CONSUS
REAL ESTATE

HALF-YEAR FINANCIAL REPORT 2020

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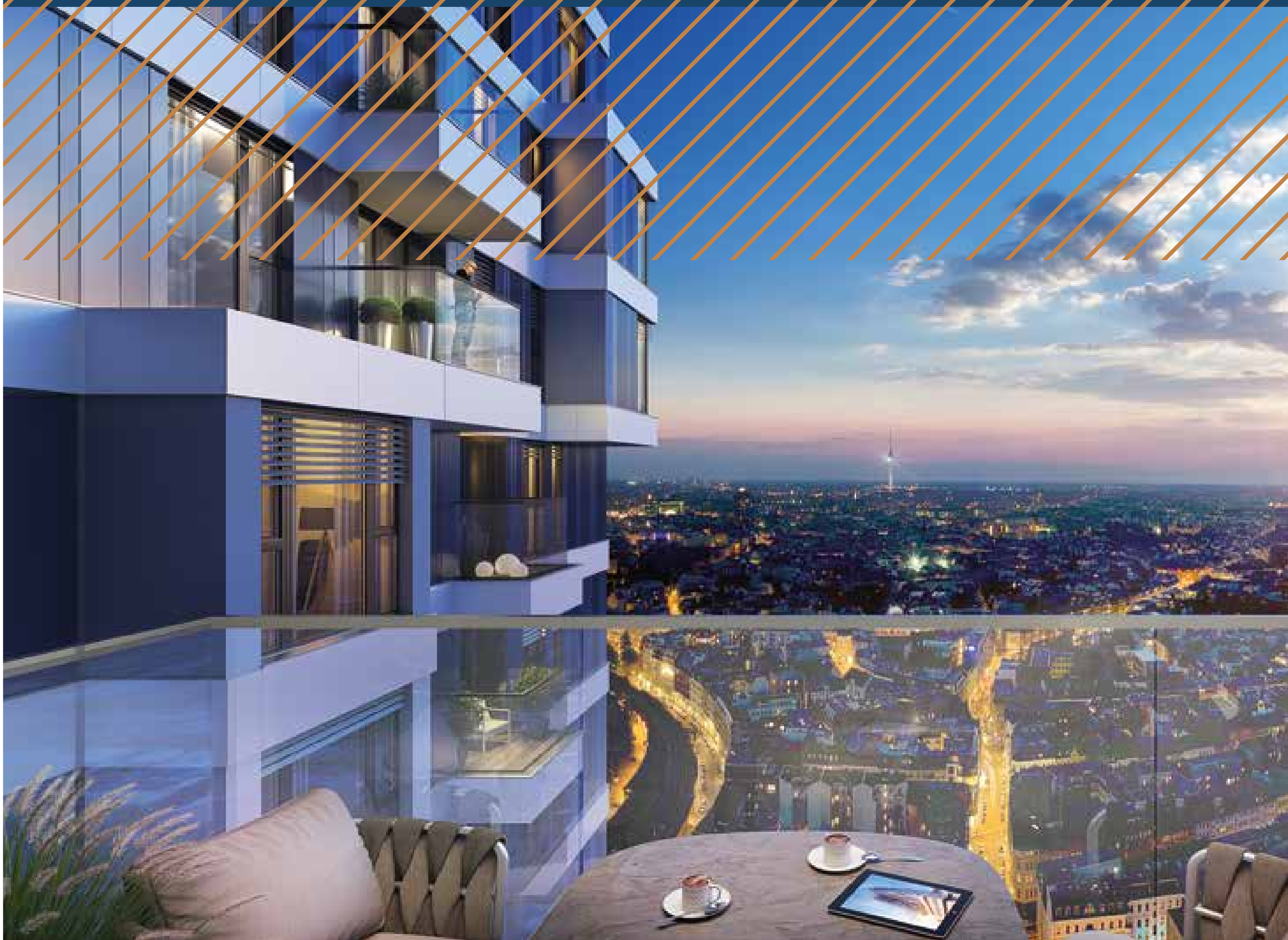


ÜBerlin

FOREWORD BY THE MANAGEMENT BOARD

**Dear Shareholders,
dear Business Partners,
dear Ladies and Gentlemen,**

In the second quarter of 2020, Consus Real Estate AG continued to operate the business through the challenges of the coronavirus pandemic, while executing significant strategic transactions. In May, the company announced two significant upfront sales with a combined transaction value of around €1.1 billion which will substantially reduce the company's level of net debt and leverage. The remaining portfolio is almost exclusively based in the top 9 cities with an increased forward sold ratio and an enhanced residential focus.

Progress on its deleveraging strategy was demonstrated through 2 major sales in May 2020: On 8 May 2020 the company announced the sale of assets amounting to around €690 million, resulting in the reduction of project debt by around €475 million. The agreed sales price represented a double-digit premium to the market values as of 31 December 2019 for the respective projects. The gross development value ("GDV") of the development projects disposed of is €2.3 billion.

On 20 May 2020, a further significant asset sale of GDV €2.0 billion was announced and again the development projects were sold at a premium to the market values appraised as of 31 December 2019. This transaction results in a further reduction of project finance debt by around €390 million and, subject to closing adjustments and conditions, is expected to close in Q3 2020. A portion of the proceeds could be reinvested in new development projects in the medium term. The divestment of these development projects further focuses Consus' portfolio on residential developments in top 9 cities, as the assets sold had a significantly greater proportion planned for commercial use. With both these upfront sales, Consus will have achieved total upfront sales year to date of GDV €4.3 billion, and will have a remaining development portfolio with a GDV of €8.0 billion. The proportion of the remaining portfolio that has been forward sold, is under LOI or in negotiation for a forward sale will increase materially to 32%, further reducing development and business risks.

In addition, the company completed the acquisition of the remaining 25% minority stake in Consus RE AG, its largest subsidiary, in July 2020 to simplify the corporate structure. As a consequence, the company currently holds 100% of the shares in Consus RE AG.

On 29 June 2020, ADO Properties S.A. (“ADO“) announced that it has exercised its call option to acquire control of Consus and announced on 6 July 2020 that ADO has successfully closed the call option and has acquired control. ADO also announced that they intend to launch a public voluntary tender offer to all remaining minority shareholders of Consus in due course.

ADO has announced that it intends to change the Company’s business strategy to focus on build-to-hold as part of the combined group. Under a revised business strategy, Consus expects that certain forward sales and upfront sales currently planned for 2020, which would have contributed to the Company’s 2020 results, will not be undertaken. For this reason, Consus has withdrawn its guidance of an Adjusted EBITDA of approx. €450m for 2020.

The Consus Group has had a successful second quarter of 2020. Overall performance of €490.4 million increased significantly year-on-year by 47.0% Our key performance indicator, EBITDA pre-PPA and pre-one-offs (Adjusted EBITDA), reached €136.3 million (Q2 2019: €121.6 million), leading to an adjusted EBITDA pre-PPA margin of 22.2%. The company reports its figures on a pre purchase price allocation (‘PPA’) and pre-one-off basis in order to remove the accounting impact of the acquisitions and highlight the underlying business performance. LTM Adjusted EBITDA reached €359.1 million (FY 2019: €344.3 million), reflecting the continued underlying growth in the business. Reported Net debt / LTM Adjusted EBITDA at 30 June 2020 reduced to 7.3x.

Consus is pleased to have again achieved growth and strategic transformation against the backdrop of challenging economic conditions.

The Annual General Meeting of Consus Real Estate AG will be held in Berlin on 15 October 2020 as a virtual event due to the coronavirus pandemic. All required information for our valued shareholders will be made available on the Consus website.

We would like to thank our shareholders for their trust in Consus and we hope for your continued support alongside our next important milestones in the future development of Consus. We would like to extend our appreciation to all of our employees, whose daily efforts and expertise make Consus stronger by the day.

THEODORUS GORENS
Member of the Management Board

Our Mission

SHAPING THE PRESENT BUILDING THE FUTURE

CONSUS FACTS & FIGURES

Consus Real Estate AG, headquartered in Berlin, is the leading real estate developer in the top 9 cities in Germany with a gross development volume, pro forma for the recently announced disposals, of €8bn. Consus focuses on the development of residential complexes and standardised multi-storey residential construction, which are sold to institutional investors through forward sales. ADO Properties S.A., the strategic shareholder of Consus, announced that it intends to change the business strategy of Consus to a build-to-hold approach. Consus has a strategic co-operation agreement with ADO Properties S.A. where it works together with ADO on its residential development portfolio. As part of the agreement, CONSUS has provided a right to ADO to allow it to match any offer from a third party on residential development projects worked on together.

Thanks to its own construction competence and the digitalisation of construction processes, Consus operates along the entire value chain of real estate development. Consus delivers the realisation of projects from planning and execution to handover, property management and related services through its subsidiaries Consus RE AG and Consus Swiss Finance AG.

PROJECT DEVELOPMENTS WITH A GDV OF **8.0*** *billion Euros*

** pro forma for signed Upfront Sales*

CURRENT REAL ESTATE PORTFOLIO

39* *projects*

** pro forma for signed Upfront Sales*

NET FLOOR AREA TOTAL

1,270* *thousand* m²

** pro forma for signed Upfront Sales*

RESIDENTIAL PERCENTAGE OF TOTAL NFA

63%*

** pro forma for signed Upfront Sales*

RESIDENTIAL NET FLOOR AREA

800* *thousand* m²

** pro forma for signed Upfront Sales*

GDV IN TOP 9 CITIES IN GERMANY

99%*

** pro forma for signed Upfront Sales*

Q1 HIGHLIGHTS

JANUARY

New project in Mannheim: Revitalisation of the "Konradhaus"

With the revitalisation of the "Konradhaus", a former office building in the Mannheim district Wohlgelegen/Neckarstadt-Ost, Consus is creating a highly modern commercial property with almost 20,000 square metres in the immediate vicinity of Mannheim's University Clinic, the green oasis Herzogenriedpark and the cultural centres Alte Feuerwache and Capitol, as well as multiple well-known companies.

Topping out ceremony at the Gohliser Bleichert Werke in Leipzig

On the 30th of January, Consus celebrated the topping out ceremony at the historic production halls of the Bleichert Werke in Leipzig. In building 9 of the former industrial complex, 15 condominiums are being built as the culmination of a development project of 180 modern apartments with about 17,000 m² of living space, 3,000 m² of commercial space, a day-care centre for children and 280 parking spaces.

FEBRUARY

Foundation stone laid for the "Südtribüne" housing project in Dortmund

In February, Consus reached an important milestone in the construction on its first development in Dortmund. With the residential project "Südtribüne" in the Innenstadt-Ost district, the company is creating 65 residential units, approx. 60 car parking spaces and a small commercial unit. The project is scheduled for completion in mid 2021.

New Best Western hotel project in the Quartier Kaiserlei

A new hotel project by Macrander Hotel Gruppe becomes part of Consus' large-scale development project "Quartier Kaiserlei" between Offenbach and Frankfurt (Main). The new Best Western Plus Hotel Frankfurt/Kaiserlei, a modern business hotel boasting 188 rooms and scheduled to open in 2022 will complete one of the largest real estate projects in the Rhine-Main region.

First major lease signed for 1,700 square metres at Franklin Haus

In March, Consus leased the first 1,700 m^2 of its new, exclusive Franklin-Haus in Berlin to a software developer. The future office building in a central location in Berlin-Charlottenburg has six floors and one mezzanine floor with a total lettable area of approximately 11,500 square metres.The property has already been forward sold to BNP Paribas in February 2019.

MARCH

Groundbreaking ceremony at Brauhöfe in Passau

In March, Consus celebrated the ground breaking ceremony for the first residential building of its project "Brauhöfe" at the former site of the traditional Peschl brewery close to the city centre of Passau. The residential building, named "auers", is the first of three planned residential buildings. A total of 82 apartments will be built on 7,800 square metres of gross floor area, for which sales have already been launched.

CG Gruppe becomes Consus RE

In March, following a change in management, CG Gruppe, a currently independent subsidiary of Consus Real Estate, was renamed to Consus RE. "Through the further integration of CG Gruppe, we are now able to optimally leverage synergies within the group even faster and thus ensure the long-term success of the Consus Group", Andreas Steyer, CEO of Consus, commented on this important step.

Q2 HIGHLIGHTS

MAY

Consus divests 17 development projects

In May, Consus has divested 17 development projects with a GDV of EUR 2.3 billion. The projects have been sold to Gröner Group GmbH, which is controlled by Christoph Gröner, for a premium to the market values appraised as of 31 December 2019. Consus will reduce its project finance debt by around EUR 475 million as a result of this transaction, and receive a material cash payment.

In addition to the divestments, the Management Board has resolved to acquire the outstanding 25% minority stake in Consus RE AG primarily for new shares in Consus and a cash component.

Jens Jäpel steps down from the Management Board

Jens Jäpel left the Management Board of Consus and Consus RE due to the expected future changes in the company structure.

MAY

Consus divests 8 development projects with a GDV of EUR 2.0 billion

The Management Board of Consus has resolved to divest 8 development projects with a GDV of EUR 2.0 billion. The development projects have been sold to Partners Immobilien Capital Management, a real estate fund, at a premium to the market values appraised as of 31 December 2019.

JUNE

ADO Properties S.A. acquires control

On the 29th of June, ADO announced it has exercised its call option to acquire control of Consus. ADO intends to launch a public voluntary tender offer to all remaining minority shareholders of the Company. ADO announced that it intends to change the Company's business strategy to focus on build-to-hold as part of the combined group.

HIGHLIGHTS OF PROJECT DEVELOPMENT

Düsseldorf

BENRATHER GÄRTEN

In Düsseldorf, the plot formerly occupied by the Outokumpu steel mill is being developed into a green urban complex with residential and commercial areas. Close to the Baroque-style Benrath Palace, the Benrather Gärten will provide modern, urban housing in the centre of the Rhine-Ruhr metropolitan region.

Stuttgart

VAI CAMPUS STUTTGART

Close to the metropolis of Stuttgart, Consus is developing a smart project in a class of its own. Around the former IBM campus, designed by the German architectural legend Egon Eiermann, three neighbourhoods will become a home for more than 3,000 people.

Inspired by naturally grown Old Town areas, these will be enjoyable and comfortable spaces for their residents. Shops, restaurants and cafés complete the complex and make it an organic urban residential area committed to the idea of a future worth living in.

Hamburg

HOLSTEN QUARTIER

At the former site of the traditional Holsten Brewery in Hamburg, Consus is developing a hip and urban neighbourhood, in which offices, restaurants, retail and over 1.000 apartments are being built. The neighbourhood creates much-needed living space in the Hanseatic city and breathes new life into the historic site.

The Holsten brewery is located in the heart of Hamburg's Altona-Nord district. This area is home to the Neue Mitte Altona, a district development and reorganisation of the Hamburg-Altona railway junction. In many streets you can still find magnificent buildings from the Wilhelminian period. The development area offers the opportunity to redesign the centre of the district next to the Neue Mitte Altona.

BUSINESS DEVELOPMENT

Consus is the leading residential real estate developer in Germany's top 9 cities with a portfolio of €10.0 billion across 47 projects as of 30 June 2020. Pro forma for the announced upfront sale, the GDV of the portfolio will be €8.0 billion across 39 projects. Following these upfront sales, Consus will have increased its proportion of residential in developments to over 62%, and its remaining development portfolio of GDV €8.0 billion is almost exclusively in Germany's top 9 cities, with 92% of GDV in Germany's top 7 cities.

As of 30 June 2020, the volume of projects forward sold amounts to approximately €2.8 billion. Forward sold projects are either contracted, signed with LOIs or in negotiation with major institutional buyers. Pro forma for the announced upfront sales, forward sales of €2.6 billion corresponds to 32% of the total project pipeline of €8.0 billion.

Gross Asset Value (GAV) according to IFRS amounted to €2.76 billion and the company's market gross asset value (Market GAV) €3.30 billion (year end 2019: €3.62 billion) both reflecting the deconsolidation of the upfront sale announced on 8 May 2020; no adjustments were made for general market values. Pro forma for the other disposal, Market GAV is estimated to be €2.9 billion as of 30 June 2020.

DEVELOPMENT OF INCOME STATEMENT ITEMS

	H1 2020	H1 2019 (revised)	Change
	in k€	**in k€**	**in %**
Total income	**613,630**	**210,346**	**191.7**
– Income from letting activities	8,359	8,724	-4.2
– Income from real estate inventory disposed of	339,697	2,400	14,054
– Income from property development	217,728	192,099	13.3
– Income from service, maintenance and management activities	47,846	7,123	571.7
Change in project-related inventory	**-123.214**	**123,281**	**-199.9**
Overall performance	**490,416**	**333,627**	**47.0**
EBITDA (Earnings before interest, taxes, depreciation and amortisation)	**120,919**	**116,589**	**3.7**
Adjusted EBITDA (pre PPA and one-off expenses)	**136,276**	**121,615**	**12.1**
Adjusted EBITDA margin	**22.2**	**57.8**	**-35.6**
Financial result	**-102,310**	**-106,932**	**-4.3**
Consolidated net income	**9,245**	**4,429**	**108.7**

RESULTS FROM OPERATIONS

At the end of the first half of 2020, the Group generated a total income of €613.6 million (H1 2019: €210.3 million), and overall performance of €490.4 million (H1 2019: €333.6 million).

The company's development projects are progressing, with 47 different projects contributing to our project development earnings in the second quarter. Around 23% of development revenue is attributable to condominium sales. These condominiums are either located in seven condominium-only development projects or constitute a part of larger neighbourhood development projects.

Revenues from letting activities provided €8.4 million (H1 2019: €8.7 million) and remained on a stable lower level, as a non-core business of Consus. The Adjusted EBITDA (pre-purchase price allocation and one-off expenses) amounted to €136.3 million at the end of the first half of 2020 (H1 2019: €121.6 million), based off a reported EBITDA of €120.9 million (H1 2019: €116.6 million). The EBITDA contribution came mainly from the development projects and capitalised interest, with a small contribution from the letting activities and services.

Financial expenses of €156.8 million reflect the increased interest costs due to the issuance of the senior secured bond and due to an increase in the volume of project loans in the business as construction increased. Financial income of €54.4 million reflects primarily income from fair value changes from derivatives and also income from loans.

Other operating expenses were €47.9 million in H1 2020 and are higher than in H1 2019 (€31.6 million) due to increased expenditures for strategic transformation initiatives such as the announced upfront sales. Consolidated Net Income increased by 108.7% to €9.2 million in the first half of 2020 (H1 2019: €4.4 million).

BALANCE SHEET REVIEW

The balance sheet decreased as the company divested assets, with total assets decreasing from €4.76 billion as of year-end to €4.61 billion as of 30 June 2020. Investment properties decreased from €384.0 million as of year end to €97.9 million driven by the announced divestments in Q2 2020. Financial assets increased to €182.1 million from €104.7 million as of 31 December 2019 mainly due to higher restricted cash (+ €36.4 million) and higher fair values of derivatives (+ €26.7 million). The fair value of the embedded derivative of the €450 million bond was positively impacted by the ADO transaction. Total contract assets net of contract liabilities increased to €382.7 million from €282.0 million as of 31 December 2019 reflecting forward sales in prior quarters plus the work in progress on existing forward sales, with prepayments related to forward sales increasing from €483.1 million as of 31 December 2019 to €565.1 million. Total cash, restricted and unrestricted, and also including restricted cash presented in financial assets decreased from €192.7 million at year end 2019 to €161.9 million as of 30 June 2020 caused mainly by lower net proceeds from borrowings as well as cash consumption in operations in HY 1 2020.

As of 30 June 2020, Consus Group has received a total of €914.3 million (31 December 2019: €788.9 million) in prepayments from forward sales, including advanced payments on land and investments and others. Prepayments related to land and construction increased as projects were forward sold and constructed, demonstrating the strength of our forward sale focused business model.

Trade payables increased to €127.8 million (31 December 2019: €97.6 million) as construction work further increased. Total financing liabilities decreased to €2,720.5 million (31 December 2019: €2,850.5 million), as a result of the project sales to Christoph Gröner also including the transfer of financing liabilities. Net debt decreased to €2,617.2 million (31 December 2019: €2,699.9 million) caused by lower financing liabilities, which overcompensated the decrease in cash and cash equivalents. Consus' equity amounted to €1,084.5 million (31 December 2019: €1,064.4 million) at the reporting date.

Net debt / Adjusted LTM EBITDA as of 30 June 2020, decreased to 7.3x driven by the increase in Adjusted LTM EBITDA and the decrease in net debt compared to FY 2019 (7.8x).

CASHFLOW

Consus achieved net cashflow from operating activities of €-82.2 million as of 30 June 2020 (H1 2019: €13.1 million), reflecting the ramp-up of construction business and lack of new forward sales in the quarter. Investing cash flow was €-64.7 million, primarily reflecting capex spend. From a financing perspective, €122.0 million of debt was repaid, with a further €279.5 million being raised as the company refinances its project debt.

RECENT DEVELOPMENTS

In July 2020: In line with the ongoing integration of operations and streamlining of its group structure, Consus has completed the acquisition of the remaining 25% minority stake (on a fully diluted basis) in Consus RE AG (formerly CG Gruppe AG) ("Consus RE") against €27.5m in cash and 24.75 million Consus shares. The management board of Consus, with the approval of the supervisory board, has resolved to increase the share capital by issuing 24.75 million new registered non par-value shares with a notional value of €1.00 each against contribution in kind. The implementation of the capital increase was registered with the commercial register on 22 June 2020. Following the completion, Consus RE is a wholly-owned subsidiary of Consus and Consus intends to convert Consus RE to a limited liability company (GmbH). As a supervisory board is no longer required upon conversion, Christoph Gröner will therefore also resign as a supervisory board member of Consus RE. The integration is expected to be completed in Q3 2020.

CEO Andreas Steyer and CFO Benjamin Lee left the Management Board of the company on 11 July 2020 and on 26 July 2020 respectively following the change of control.

OUTLOOK

Consus continues to believe that German residential real estate in the top 9 cities will prove to be one of the most robust asset classes despite the coronavirus pandemic. Following the sale, and including the impact of the previously announced disposal, the proportion of Consus' GDV within the top 9 cities will have increased to 99%.

ADO announced with the exercise of its call option in Consus that it intends to change the company's business strategy to focus on build-to-hold as part of the combined group. Under a revised business strategy, Consus expects that certain forward sales and upfront sales currently planned for 2020, which would have contributed to the Company's 2020 results, will not be undertaken. For this reason, Consus has withdrawn its guidance of an Adjusted EBITDA of approx. €450m for 2020.

Consus does not assume at this point in time that the coronavirus pandemic will have a material impact on the Group's business. Existing forward sales contracts are continuing largely unaffected; however, certain upfront sales and new forward sales are currently delayed and our plans, including these sales being completed as originally assumed, are dependent on the scale of negative impacts caused by the coronavirus pandemic and the success of any counter measures. Although there is a risk to asset prices, Consus continues to believe that German residential real estate will prove to be one of the most robust asset classes despite the coronavirus pandemic. Consus will continue to assess any potential macroeconomic and industry-related impacts as well as any impact on the Group's business, either directly or from reduced economic visibility, and will update the market as appropriate.

RISK MANAGMENT

Since 11 March,, 2020, the coronavirus has been classified as a pandemic. A pandemic is an epidemic that spans multiple countries and continents. The World Health Organization (WHO) anticipates a further increase in the number of cases and possible deaths, as well as the number of countries affected, and expresses concern about the spread and severity of the diseases. The situation is considered very serious on the part of the company. If the coronavirus is suspected or occurs among Consus employees, service providers or suppliers, there may be delays at the construction sites of our projects.

The Management Board has assessed the risk from the further spread of the pandemic and the effects on the asset, financial and earnings situation as relevant. An internal crisis team has been established to decide on all necessary measures to be taken and to be managed. The managers and employees of the Consus Group have been informed and instructed about precautionary measures and specific measures to be taken in the event of suspected or occurring illness.

The outbreak of the coronavirus and its rapid spread across many countries and continents has led to a change in certain risk estimates made by the Management Board as of 31 December, 2019. At the moment, Consus cannot conclusively assess the effects on Consus from the impact on the overall economic and industry-related developments by the coronavirus, but has assumed that the risks in this risk category have generally increased.

This also entails increased financial, financing and liquidity risks as well as risks in the project development phases, e.g. in the area of financing, completion and sale of the Consus' projects. The completion can be delayed due to the lack of availability of materials or of our own as well as employees of subcontractors, e.g. because entry into Germany is prevented by closing the borders. Delayed completions can lead to later cash flows under forward sales contracts or those from condominium sales. There is also a risk of increasing building costs. Upfront sales can be delayed due to economic uncertainty and sales prices achieved may decline. Fundamentally, willingness to invest can also diminish in the economic environment shaped by the coronavirus.

The coronavirus pandemic is currently being successfully addressed in Germany; however, there is no certainty on whether the incidences of coronavirus will increase again and on its overall impact on the economy and on Consus. Consus continues to actively assess the risks and potential actions.

Otherwise, the risk profile of Consus remains materially unchanged and in line with the risks and opportunities outlined in our Consolidated Financial Statements and Group Management Report dated 31 December 2019. However, material sale of development projects in the second quarter of 2020 resulting in additional significant deleveraging and reduction in average interest rate.

Berlin, 27 August 2020

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	01/01/–30/06/2020 (unaudited)	01/01/–30/06/2019* (unaudited)	01/04/–30/06/2020 (unaudited)	01/04/–30/06/2019* (unaudited)
		in k€	**in k€**	**in k€**	**in k€**
Income from letting activities	3.8.1	8,359	8,724	3,419	5,382
Income from real estate inventory disposed of		339,697	2,400	339,697	2,400
Income from property development	3.8.2	217,728	192,099	102,201	98,122
Income from service, maintenance and management activities		47,846	7,123	42,604	5,841
Total income		**613,630**	**210,346**	**487,921**	**111,744**
Change in project related inventory	3.8.2	-123,214	123,281	-225,902	77,075
Overall performance		**490,416**	**333,627**	**262,019**	**188,820**
Expenses from letting activities	3.8.1	-3,120	-4,840	-1,365	-2,450
Cost of materials		-291,524	-168,073	-154,738	-98,520 8,403
Net income from the remeasurement of investment properties		-	-	-	-
Other operating income		10,961	8,482	9,490	3,279
Personnel expenses		-37,872	-29,382	-19,214	-15,560
Other operating expenses	3.8.3	-47,943	-31,628	-21,228	-8,313
EBITDA (Earnings before interest, taxes, depreciation and amortisation)		**120,919**	**116,589**	**74,964**	**75,658**
Depreciation and amortisation		-5,369	-3,319	-3,061	-1,849
EBIT* (Earnings before interest and taxes)		**115,550**	**113,270**	**71,903**	**73,809**
Financial income	3.8.4	54,448	13,192	44,652	1,378
Financial expenses	3.8.4	-156,758	-120,124	-76,339	-68,722
EBT (Earnings before taxes)		**13,240**	**6,338**	**40,216**	**6,465**
Income tax expenses	3.8.5	-3,995	-1,909	-12,135	-1,947
Net income (Earnings after taxes) from continued operations		**9,245**	**4,429**	**28,081**	**4,518**
Discontinued operations					
Net income (Earnings after taxes) from discontinued operations		-	-	-	-
Consolidated net income		**9,245**	**4,429**	**28,081**	**4,518**
Other comprehensive income		323	268	-75	51
thereof non-recycling		-	-	-	-
thereof will be reclassified to profit or loss		323	-	-75	-
Total comprehensive income		**9,568**	**4,697**	**28,006**	**4,569**

* including interest expenses that are capitalised in accordance with IAS 23 (refer to note 3.8.2)

	Note	01/01/– 30/06/2020 (unaudited)	01/01/– 30/06/2019* (unaudited)	01/04/– 30/06/2020 (unaudited)	01/04/– 30/06/2019* (unaudited)
		in k€	**in k€**		
Of the net income from continuing operations for the period, the following is attributable to:					
Non-controlling interests		-8,908	5,756	-3,627	5,855
Shareholders of the parent company		18,153	-1,327	31,708	-1,337
Of the total comprehensive income from continuing operations for the period, the following is attributable to:					
Non-controlling interests					
Shareholders of the parent company		-8,887	5,680	-3,632	5,780
		18,455	-984	31,638	-1,211
Total comprehensive income for the period attributable to shareholders of the parent company arising from:					
Continuing operations		18,455	-984	31,638	-1,211
Discontinued operations		-	-	-	-
Total comprehensive income for the period attributable to non-controlling interests arising from:					
Continuing operations		-8,887	5,680	-3,632	5,780
Discontinued operations		-	-	-	-
Earnings per share from continued operations (basic) in EUR	**3.8.6**	**0.13**	**-0.01**	**0.23**	**0.03**
Earnings per share from continued operations (diluted) in EUR	**3.8.6**	**0.11**	**-0.01**	**0.21**	**0.03**

* Prior year figures adjusted (3.6.2)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30/06/2020 (unaudited)	31/12/2019
		in k€	**in k€**
Non-current assets:			
Investment property		97,932	384,044
Property, plant and equipment		10,175	11,076
Right-of-use assets		10,185	17,144
Goodwill		1,036,489	1,036,489
Other intangible assets		4,694	4,919
Investments accounted for using the equity method		20,725	21,046
Receivables from related parties	3.11	-	184
Financial assets	3.8.9	101,227	73,559
Other assets	3.8.9	195	194
Contract assets	3.8.7	21,103	13,856
Total non-current assets		**1,302,724**	**1,562,511**
Current assets:			
Inventory	3.8.8	2,239,201	2,472,621
Trade and other receivables		399,046	41,663
Receivables from related parties	3.11	39,062	109,082
Tax receivables		6,515	11,572
Financial assets	3.8.9	60,705	31,101
Other assets	3.8.9	63,016	28,707
Contract assets	3.8.7	372,301	321,347
Cash and cash equivalents	3.8.12	103,284	150,613
Assets held for sale		26,100	26,100
Total current assets		**3,309,229**	**3,192,805**
Total Assets		**4,611,953**	**4,755,315**

	Note	30/06/2020 (unaudited)	31/12/2019
		in k€	**in k€**
Equity:			
Subscribed capital		161,332	136,582
Capital reserves		1,099,882	877,132
Other Reserves		-199,873	-81,606
Non-controlling interests		23,127	132,286
Total Equity		1,084,467	1,064,394
Non-current liabilities:			
Financing liabilities		1,439,549	1,655,621
Provisions		4,002	2,843
Prepayments received	3.10.2	72	-
Liabilities to related parties	3.11	-	27,500
Other liabilities		18,491	32,572
Deferred tax liabilities		50,668	111,232
Total non-current liabilities		1,512,781	1,829,767
Current liabilities:			
Financing liabilities		1,280,932	1,194,880
Provisions		6,433	7,426
Trade payables		127,849	97,576
Liabilities to related parties	3.11	17,376	53,299
Tax payables		55,302	53,038
Prepayments received	3.10.2	349,126	305,777
Other liabilities		167,028	95,993
Contract liabilities	3.8.7	10,660	53,166
Liabilities included in a disposal group classified as held for sale		**-**	**-**
Total current liabilities		**2,014,706**	**1,861,154**
Total equity and liabilities		**4,611,953**	**4,755,315**

CONSOLIDATED CASH FLOW STATEMENT

	Note	01/01/–30/06/2020 (unaudited)	01/01/–30/06/2019* (unaudited)
		in k€	**in k€**
Operating activities:			
Net profit		9,245	4,429
Tax expense	3.8.5	3,995	1,909
Profit (loss) before tax		**13,240**	**6,338**
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and impairment of property, plant and equipment		2,412	1,572
Amortisation and impairment of intangible assets		594	60
Valuation gains on financial assets		-	-
Valuation gains on investment property		-	-8,403
Depreciation on right-of-use asset		2,363	1,686
Financial income	3.8.4	-54,448	-13,192
Financial expenses	3.8.4	156,758	120,124
Other non-cash adjustments		-56,247	1,129
		64,672	**109,315**
Working capital adjustments:			
Decrease/(increase) in rent and other receivables		-291,921	5,588
Decrease/(increase) prepayments, accrued income and other assets		-6,882	1,638
Decrease/(increase) in inventories and contractual assets	3.8.7	82,441	-208,934
(Decrease)/increase in prepayments on development projects		92,778	77,891
Decrease/(increase) in investment property		310,604	-23,037
(Decrease)/increase in trade, other payables and accruals, contractual liabilities and other liabilities		-329,546	49,808
Income tax paid		-4,316	795
Net cash flow from operating activities		**-82,170**	**13,063**

* Prior year figures adjusted (3.6.2)

	Note	01/01/–30/06/2020 (unaudited)	01/01/–30/06/2019* (unaudited)
		in k€	**in k€**
Investing activities:			
Acquisition of consolidated entities, net of cash acquired		-13,599	-65,617
Purchase of investment property		-10,168	-
Loans granted		-12,817	-44,552
Capital expenditure on investment property		-10,863	-18,710
Proceeds from the sale of PPE & intangibles		180	-
Expenditure on other fixed assets		-2,905	-663
Interest received	3.8.4	3,473	784
Change in financial assets		-17,983	-34,759
Net cash flow from investing activities		**-64,683**	**-163,517**
Financing activities:			
Proceeds from borrowings		279,457	647,180
Repayment of borrowings		-121,957	-361,370
Acquisition of additional shares in consolidated entities		-	-13,200
Principal elements of lease payments		-2,309	-1,223
Interest paid	3.8.4	-55,666	-86,458
Net cash flow from financing activities		**99,524**	**184,929**
Cash effective change in cash and cash equivalents from discontinuing operations		-	-
Net increase/(decrease) in cash and cash equivalents		-47,329	34,475
Effect of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at the beginning of the year		150,613	91,603
Cash and cash equivalents at 31 December 2019		**103,284**	**126,078**

* Prior year figures adjusted (3.6.2)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Subscribed capital	Capital reserves	Retained earnings	Other reserves
	in k€	in k€	in k€	in k€
01/01/2020				
Profit for the period	-	-	18,153	-
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	**-**	**-**	**18,153**	**-**
Conversion Notice Convertible Loan	-	-	-	
Transactions with minority shareholders without change of control	-	-	-	-
Consolidation of entities with minority interest	-	-	-	-
Effects from PPA finalisation	-	-	-	-
Share transfer	24,750	222,750	-	-136,744
Reversal of guaranteed dividend	-	-	-	-
30/06/2020	**161,332**	**1,099,882**	**-25,907**	**-172,893**

	OCI	Total	NCI	Total Equity
	in k€	in k€	in k€	in k€
01/01/2020	**-1,397**	**932,108**	**132,286**	**1,064,394**
Profit for the period	-	18,153	-8,908	9,245
Other comprehensive income	323	323	-	323
Total comprehensive income for the period	**323**	**18,476**	**-8,908**	**9,568**
Conversion Notice Convertible Loan	-	-	-	-
Transactions with minority shareholders without change of control	-	-	-	-
Consolidation of entities with minority interest	-	-	-	-
Effects from PPA finalisation	-	-	-	-
Share transfer	-	110,756	-110,756	-
Reversal of guaranteed dividend	-	-	10,505	10,505
30/06/2020	**-1,073**	**1,061,340**	**23,127**	**1,084,467**

By exercising the authorised capital with resolution of 17 June 2020, the company increased its share capital by €24,750,000 to €161,331,507 by issuing a total of 24,750,000 bearer shares with a proportionate amount of the share capital of €1.00 per share. The difference to the selling price of €10.00 per share is reflected in the capital reserve and amounts to in total €222,750,000.

	Subscribed capital	Capital reserves	Retained earnings	Other reserves
	in k€	in k€	in k€	in k€
01/01/2019	**134,040**	**904,233**	**-24,500**	**-8,649**
Profit for the period	-	-	-1,327	-
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	**-**	**-**	**-1,327**	**-**
Conversion Notice Convertible Loan	1,067	6,760	-	-
Transactions with minority shareholders without change of control	-	-49,576	-	-
Consolidation of entities with minority interest	-	-	-	-
Effects from PPA finalisation	-	-	-	1,902
30/06/2019	**135,107**	**861,417**	**-25,827**	**-6,748**

	OCI	Total	NCI	Total Equity *
	in k€	in k€	in k€	in k€
01/01/2019	**-1,828**	**1,003,295**	**148,600**	**1,151,895**
Profit for the period	-	-1,327	5,756	4,429
Other comprehensive income	343	343	-76	268
Total comprehensive income for the period	**343**	**-984**	**5,680**	**4,697**
Conversion Notice Convertible Loan	-	7,828	-	7,828
Transactions with minority shareholders without change of control	-	-49,576	-17,354	-66,930
Consolidation of entities with minority interest	-	-	3,619	3,619
Effects from PPA finalisation	-	1,902	-2,529	-628
30/06/2019	**-1,485**	**962,465**	**138,016**	**1,100,481**

* Prior year figures adjusted (3.6.2)

CONDENSED NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2020

3.1 INFORMATION ON THE COMPANY

Consus Real Estate AG ('the Company', 'Consus' or 'the Parent Company', together with its subsidiaries 'the Group') is a public limited company incorporated under the laws of the Federal Republic of Germany.

The registered address of the Company is Kurfürstendamm 188 - 189, 10707 Berlin. The Company is registered under the commercial register number HRB 191887B in the commercial registry of the district court of Berlin-Charlottenburg.

The condensed interim consolidated financial statements for the six months up to and including 30 June 2020, comprise the Company and its subsidiaries.

On 29 June 2020 ADO Properties S.A. ("ADO") announced that it has exercised its call option to acquire control of Consus Real Estate AG. ADO also intends to launch a public voluntary tender offer at the same 0.2390 x ADO shares for each share of the Company (to be adjusted for a rights issue) to all remaining minority shareholders of the Company in due course. Furthermore, ADO intends to change the Company' business strategy to focus on build-to-hold as part of the combined group.

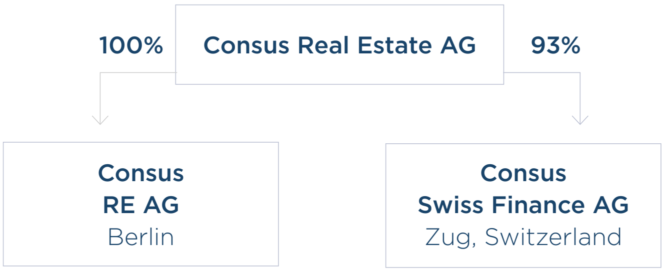
3.2 BUSINESS ACTIVITIES

The Company specialises in the acquisition, development, management, use and sale of real estate and land rights in Germany through a number of shareholdings.

The Group focuses its business activities primarily on the functions of real estate development as well as some investment property, in which it covers the entire value chain together with experienced partners.

The Company has been operating within the real estate sector since November 2016.

The Group's principal subsidiaries as of 30 June 2020 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. Germany is their principal place of business. In June 2020 Consus Real Estate AG acquired the remaining minority shares of Consus RE AG, which were held by Christoph Gröner or his related parties.



Note: Consus RE AG was formerly CG Gruppe AG. The name was changed on 19 March 2020. Consus Swiss Finance AG was formerly SSN Group AG. The name was changed on 21 August 2019.

Consus RE AG (formerly CG Gruppe) and Consus Swiss Finance AG (formerly SSN Group) together are referred to as Consus Development.

General information on the Condensed Interim Consolidated Financial Statements

The Condensed Interim Consolidated Financial Statements of Consus Real Estate AG have been prepared in accordance with the provisions of International Financial Reporting Standards (IFRS) for interim reporting adopted and issued by the International Accounting Standards Board (IASB), as adopted by the European Union. Based on the option under IAS 34.10, the notes to the interim financial statements were presented in condensed form.

They do not include all of the information required for full annual financial statements, and should be read in conjunction with the Consolidated Financial Statements of the Group for the year ending 31 December 2019. Selected explanatory notes are included to explain events and transactions that are significant for understanding the changes in the Group's financial position and performance since the last annual consolidated financial statements for the year up to and including 31 December 2019.

3.3 ACCOUNTING POLICIES

The Condensed Interim Consolidated Financial Statements have been prepared in thousands of Euro (€). Rounding differences may occur in respect to individual amounts or percentages. The Condensed Interim Consolidated Financial Statements are comprised of the Condensed Interim Consolidated Statements of Comprehensive Income, the Condensed Interim Consolidated Statements of Financial Position, the Condensed Interim Consolidated Statements of Changes in Equity and the Condensed Interim Consolidated Statements of Cash Flows for the six-month period up to and including 30 June 2020.

The Condensed Interim Consolidated Statement of Comprehensive Income is prepared according to the nature of expense method. The presentation of the Condensed Interim Consolidated Statement of Financial Position distinguishes between current and non-current assets and current and non-current liabilities. Assets and liabilities falling due within one year are classified as current.

The Company's condensed interim consolidated financial statements and those of its subsidiaries are prepared according to uniform accounting policies. In the process, the principles are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ending 31 December 2019, except for the adoption of new standards, interpretations and amendments adopted with effect from 1 January 2020 (see section 3.6.1). These Condensed Interim Financial Statements shall therefore be read together with the Group's consolidated financial statements 2019.

3.4 GOODWILL IMPAIRMENT TEST

The goodwill arising from the acquisition of Consus RE AG, including Diplan, and Consus Swiss Finance Group totalling €1,036,489 thousand (year end 2019: €1,036,489 thousand) was tested for impairment in accordance with the regulations of IAS 36.12 as of 31 March 2020 due to market developments observed amongst others as impact of the coronavirus pandemic and provided sufficient headroom on the carrying amounts of our two cash generating units (CGUs).

The applied weighted average costs of capital (WACC after taxes) as of 31 March 2020 was 5.74%. Until 30 June 2020 the comparable WACC after taxes decreased to 5.45%. Up to the release date of the half year 2020 reporting the Company also did not identify changes of cash flows and carrying amounts with assumed material negative impacts on the headrooms on the CGUs' carrying amounts. To this effect no detailed goodwill impairment tests as of 30 June 2020 were prepared in accordance with IAS 36.23.

3.5 FAIR VALUE MEASUREMENTS

When determining the fair value of assets and liabilities, the Group uses directly observable market data. If no observable market data is available, fair values are determined using valuation techniques.

For the valuation of real estate inventory for example future expenses as well as the future selling price are key inputs. Deriving the fair value of financial liabilities heavily depends on inputs such as the applied market interest rates.

The fair value hierarchy categorises the inputs used in valuation techniques into six levels, based on their proximity to the market:

Level 1: The (unadjusted) quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly (i.e. the price) or indirectly (i.e. derived from the price).

Level 3: Measurement parameters based on unobservable inputs for the asset or liability.

In case the inputs used to measure fair value are categorised into different levels of the fair value hierarchy, the fair value measurement is categorised in its entirety in the level of the lowest level input that is significant to the entire measurement.

The fair value hierarchy can be summarised as follows:

Fair value hierarchy	Level I	Level II	Level III
Purchase price allocation in the context of business combinations			x
Investment properties			x
Financing liabilities		x	
Derivatives		x	
Assets held for sale		x	

3.6 CHANGES IN ACCOUNTING POLICIES AND OTHER ADJUSTMENTS

3.6.1 NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS

Consus has fully implemented all new standards, interpretations and amendments with effect from 1 January 2020. The amendments of IFRS 3 will be considered for future business combinations. The amendments of the interest rate benchmark reform at IFRS 9, IAS 39 and IFRS 7 did not have impacts on the assessment of derivatives, because Consus did not apply hedge accounting.

3.7 SCOPE OF CONSOLIDATION

As part of its deleveraging strategy the Company announced on 8 May 2020 a significant sale of assets to companies controlled by Christoph Gröner resulting in share deals of 14 subsidiaries, which left the Group's consolidated financial statements as of 31 May 2020. The transaction resulted in a (preliminary) profit of €53.9 million. The (preliminary) purchase price receivable of €339.7 million is included in the balance sheet position Trade and other receivables. If the purchase price has not been paid by 31 October 2020, the transaction can be reversed. The Company believes that the purchase price will be paid.

Apart from this transaction the Group's consolidated financial statement as of 30 June 2020 remained materially unchanged compared to 31 December 2019.

3.8 SELECTED EXPLANATORY NOTES

3.8.1 RESULT FROM LETTING ACTIVITIES

The following breakdown shows the result from letting activities for the three months ended 31 March 2020.

	01/01/ – 30/06/2020	01/01/ – 30/06/2019
	in k€	**in k€**
Rental income	8,354	8,724
Income from recharged operating costs	5	-
Income from other goods and services	-	-
Income from letting activities	**8,359**	**8,724**
Expenses from operating costs	-3,120	-4,091
Maintenance expenses	-	-
Other services	-	-749
Expenses related to letting activities	**-3,120**	**-4,840**
Net operating income from letting activities	**5,239**	**3,884**

Rental income slightly decreased compared to H1 2019 and did not belong to the core business of the Company prior to the acquisition by ADO.

The change in inventory relates to the capitalised production costs for the inventory properties, which include k€68,501 in capitalised interest on borrowed capital.

3.8.2 INCOME FROM PROPERTY DEVELOPMENT/ CHANGE IN PROJECT RELATED INVENTORY

During the first six months of 2020 no new forward sales contracts were signed. Income from property development resulted from the building progress on existing forward sales projects.

3.8.3 OTHER OPERATING EXPENSES

Other operating expenses break down as follows:

	01/01/ – 31/06/2020	01/01/ – 31/06/2019
	in k€	**in k€**
Write-offs and allowances on receivables	-1,163	-712
Consulting and audit fees	-13,965	-6,039
Admin expenses	-5,405	-2,062
Utility expenses for office space	-2,191	-1,891
Marketing expenses	-10,120	-10,220
Car and travel expenses	-3,279	-3,602
Other taxes	-2,116	-3,080
Other expenses	-9,704	-4,023
Total	**-47,943**	**-31,628**

During H1 2020 the increase in operating expenses was primarily in consulting and audit fees as well as admin expenses compared to the respective prior year period. The increase in consulting and audit fees is predominantly caused by the restructuring of the group and the impact of the strategic stake acquisition by ADO Properties as well as the implementation of new software tools. The admin expenses are not fully comparable between the half years due to a change in composition.

3.8.4 FINANCIAL INCOME AND FINANCIAL EXPENSES

Financial result can be broken down as follows:

	01/01/ – 31/06/2020	01/01/ – 31/06/2019
	in k€	**in k€**
Interest income from bank deposits	-	-
Income from fair value changes of derivatives	44,554	1,487
Income from derecognition of derivatives	-	-52
Interest income from late payments	-	26
Interest income from loans	3,663	1,239
Other financial income	6,230	10,491
Total financial income	**54,448**	**13,192**
Expense from fair value measurement of embedded derivatives	-12,637	-2,901
Interest expense from embedded derivates	-	-
Expense from derecognition of derivatives	-1,033	-
Interest expense from loans	-132,402	-103,736
Interest expense on lease liabilities	-188	-514
Other financial expenses	-10,498	-12,972
Total financial expenses	**-156,758**	**-120,124**
Financial result	**-102,310**	**-106,932**

Total financial income mainly increased because of the unrealised gain of €44,554 thousand resulting from the fair value measurement of the embedded derivative included in the €450 million bond.

The increase of interest expense from loans is in part driven by the coupon on the Consus senior secured bond issued in two tranches of €400 million in Q2 2019 and €50 million in Q4 2019, as well as an overall increase in debt before some subsidiaries were sold to Christoph Gröner as of 31 May 2020. In addition, the fair value measurement of embedded derivatives resulted in a charge of €12,637 thousand.

3.8.5 INCOME TAXES

Income tax expense and income is broken down by origin as follows:

	01/01/ – 30/06/2020	01/01/ – 30/06/2019*
	in k€	**in k€**
Current income taxes for the period	-10,085	-1,865
Deferred taxes	6,090	-45
Tax result	**-3,995**	**-1,909**

* Prior year figures adjusted

3.8.6 EARNINGS PER SHARE

Basic earnings per share from continuing operations is calculated by dividing the income/loss from continuing operations attributable to the shareholders of the parent company by the weighted average number of undiluted shares in the respective financial year. Basic earnings per share from continuing and discontinued operations is cal-culated by dividing the consolidated income/loss for the period attributable to shareholders of the parent company by the undiluted weighted average number of shares in the respective financial year. The weighted average number of ordinary shares is calculated from the number of shares in circulation at the beginning of the period adjusted by the number of shares issued during the period and multiplied by a time-weighting factor. The time-weighting factor reflects the ratio of the number of days on which shares were issued and the total number of days in the period.

	01/01/ – 31/06/2020	01/01/ – 31/06/2019 *
	in k€	**in k€**
Consolidated net income/loss for the period from continuing operations	9,245	4,429
Income/loss from continuing operations attributable to non-controlling interests	-8,908	5,756
Income/loss from continuing operations attributable to shareholders	**18,153**	**-1,327**
Weighted average number of shares issued, in thousands	137,805	134,553
Basic earnings per share from continuing operations in EUR	0,13	-0.01
Number of dilutive potential shares, in thousands	21,789	-
Diluted earnings per share from continuing operations in EUR	0,11	-0.01
Consolidated net income/loss for the period from discontinued operations attributable to shareholders	-	-
Weighted average number of shares issued, in thousands	137,805	134,553
Basic earnings per share from discontinued operations in EUR	-	-
Number of dilutive potential shares, in thousands	21,789	-
Diluted earnings per share from discontinued operations in EUR	-	-
Consolidated net income/loss for the period from continuing and discontinued operations attributable to shareholders	18,153	-1,327
Weighted average number of shares issued, in thousands	137,805	134,553
Basic earnings per share from continuing and discontinued operations in EUR	0,13	-0.01
Number of dilutive potential shares, in thousands	21,789	-
Diluted earnings per share from continuing and discontinued operations in EUR	0,11	-0.01

* Prior year figures adjusted

3.8.7 CONTRACT BALANCES

The timing of revenue recognition, invoicing and cash collections results in billed accounts receivables, unbilled receivables (contract assets) and customer advances (contract liabilities) on the Statement of Financial Position. In the Group's development activities, amounts are billed as work progresses in accordance with agreed-upon contractual term, either at periodic intervals or upon achievement of contractual milestones. Generally, billing occurs subsequent to revenue recognition resulting in contract assets. However, the Group sometimes receives advances from its customers before revenue is recognised, resulting in contract liabilities. These assets and liabilities are reported on the Consolidated Statement of Financial Position on a contract-by-contract basis at the end of each reporting period. Changes in the contract asset and liability balances during the financial year 2019 were not materially impacted by other factors besides as laid out below.

The following table provides information about contract assets and contract liabilities from contracts with customers:

	Book value as of: 30/06/2020	Book value as of: 31/12/2019
	in k€	**in k€**
Net contract assets - non-current	**21,103**	**13,856**
Gross contract assets – non-current	21,103	13,856
Prepayments received on non-current contract balances	-	-
Net contract assets - current	**372,317**	**321,347**
Gross contract assets - current	839,368	619,430
Prepayments received on current contract balances	-467,051	-298,083
Net contract liabilities	**-10,676**	**-53,166**
Gross contract liabilities - current	87,340	131,855
Prepayments received on current contract liabilities	-98,016	-185,021
Net contract assets (liabilities)	**382,744**	**282,037**

No impairments for credit risks in accordance with IFRS 9 were made in respect of contract assets in the half year. This is due to the circumstances that the credit default risk of the contractual partners is relatively low. Furthermore, the value-at-risk can be regarded as relatively low due to the hedging of the development projects.

3.8.8 INVENTORY

Inventory also includes the land from forward sales and can be broken down as follows:

	30/06/2020	31/12/2019
	in k€	**in k€**
Carrying amount of inventories	**2,239,201**	**2,472,621**
- of that Real Estate "Institutional"	1,456,650	1,528,728
- of that Real Estate "Parking"	28,890	26,822
- of that Real Estate "Apartments for sale"	744,314	871,977
- of that Real Estate "Other construction work"	1,407	33,582
- of that other inventory: not development	7,940	11,513

Virtually all of the inventory is pledged as underlying security provided for loan agreements.

3.8.9 OTHER ASSETS

Other Assets can be broken down as follows:

	31/06/2020	31/12/2019
	in k€	in k€
Accruals	**3,371**	**3,150**
Receivables from other taxes	17,546	10,291
Prepayments made	20,573	3,809
Assets recognised from costs to obtain or fulfil a contract	7,159	8,926
Other assets	14,562	2,725
Total	**63,211**	**28,900**

Accrued costs for obtaining Forward Sales contracts were recorded as other assets in prior periods with a remaining book value of €8.1 million at the end of the quarter. The asset is amortised on a straight-line basis over the lifetime of the specific contract to which it relates. The corresponding expenses accounted for as other operating expenses during the period amounted to €0.9 million.

Financial assets can be broken down as follows:

	30/06/2020		31/12/2019
	current	non-current	
	in k€	in k€	in k€
Other loans	2,433	11,155	18,321
Restricted cash	35,013	43,486	42,092
Deposits	240	50	247
Derivative financial instruments	2,023	46,169	21,468
Other financial assets	20,997	80	22,127
Shares in non-consolidated companies	-	287	404
Total	**60,705**	**101,227**	**104,659**

3.8.10 FINANCIAL INSTRUMENTS

During 2019, the company placed a bond, in two tranches, with a total nominal amount of €450,000 thousand, from which a derivative (option for early repurchase of the bond) was split off with a fair value at the time of issue totalling €13,397 thousand. The bond is measured at amortised cost using the effective interest method and had a book value of €445,561 thousand as of 30 June 2020. The carrying amount of the derivative shown as a financial asset was €42,690 thousand as of 30 June 2020.

The nominal amount of the convertible bonds as of 30 June 2020 was €173,700 thousand and the book values as of 30 June 2020 was €165,828. The embedded derivative had a fair value of €8,672 thousand at the end of H1 2020, which was shown in the financing liabilities. The convertible bond is valued using an option price model. Key input factors in the valuation are the share price and the volatility of the share price.

In some cases, the bonds concluded by Consus Development contain embedded derivatives, which must be measured at fair value through profit or loss separately from their host contract. These embedded derivatives are termination options that allow Consus Development to repay the respective bonds before the actual due date. Termination options are assessed using an option pricing model (binomial model). The main input factors in the option price model used are volatility and the refinancing interest rate on the valuation date. As of 30 June 2020, the market value of the derivatives was €5.5 million.

The following abbreviations are used for the measurement categories:

- FVTPL: Fair Value through Profit and Loss
- AC: Amortised Cost
- Debt FVOCI: Debt investments at Fair Value through Other Comprehensive Income
- Equity FVOCI: Equity investments at Fair Value through Other Comprehensive Income

Financial assets and liabilities by measurement category and class are shown in the following table.

VALUATION CATEGORIES ACC. TO IFRS 9 – 30/06/2020

	Category acc. to IFRS 9	Carrying value as of 30/06/2020	Nominal value	Amortised costs
		in k€	in k€	in k€
Non-current financial assets: Investments	FVOCI – equity	278	-	-
Non-current financial assets: Other	Amortised cost	54,779	-	54,779
Other non-current financial assets (derivatives)	FVTPL	46,169	-	-
Trade and other receivables	Amortised cost	399,046	-	399,046
Current financial assets: Other	Amortised cost	58,682	-	58,682
Other current financial assets; Derivatives	FVTPL	2,023	-	-
Receivables from related entities	Amortised cost	39,062	-	39,062
Cash and cash equivalents	Amortised cost	103,284	103,284	-
Total financial assets		**703,323**	**103,284**	**551,570**
Financing liabilities	Amortised cost	2,712,372	-	2,712,372
Trade payables	Amortised cost	127,849	-	127,849
Liabilities to related entities	Amortised cost	17,376	-	17,376
Financing liabilities: Derivatives	FVTPL	8,109	-	-
Other liabilities	Amortised Cost	106,204	-	106,204
Total financial liabilities	**Amortised Cost**	**2,971,910**	**-**	**2,963,800**
Financial Assets measured at fair value through OCI - debt instrument	FVOCI-debt instrument	-	-	-
Financial Assets measured at fair value through OCI - equity instrument	FVOCI-equity instrument	278	-	-
Financial Asset measured at fair value through profit and loss	FVTPL	48,192	-	-
Financial asset measured at amortised cost	Amortised cost	654,853	103,284	551,570
Financial Liabilities at cost	Amortised cost	2,963,800	-	2,963,800
Financial Liabilities held for trading	FVTPL	8,109	-	-

	Fair value through P/L	Fair value through equity	Fair value as of 30/06/2020	Fair value hierarchy level
		in k€	in k€	in k€
Non-current financial assets: Investments	-	278	278	3
Non-current financial assets: Other	-	-	54,779	2
Other non-current financial assets (derivatives)	46,169	-	46,169	-
Trade and other receivables	-	-	399,046	2
Current financial assets: Other	-	-	58,682	2
Other current financial assets; Derivatives	2,023	-	2,023	3
Receivables from related entities	-	-	39,062	2
Cash and cash equivalents	-	-	-	1
Total financial assets	**48,192**	**278**	**600,039**	
Financing liabilities	-	-	2,629,642	2
Trade payables	-	-	127,849	2
Liabilities to related entities	-	-	17,376	2
Financing liabilities: Derivatives	8,109	-	8,109	3
Other liabilities	-	-	106,204	2
Total financial liabilities	**8,109**	**-**	**2,889,180**	
Financial Assets measured at fair value through OCI - debt instrument	-	-	-	
Financial Assets measured at fair value through OCI - equity instrument	-	278	278	
Financial Asset measured at fair value through profit and loss	48,192	-	48,192	
Financial asset measured at amortised cost	-	-	551,570	
Financial Liabilities at cost	-	-	2,963,800	
Financial Liabilities held for trading	8,109	-	8,109	

VALUATION CATEGORIES ACC. TO IFRS 9 – 31/12/2019

	Category acc. to IFRS 9	Carrying value as of 31/12/2019	Nominal value	Amortised costs
		in k€	**in k€**	**in k€**
Non-current financial assets: Investments	FVOCI – equity	404	-	-
Non-current financial assets: Other	Amortised cost	52,359	-	52,359
Other non-current financial assets (derivatives)	FVTPL	20,796	-	-
Trade and other receivables	Amortised cost	41,663	-	41,663
Current financial assets: Other	Amortised cost	30,429	-	30,429
Other current financial assets; Derivatives	FVTPL	672	-	-
Receivables from related entities	Amortised cost	109,266	-	109,266
Cash and cash equivalents	Amortised cost	150,613	150,613	-
Total financial assets		**406,202**	**150,613**	**233,717**
Financing liabilities	Amortised cost	2,836,299	-	2,836,299
Trade payables	Amortised cost	97,576	-	97,576
Liabilities to related entities	Amortised cost	80,799	-	80,799
Financing liabilities: Derivatives	FVTPL	14,202	-	-
Other liabilities	Amortised Cost	78,091	-	78,091
Total financial liabilities	**Amortised Cost**	**3,106,966**	**-**	**3,092,765**
Financial Assets measured at fair value through OCI - debt instrument	FVOCI-debt instrument	-	-	-
Financial Assets measured at fair value through OCI - equity instrument	FVOCI-equity instrument	404	-	-
Financial Asset measured at fair value through profit and loss	FVTPL	21,468	-	-
Financial asset measured at amortised cost	Amortised cost	389,899	150,613	233,717
Financial Liabilities at cost	Amortised cost	3,092,765	-	3,092,765
Financial Liabilities held for trading	FVTPL	14,202	-	-

	Fair value through P/L	Fair value through equity	Fair value as of 31/12/2019	Fair value hierarchy level
		in k€	in k€	in k€
Non-current financial assets: Investments	-	404	404	3
Non-current financial assets: Other	-	-	52,359	2
Other non-current financial assets (derivatives)	20,796	-	20,796	0
Trade and other receivables	-	-	41,663	2
Current financial assets: Other	-	-	30,429	2
Other current financial assets; Derivatives	672	-	672	3
Receivables from related entities	-	-	109,443	2
Cash and cash equivalents	-	-	150,613	1
Total financial assets	**21,468**	**404**	**406,378**	
Financing liabilities	-	-	2,906,123	2
Trade payables	-	-	97,576	2
Liabilities to related entities	-	-	80,791	2
Financing liabilities: Derivatives	14,202	-	14,202	3
Other liabilities	-	-	78,091	2
Total financial liabilities	**14,202**	**-**	**3,176,783**	
Financial Assets measured at fair value through OCI - debt instrument	-	-	-	
Financial Assets measured at fair value through OCI - equity instrument	-	404	404	
Financial Asset measured at fair value through profit and loss	21,468	-	21,468	
Financial asset measured at amortised cost	-	-	389,899	
Financial Liabilities at cost	-	-	3,162,581	
Financial Liabilities held for trading	14,202	-	14,202	

Liquidity risk exposure for the Group was as follows:

	Carrying value as of 30/06/2020	Maturities		
		< 1 year	1–5 years	> 5 years
	in k€	in k€	in k€	in k€
Liabilities to financial institutions	2,720,481	1,356,405	1,696,845	3,762
Trade payables	127,849	127,849	-	-
Liabilities to related parties	17,376	17,376	-	-
Other financial liabilities	106,204	104,586	1,617	-
Total	**2,971,910**	**1,606,216**	**1,698,462**	**3,762**

	Carrying value as of 31/12/2019	Maturities		
		< 1 year	1–5 years	> 5 years
	in k€	in k€	in k€	in k€
Liabilities to financial institutions	2,850,501	1,360,244	1,826,351	113,439
Trade payables	97,576	97,576	-	-
Liabilities to related parties	80,799	53,299	27,500	-
Other financial liabilities	78,091	77,923	168	-
Total	**3,106,966**	**1,589,041**	**1,854,019**	**113,439**

3.8.11 LEASE INFORMATION (IFRS 16)

Due to changes in the assessment of the probability to extend lease contracts, the Company's right-of-use assets and lease liabilities were each reduced by €5,693 thousand with an impact on the consolidated statement of comprehensive income of zero. The change in assessment is caused by the restructuring of the Group and especially the exit of the former Consus RE AG CEO Christoph Gröner.

3.8.12 CASH AND CASH EQUIVALENTS

Cash and cash equivalents exclusively comprise balances with banks. The cash and cash equivalents are always available and represent the financial resources of the Company.

	30/06/2020	31/12/2019
	in k€	in k€
Bank deposits	103,241	150,580
Cash at hand	43	32
Cash and cash equivalents	**103,284**	**150,613**
– amount restricted	89,012	139,457

Restricted cash and cash equivalents are subject to restrictions, particularly with regard to their use for the financed properties and as a minimum to secure future interest payments. Cash and cash equivalents with a fixed purpose have a remaining term of no more than 3 months and are reported as restricted cash. There are no discretionary approval provisions from third parties in this connection. A smaller proportion is subject to transfer controls, i.e. these funds must be held by certain group companies in accordance with the respective loan agreement.

3.9 SEGMENT INFORMATION

3.9.1 OPERATING SEGMENTS

For management purposes, the Group is organised into business units based on its organisational structure and has two reportable segments, as follows:

- Consus RE (formerly CG Gruppe): Principal business activities include the development of real estate for residential use as well as commercial use. Furthermore, Consus RE is engaged in the renting of commercial and residential real estate as well as complementary services.
- Consus Swiss Finance: Principal business activities include the development of real estate for residential use as well as commercial use. Furthermore, Consus Swiss Finance is engaged in planning, construction and building services as well as the renting of commercial and residential real estate.

The chief operating decision makers monitor the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on revenue, Net Loan to Value (Net-LTV) as well as Net Asset Values (NAV) and is measured consistently with values reported in the IFRS consolidated financial statements of the Group.

NET LOAN TO VALUE (NET LTV) 30/06/2020

	Consus RE	Consus Swiss Finance	Other	Total
	in k€	**in k€**	**in k€**	**in k€**
Investment property (IAS 40)	96,362	1,570	-	97,932
Prepayments on investment property (IAS 40) Owner	-	-	-	-
occupied real estate (IAS 16)	-	-	-	-
Non-current assets held-for-sale (IFRS 5)	-	26,100	-	26,100
Inventory (IAS 2) – Property under construction	1,169,146	1,070,055	-	2,239,201
Contract assets	275,111	118,293	-	393,404
Real Estate assets	**1,540,619**	**1,216,018**	**-**	**2,756,637**
Liabilities to financial institutions	1,023,748	1,042,448	654,284	2,720,481
Cash and cash equivalents	60,725	42,322	237	103,284
Net debt	**963,023**	**1,000,126**	**654,048**	**2,617,197**
Net loan to Value (Net LTV) in %	**63%**	**82%**		**95%**
(Preliminary) purchase price receivable	-339,697	-	-	-339,697
Pro-forma Net loan to Value (Net LTV) in %	**40%**	**82%**	**-**	**83%**

NET LOAN TO VALUE (NET LTV) 31/12/2019

	Consus RE	Consus Swiss Finance	Other	Total
	in k€	in k€	in k€	in k€
Investment property (IAS 40)	382,474	1,570	-	384,044
Prepayments on investment property (IAS 40)	-	-	-	-
Owner occupied real estate (IAS 16)	-	-	-	-
Non-current assets held-for-sale (IFRS 5)	-	26,100	-	26,100
Inventory (IAS 2) – Property under construction	1,457,730	1,014,892	-	2,472,621
Contract assets	241,331	93,871	-	335,203
Real Estate assets	**2,081,535**	**1,136,433**	**-**	**3,217,968**
Liabilities to financial institutions	1,265,482	928,379	656,639	2,850,501
Cash and cash equivalents	67,045	83,275	293	150,613
Net debt	**1,198,438**	**845,105**	**656,346**	**2,699,888**
Net loan to Value (Net LTV) in %	**58%**	**74%**	**-**	**84%**

NET ASSET VALUES (NAV) 30/06/2020

	Consus RE	Consus Swiss Finance	Other	Total
	in k€	in k€	in k€	in k€
Equity	99,837	9,006	975,624	1,084,467
Deferred tax liabilities	5,001	48,542	-2,875	50,668
Goodwill	-724,634	-308,272	-3,582	-1,036,489
Net Asset Value (NAV)	**-619,796**	**-250,725**	**969,167**	**98,646**

NET ASSET VALUES (NAV) 31/12/2019

	Consus RE	Consus Swiss Finance	Other	Total
	in k€	in k€	in k€	in k€
Equity	62,581	17,834	983,979	1,064,394
Deferred tax liabilities	62,677	48,554	-	111,232
Goodwill	-724,634	-308,272	-3,582	-1,036,489
Net Asset Value (NAV)	**-599,376**	**-241,884**	**980,397**	**139,137**

3.9.2 DISAGGREGATION OF REVENUE

In the following table, revenue is disaggregated by timing of revenue recognition including a reconciliation of the disaggregated revenue to the Group’s reportable segments.

Materially all revenues of H1 2020 and the previous year were generated in Germany.

Due to the Group’s business model, which is mainly based on the sale of larger development projects, the number of customers is limited. This indicates a certain dependence on individual larger customers.

01/01/ - 30/06/2020

	Consus RE	Consus Swiss Finance	Other	Total
	in k€	**in k€**	**in k€**	**in k€**
Total Income 2019	**561,726**	**51,877**	**27**	**613,630**
Products transferred at a point in time	339,697	-	27	339,724
Products and services transferred over time	222,028	51,877	-	273,906

01/01/ - 30/06/2019*

	Consus RE	Consus Swiss Finance	Other	Total
	in k€	**in k€**	**in k€**	**in k€**
Total Income 2019	**155,597**	**54,721**	**29**	**210,346**
Products transferred at a point in time	19,872	2,798	-	22,670
Products and services transferred over time	135,725	51,922	29	187,676

* Prior year figures adjusted

3.9.3 SEASONALITY OF OPERATIONS

The Group's segments are not exposed to material seasonality or cyclicality in its operations..

3.9.4 ADJUSTED EBIT AND EBITDA CALCULATION

The following adjusted EBITDA is not calculated in accordance with IFRS and is therefore a non-GAAP measure. The reduction in changes in inventories reflects all positive and negative effects resulting from the measurement of inventories and contract assets and liabilities in connection with past business combinations. Accordingly, adjusted EBITDA adjusts the fair value step-up and reduces the carrying amount while maintaining the actual costs incurred, i.e. it adjusts for the impact of the Purchase Price Allocation ("pre-PPA"). The strict minimum value principle at acquisition date is not applied.

One-off expenses are expenses and charges that are not capitalised and are not incurred in the ordinary course of business. Accordingly, one-off expenses are exceptional in nature or amount.

ADJUSTED EBITDA CALCULATION 01/01/ – 31/03/2020

	Consus RE	Consus Swiss Finance	Other	Total
	in k€	**in k€**	**in k€**	**in k€**
unadjusted EBITDA 30/06/2020	**86,539**	**45,913**	**-11,533**	**120,919**
Reduction of changes in inventory (PPA)	-1,119	2,410	-	1,291
Income from real estate inventory disposed of (PPA)	-	-	-	-
One-offs	10,466	2,126	1,474	14,066
adjusted EBITDA 30/06/2020	**95,886**	**50,449**	**-10,059**	**136,276**

The difference between adjusted EBITDA and adjusted EBIT is the addition of elimination of step up amortisation for the adjusted EBIT.

	Consus RE	Consus Swiss Finance	Other	Total
	in k€	**in k€**	**in k€**	**in k€**
unadjusted EBITDA 30/06/2020	**83,120**	**44,000**	**-11,570**	**115,550**
Reduction of changes in inventory (PPA)	-1,119	2,410	-	1,291
Income from real estate inventory disposed of (PPA)	-	-	-	-
Elimination of step up amortisation	-	538	-	538
One-offs	10,466	2,126	1,474	14,066
adjusted EBIT 30/06/2020	**92,467**	**49,074**	**-10,096**	**131,445**

The adjusted one-off expenses in H1 2020 mainly include expenses related to the departure of Christoph Gröner as CEO of Consus RE, project related costs for refinancing, reorganisation costs and costs for the implementation of new IT systems (Project Train).

ADJUSTED EBITDA CALCULATION 01/01/ - 30/06/2019*

	Consus RE	Consus Swiss Finance	Other	Total
	in k€	**in k€**	**in k€**	**in k€**
unadjusted EBITDA 30/06/2019	**67,735**	**52,618**	**-3,764**	**116,589**
Reduction of changes in inventory (PPA)	427	2,095	-	2,522
One-offs	2,504	-	-	2,504
adjusted EBITDA 30/06/2019	**70,666**	**54,712**	**-3,764**	**121,615**

* Prior year figures adjusted

The following adjusted EBIT follows the derivation of adjusted EBITDA with the addition of the elimination of the amortisation of the PPA residual:

	Consus RE	Consus Swiss Finance	Other	Total
	in k€*	**in k€***	**in k€***	**in k€***
unadjusted EBIT 30/06/2019	**65,004**	**52,039**	**-3,773**	**113,270**
Reduction of changes in inventory (PPA)	427	2,095	-	2,522
One-offs	2,504	-	-	2,504
adjusted EBIT 30/06/2019	**67,936**	**54,134**	**-3,773**	**118,296**

* Prior year figures adjusted

3.10 CAPITAL MANAGEMENT

3.10.1 CAPITAL MANAGEMENT

The aim of the Group's capital management is to secure the continued existence of the company as a going concern while generating income for its shareholders and providing all other stakeholders with benefits to which they are entitled. The overriding objective is to ensure the Group's creditworthiness in order to foster the further growth of the Group.

The Group monitors capital on the basis of loan-to-value (LTV). LTV describes the ratio of net debt to the book value of investment property. Net debt is calculated by deducting cash and cash equivalents from financial liabilities.

The Group's goal is to maintain an appropriate level of leverage in order to ensure continued access to debt financing in the long term at economically appropriate costs. LTV as of 31 March 2020 and 31 December 2019 is calculated as follows:

	30/06/2020	31/12/2019
	in k€	**in k€**
Real Estate held as Investment property (IAS 40)	97,932	384,044
Non-current assets classified as held-for-sale (IFRS 5)	26,100	26,100
Inventories (IAS 2)	2,239,201	2,472,621
Contract Assets	393,404	335,203
Total Real Estate Assets	**2,756,637**	**3,217,968**
Financing liabilities	2,720,481	2,850,501
Cash and cash equivalents	103,284	150,613
Net debt	**2,617,197**	**2,699,888**
Net Loan to Value (Net – LTV)	**95%**	**84%**
(Preliminary) purchase price receivable	-339,697	-
Pro-forma Net loan to Value (Net LTV) in %	**83%**	**84%**

3.10.2 PREPAYMENTS

Prepayments received by the Group on either contract assets/liabilities (development projects under the scope of IFRS 15) or on inventory (development projects under the scope of IAS 2) are included in the balances of the respective asset or liability balance. Since these prepayments constitute an important source of liquidity for the Group the following table provides a comprehensive overview.

	30/06/2020	31/12/2019
	in k€	**in k€**
Prepayments included in contract assets/liabilities	565,066	483,104
Prepayments received on land	238,446	277,325
Other prepayments received	110,751	28,453
Total	**914,264**	**788,881**

3.11 RELATED PARTIES

3.11.1 KEY MANAGEMENT PERSONNEL REMUNERATION

The members of Group's Supervisory Board and Management Board are the management of the Group in key positions within the meaning of IAS 24.9. The following tables provide an overview of the remuneration of the Management and the Supervisory Board.

BOARD REMUNERATION 01/01/ – 31/03/2020

	Accounted in k€	Paid out in k€
Management Board (Vorstand)	**881**	**259**
Short-term benefits	881	259
Supervisory Board	**45**	**80**
Short-term benefits	45	80

BOARD REMUNERATION 01/01/ – 31/03/2019

	Accounted in k€	Paid out in k€
Management Board (Vorstand)	**578**	**358**
Short-term benefits	578	358
Supervisory Board	**90**	**181**
Short-term benefits	90	181

3.11.2 OTHER RELATED PARTY TRANSACTIONS

Transactions with shareholders for the six months ended 30 June 2020 (six months ended 31 March 2019) were as follows:

	30/06/2020 in k€	30/06/2019 in k€
Income	176	1,065
Income	203	2,589
Expenses	-703	-512
Interest expenses	-11	-2,090
Financing receivables	35,493	27,969
Trade receivables	178	19,488
Other receivables	-	-
Trade payables	-1,333	-
Other liabilities	-949	-3,599
Financing liabilities, including derivatives	-18,641	-20,455

Because Mr. Gröner sold his remaining shares in Consus RE AG to the Company in June 2020 he no longer qualified as a related party.

3.12 CONTINGENT LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

3.12.1 OBLIGATIONS TO ACQUIRE LONG-TERM ASSETS

As of 30 June 2020, there are no significant obligations to acquire tangible assets or investment property (31 December 2019: no significant obligations).

3.12.2 OTHER FINANCIAL OBLIGATIONS

The following table provides an overview of the aggregated amount of other financial obligations:

	<1 year in k€	1-5 years in k€	>5 years in k€	Total in k€
Financial obligations as of 30/06/2020	**278,622**	**544**	**-**	**279,167**
Insurance contracts	836	476	-	1,312
Car insurance contracts	312	21	-	333
Office rent	58	-	-	58
Leasing	80	47	-	127
Future obligations from pending purchase agreements	277,337	-	-	277,337

	<1 year in k€	1-5 years in k€	>5 years in k€	Total in k€
Financial obligations as of 31/12/2019	**292,077**	**475**	**-**	**292,553**
Insurance contracts	1,300	448	-	1,749
Car insurance contracts	420	27	-	447
Office rent	1,243	-	-	1,243
Leasing	77	-	-	77
Future obligations from pending purchase agreements	289,037	-	-	289,037

3.13 EVENTS AFTER THE REPORTING PERIOD

As part of its deleveraging strategy the Company announced on 8 May 2020 a significant sale of assets amounting to a transaction value of around €690 million resulting in the reduction of project debt by around €475 million. The agreed sales price represented a double digit premium to the market values as of 31 December 2019 of the respective projects. The gross development value ("GDV") of the development projects disposed of is €2.3 billion.

On 9 July 2020 Consus Real Estate AG completed the acquisition of the remaining 25% minority stake (on a fully diluted basis) in Consus RE AG against €27.5 million in cash and 24.75 million Consus shares. The management board of Consus, with the approval of the supervisory board, has resolved to increase the share capital by issuing 24.75 million new registered non par-value shares with a notional value of €1.00 each against contribution in kind. The implementation of the capital increase was registered with the commercial register on June 22, 2020. Following completion, Consus RE is a wholly-owned subsidiary and the Company intends to convert Consus RE to a limited liability company (GmbH). As a supervisory board is no longer required upon conversion, Christoph Gröner will therefore also resign as a supervisory board member of Consus RE. The integration is expected to be completed in Q3 2020.

On 20 May 2020 a further significant asset sale was announced as part of Consus' deleveraging strategy with an impact on GDV of €2.0 billion. The development projects were sold at a premium to the market values appraised as of 31 December 2019. This transaction results in a further reduction of project finance debt by around €390 million. This transactions is subject to closing adjustments and conditions, and is expected to close no later than Q3 2020. In the medium term, a portion of the proceeds will be reinvested in new development projects.

On 29 June 2020 ADO Properties S.A. ("ADO") announced that it has exercised its call option to acquire control of Consus Real Estate AG. ADO also intends to launch a public voluntary tender offer at the same 0.2390x ADO shares for each share of the Company (to be adjusted for a rights issue) to all remaining minority shareholders of the Company in due course. The acquisition of control by ADO resulted in the occurrence of a change of control in accordance with the terms of the Company's €450 million 9.625% senior secured bond due 2024 (the "Senior Secured Bond") and the Company's €200 million 4.00% convertible bond due 2022 (the "Convertible Bond") and triggered repayments of notional amounts of in total €75.8 million, which were made on 6 August and 14 August 2020 respectively.

Furthermore, ADO has announced that it intends to change the Company' business strategy to focus on build-to-hold as part of the combined group. Under a revised business strategy, the Company expects that certain forward sales and upfront sales currently planned for 2020, which would have contributed to the Company's 2020 results, will not be undertaken. For this reason, the Company is withdrawing its guidance of an Adjusted EBITDA of approx. €450 million for 2020.

CEO Andreas Steyer and CFO Benjamin Lee left the Management Board of the Company on 11 July 2020 and on 26 July 2020 respectively with an additional indemnification of €2.8 million.

The outbreak of the coronavirus and its rapid spread across many countries and continents increased financial, financing and liquidity risks as well as risks in the project development phases, e.g. in the area of financing, completion and sale of the Consus' projects. Consus does not assume at this point in time that the coronavirus pandemic will have a material impact on the Group's business. Existing forward sales contracts are continuing largely unaffected; however, certain upfront sales and new forward sales are currently delayed and our plans, including these sales being completed as originally assumed, are dependent on the scale of negative impacts caused by the coronavirus pandemic and the success of any counter measures. Consus will continue to assess any potential macro-economic and industry-related impacts as well as any impact on the Group's business, either directly or from reduced economic visibility, and will update the market as appropriate.

There were no other significant events after the balance sheet date.

RESPONSIBILITY STATEMENT

To the best of our knowledge and in accordance with the applicable accounting principles for interim financial reporting, the Condensed Interim Consolidated Financial Statements for the period from 1 January to 30 June 2020 present a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the interim management report presents a fair review of the development and performance of the business and the position of the Group, together with a description of the material risks and opportunities of the expected development of the Group.

Berlin, 27 August 2020

Theodorus Gorens
Member of the Management Board

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