Commercial Properties Development segment, less acquired and disposed cash funds. In the first quarter of 2020, investing activities showed an outflow of liquidity in the amount of €15.1 million as a result of the granting of a short-term loan.

The negative cash flows from financing activities in the amount of €40.2 million is attributable to the repayment of loans of €44.5 million. This was offset by new borrowings in connection with the acquisition of properties and the financing of construction activities in a total amount of €4.5 million. The net decrease resulting from the abovementioned cash flows in the first three months of the fiscal year 2021 totaled €–27.8 million, resulting in a reduction of cash and cash equivalents to €22.7 million as of March 31, 2021. As of the previous reporting date (December 31, 2020), cash and cash equivalents had amounted to €50.5 million.

5. FINANCIAL PERFORMANCE

The successful disposal of the Commercial Properties Development segment in February 2021 as well as the deconsolidation of the related companies conducted in March 2021 had a positive effect on the Group's financial performance. In the first quarter of 2021, a positive result from deconsolidation in the amount of €36.8 million was reported under other operating income. The current results of the subsidiaries, which remained fully consolidated until March, are also included in the consolidated statement of comprehensive income. The acquisition of the two large residential development sites in Cologne and Dresden had no significant influence on financial performance since both projects were realized through the acquisition of company shares. As a result of the tight schedule for reporting, adjustments may become necessary within the context of this transaction. We currently expect that any such adjustments will not have a material effect on the Company's financial position, cash flows and financial performance.

However, revenue declined from a total of €27.2 million in the previous year to now €12.3 million. In the prior period, the Group had recognized of €20.3 million in the Commercial Properties Development segment in connection with a forward deal newly entered into as part of a development project in Duesseldorf. In the financial year, revenue realized from the progress of development activities in relation to the three existing forward sales amounts to a total of €8.9 million. Additionally, revenue from lettings amounted to €3.2 million (Q1 2020: €2.3 million).

Gross profit amounted to €63.4 million (Q1 2020: €79.8 million), which, in addition to the revenues mentioned above, comprises changes in inventories of finished goods and work in progress of €14.1 million (Q1 2020: €51.3 million) – largely consisting of capitalized construction costs and construction period interest – and other operating income in the amount of €36.9 million (Q1 2020: €1.3 million).

The strategic adjustment implemented successfully in the first quarter and the re-focus on the two segments of Residential Properties Development and Standing Assets initially lead to a lower gross profit compared to the prior-year period.

In the reporting period, the costs for raw materials and consumables used decreased by €49.4 million over the prior-year period to €16.2 million and mainly consist of the construction costs of the inventory properties (€14.6 million), acquisition costs for land (€0.1 million) as well as management costs for the rented properties (€1.5 million). In the first three months of 2021, the employee benefits expense declined slightly by €0.4 million to €1.9 million. The fair value changes in investment properties and valuation of properties held as inventory amounted to €–1.6 million. Other operating expenses amounted to €2.3 million (Q1 2020: €4.8 million) and are primarily attributable to legal and consulting costs as well as accounting and closing costs. In the first three months of the fiscal year 2021, GATEWAY achieved an overall operating profit of €40.8 million (Q1 2020: €22.7 million).

Net finance costs in the first three months of the fiscal year 2021 amounted to €–8.0 million (Q1 2020: €–9.7 million) and include finance costs of €–8.8 million (Q1 2020: €–10.1 million). Finance costs are partially offset by finance income in the amount of €0.8 million (Q1 2020: €0.5 million).

Earnings before tax (EBT) amounted to €32.8 million (Q1 2020: €13.0 million). After deducting income taxes of €0.5 million (Q1 2020: €4.7 million), the consolidated profit for the first three months of the fiscal year 2021 amounted to €32.3 million (Q1 2020: €8.3 million). This corresponds to basic earnings per share of €0.17 (Q1 2020: €0.04) and diluted earnings per share of €0.17 (Q1 2020: €0.04). EBIT adjusted amounted to €40.8 million (Q1 2020: €22.7 million).

6. REPORT ON RISKS AND OPPORTUNITIES

The risks which Gateway Real Estate AG is exposed to within the framework of its business activities, as well as the opportunities arising for the Company were described in detail in the 2020 Annual Report on pages 51–55. In this context, the Group's risk management system was explained, property-specific and company-specific risks were presented, and their respective probability of occurrence as well as their potential financial effects were classified based on a risk classification.

The potential effects resulting from the COVID-19 pandemic were also taken into account. Although initial successes can be seen as regards vaccination campaigns and prevention measures in Germany and other European countries, there is currently no reason for a fundamental reassessment of the situation. Against this backdrop, GATEWAY does not see any significant changes in risks and the associated assessment based on the risk classification compared with the statements given in the 2020 Annual Report. We, therefore, refer to the discussion in the group management report for the fiscal year from January 1 to December 31, 2020.

As regards the opportunities for the Group, GATEWAY refers to the fact that a substantial slowdown of the economy and also recessionary trends, as could be observed following the COVID-19 pandemic, also offers new opportunities in the procurement market in terms of property and land acquisition. The financial difficulties of other companies may open up opportunities to acquire properties in particularly attractive locations or subject to particularly good terms. For further details, we refer to the report on opportunities in the 2020 Annual Report on pages 55–56.

7. REPORT ON EXPECTED DEVELOPMENTS

OUTLOOK FOR THE GATEWAY GROUP

By way of an ad hoc release dated April 26, 2021, GATEWAY issued a qualified forecast for the fiscal year 2021. Accordingly, the Management Board expects an adjusted EBIT of €95–110 million and consolidated earnings before taxes (EBT) of €70–80 million for the fiscal year 2021. The main drivers for business development are the sale of the entire commercial property portfolio in the first quarter of 2021 as well as future planned sales in the context of forward sale transactions in the Residential Properties Development segment. In view of the business development in the first quarter of 2021, the Management Board confirms this forecast.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2021

IFRS CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS OF MARCH 31, 2021

ASSETS

in € thousand	03/31/2021	12/31/2020
Non-current assets		
Intangible assets and goodwill	16,153	40,429
Property, plant and equipment	1,326	3,501
Investment properties	200,320	184,920
Investments accounted for using the equity method	28	7,130
Other non-current financial assets	60,368	8,817
Other non-current non-financial assets	2,527	2,562
Deferred tax assets	3,345	10,285
	284,067	**257,644**
Current assets		
Inventories	513,864	666,985
Trade receivables	1,499	1,431
Income tax receivables	3,507	3,616
Other financial assets	209,628	28,525
Other non-financial assets	55,142	54,726
Cash and cash equivalents	22,715	50,549
Non-current assets held for sale	54,150	54,150
	860,505	**859,982**
	1,144,572	**1,117,626**

EQUITY AND LIABILITIES

in € thousand	03/31/2021	12/31/2020
Equity		
Subscribed capital	186,764	186,764
Reserves	–389,131	–389,131
Retained earnings	589,988	557,411
Non-controlling interests	2,518	4,776
	390,139	**359,820**
Non-current liabilities		
Non-current financial liabilities	324,616	146,342
Deferred tax liabilities	33,451	47,836
Other non-current financial liabilities	1,441	3,009
	359,508	**197,187**
Current liabilities		
Other current provisions	0	452
Current financial liabilities	181,539	459,652
Income tax liabilities	2,328	7,127
Trade payables	189,287	68,649
Other financial liabilities	6,443	7,506
Other non-financial liabilities	15,328	17,233
	394,925	**560,619**
	1,144,572	**1,117,626**

IFRS CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FROM JANUARY 1 TO MARCH 31, 2021

in € thousand	01/01 – 03/31/2021	01/01 – 03/31/2020
Revenue	12,334	27,224
Changes in inventories of finished goods and work in progress	14,148	51,306
Other operating income	36,906	1,295
Gross profit	**63,388**	**79,825**
Raw materials and consumables used	–16,227	–65,659
Employee benefits expense	–1,920	–2,363
Fair value changes in investment properties and valua-tion of properties held as inventory and in non-current assets held for sale	–1,561	15,900
Depreciation and amortization expense	–583	–203
Other operating expenses	–2,252	–4,756
Operating profit	**40,845**	**22,744**
Profit or loss from investments accounted for using the equity method, after taxes	0	–76
Finance income	748	457
Finance costs	–8,784	–10,088
Net finance costs	**–8,036**	**–9,707**
Profit before tax	**32,809**	**13,037**
Income tax expense	–514	–4,740
Profit for the period	**32,295**	**8,297**
Other comprehensive income	0	0
Total comprehensive income for the period	**32,295**	**8,297**
Attributable to equity holders of the parent company	32,577	7,772
Attributable to non-controlling interests	–282	525
Earnings per share (basic)	0.17	0.04
Earnings per share (diluted)	0.17	0.04

IFRS CONSOLIDATED STATEMENT OF CASH FLOWS

FROM JANUARY 1 TO MARCH 31, 2021

in € thousand	01/01 – 03/31/2021	01/01 – 03/31/2020
Cash flows from operating activities		
Total comprehensive income for the period	32,295	8,297
Adjustments for:		
Amortization of intangible assets	27	2
Depreciation of property, plant and equipment	556	201
Changes in fair value of investment properties and valuation of properties held as inventory	1,502	–2,530
Changes in fair value of non-current assets held for sale (properties)	60	–13,370
Impairment on trade receivables	21	15
Tax expenses	514	4,740
Profit or loss from the sale of intangible assets	8	0
Profit or loss from the sale of property, plant and equipment	–8	0
Profit or loss from the sale of fully-consolidated companies	–36,758	0
Profit or loss from investments accounted for using the equity method, after taxes	0	76
Distributions received from investments accounted for using the equity method	0	1,693
Net finance costs	8,036	9,631
Changes in:		
Inventories	–11,081	–44,904
Trade receivables and other receivables	–2,531	995
Other financial assets	–9,569	32,148
Non-financial assets	–1,616	–2,667
Trade payables and other payables	977	3,561
Non-financial liabilities	4,151	–197
Other provisions as well as assets and provisions for employee benefits	–12	–856
Changes in other financial liabilities	7,398	0
Interest paid	–5,034	–6,634
Income taxes received	115	8
Income taxes paid	–789	–405
Cash flows from operating activities	**–11,738**	**–10,196**
Cash flows from investing activities		
Payments for investments in investment properties	–121	0
Purchase of intangible assets	–2	–5
Purchase of property, plant and equipment	–58	–53
Payments for additions to consolidation group less cash acquired	2,488	0
Sale of consolidated companies less cash and cash equivalents transferred	21,829	0
Cash outflows for investments in properties held for sale (IFRS 5)	–60	–830
Purchase of other financial assets	0	–15,050
Purchase of investments accounted for using the equity method	0	–18
Interest received	0	16
Cash flows from investing activities	**24,076**	**–15,940**
Cash flows from financing activities		
Cash inflows from new (financial) loans	4,508	48,823
Transaction costs for loans and borrowings	0	–20
Payments for lease liabilities	–157	–128
Repayments of loans	–44,523	–146,368
Fees for financial liabilities not utilized	0	–161
Cash flows from financing activities	**–40,172**	**–97,854**
Net change in cash and cash equivalents	**–27,834**	**–123,990**
Cash and cash equivalents as of 01/01	50,549	216,045
Cash and cash equivalents as of the end of the period	**22,715**	**92,055**

IFRS CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FROM JANUARY 1 TO MARCH 31, 2021

	Equity attributable to equity holders of the parent company					
in € thousand	Subscribed capital	Reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance as of 01/01/2020	**186,764**	**–22,804**	**156,778**	**320,738**	**5,253**	**325,991**
Profit/loss	0	0	7,772	7,772	525	8,297
Change in the scope of consolidation/disposal of shares	0	0	0	0	81	81
Other	0	0	–62	–62	–428	–490
Balance as of 03/31/2020	**186,764**	**–22,804**	**164,488**	**328,448**	**5,431**	**333,879**
Balance as of 01/01/2021	**186,764**	**–389,131**	**557,411**	**355,044**	**4,776**	**359,820**
Profit/loss	0	0	32,577	32,577	–282	32,295
Change in the scope of consolidation/disposal of shares	0	0	0	0	–1,976	–1,976
Balance as of 03/31/2021	**186,764**	**–389,131**	**589,988**	**387,621**	**2,518**	**390,139**

FINANCIAL CALENDAR

August, 2021	Annual General Meeting
September 30, 2021	Publication of half-yearly financial report
November 22–24, 2021	Deutsches Eigenkapitalforum
November 30, 2021	Publication of quarterly statement (publication date Q3)

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Publisher
Gateway Real Estate AG
Hardenbergstr. 28a
10623 Berlin, Germany

Tel. +49 30 40 363 47-0
Fax +49 30 40 363 47-99

info@gateway-re.de
www.gateway-re.de

Project management
GFD – Gesellschaft für Finanzkommunikation mbH,
Frankfurt am Main, Germany

Design
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