



INTERIM STATEMENT
1 JANUARY – 31 MARCH 2022



HIGHLIGHTS Q1 2022



KEY EARNINGS FIGURES

10.5

EUR million
FFO I (after taxes,
before minority interests),
compared to EUR 10.8 million
in Q1 2021

19.3

EUR million
RENTAL INCOME,
below EUR 21.1 million
in Q1 2021 owing to sales



KEY FINANCIAL INDICATORS

49.5

per cent
**NET LOAN-TO-VALUE
(NET LTV)**,
compared to 49.7%
at the end of 2021

1.66

per cent p.a.
**AVERAGE NOMINAL
INTEREST COSTS** –
constant compared to
year-end 2021

6.03

EUR
**NET ASSET VALUE
(EPRA NAV PER SHARE, BASIC)**,
compared to EUR 5.96
at year-end 2021



PORTFOLIO DEVELOPMENT

1.4

EUR billion
PORTFOLIO VALUE, unchanged
compared to year-end 2021

79.0

EUR million
**ANNUALISED
CONTRACTUAL RENTS**,
compared to EUR 78.1 million
at year-end 2021

42,915

m²
LETTING PERFORMANCE
(Q1 2021: 23,265 m²) – above long-term
average of approximately 80,000 m²
on pro rata basis

4.7

years
WALT,
almost on a par
with year-end 2021

11.0

per cent
EPRA VACANCY RATE*,
on a par with year-end 2021

* Excluding project developments and
real estate held for sale

Key for navigating the
interim statement:



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FOREWORD BY THE EXECUTIVE BOARD

Dear Shareholders, dear Readers,

With the war in Ukraine still raging and the huge amount of human suffering it has caused, it remains a difficult task for us to focus on financial matters. But we are nevertheless able to fulfil our duties here and are pleased to report that DEMIRE's business performance in the first quarter of 2022 has been stable and satisfactory in this regard. So far, neither the conflict in eastern Europe nor the coronavirus pandemic, which seems to be on the wane, have had any direct negative impact on our operational business activity or our business model overall. The key areas to focus on in terms of performance during the first quarter of the financial year are as follows:

- Rental income totalled EUR 19.3 million (previous year: EUR 21.1 million) in line with expectations.
- Funds From Operations (FFO I, after taxes, before minorities) fell less significantly by 3.0% to EUR 10.5 million, compared to EUR 10.8 million the previous year.
- At about 43,000 m², letting performance exceeded the previous year's excellent value of around 23,000 m².
- An EPRA vacancy rate (excluding project developments and real estate held for sale) of 11.0% and WALT of 4.7 years remain constant compared to year-end 2021.
- NAV per share (basic) went up to EUR 6.03, an improvement of EUR 0.07 compared to the end of 2021.
- Net loan-to-value (LTV) fell to 49.5%. Liquidity as at the reporting date was comfortable at EUR 137.0 million.
- Average nominal financing costs remain at a low level nominally at 1.66%, with no significant maturities arising before 2024.


The deviations in key figures compared to the same period of the previous year are the result of sales completed in previous financial years. These sales are therefore in line with our expectations and plans. We primarily attribute this excellent stability in terms of performance to the fact that we remain focused on clearing smaller, strategically irrelevant properties from our portfolio whilst also making selective acquisitions. As part of our "REALize Potential" strategy, we are therefore strengthening the overall performance of our current portfolio and, in doing so, making DEMIRE more resilient.

The results obtained in the first three months of 2022 give us confidence that our performance will also be in line with our plans for the financial year as a whole. We are working on the assumption that neither the consequences of the pandemic nor the armed conflict in Ukraine will have a noticeable impact on our business activity. As DEMIRE has solid foundations, the fundamental shape of the real estate market, including in particular the office and commercial sector, and expected developments on the capital markets – including the possibility of the ECB gradually increasing interest rates – also give us grounds to believe our company will continue to perform strongly.

Now the first quarter has ended, we therefore remain committed to our forecast for the 2022 financial year. In this regard, we expect rental income to be between EUR 78.0 and 80.0 million (2021: EUR 82.3 million). We also expect FFO I (after taxes, before minority interests) to be between EUR 38.5 million and EUR 40.5 million (previous year: EUR 39.8 million).

Frankfurt am Main, 11 May 2022


Ingo Hartlief (FRICS)
(CEO)


Tim Brückner
(CFO)

DÜSSELDORF



DEMIRE AT A GLANCE

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KEY GROUP FIGURES

	01/01/2021 – 31/03/2021	01/01/2022 – 31/03/2022
in EUR thousand		
Key earnings figures		
Rental income	21,148	19,340
Profit/loss from the rental of real estate	17,729	15,635
EBIT	16,577	13,075
Financial result	-5,266	-4,309
EBT	11,311	8,766
Net profit/loss for the period	9,409	7,700
Net profit/loss for the period attributable to parent company shareholders	8,736	7,112
Net profit/loss for the period per share (basic/diluted) (in EUR)	0.08/0.08	0.07/0.07
FFO I (after taxes, before minority interests)	10,778	10,452
FFO I per share (basic/diluted) (in EUR)	0.10/0.10	0.10/0.10

	31/12/2021	31/03/2022
Key portfolio indicators		
Properties (number)	64	64
Market value (in EUR million)	1,412.5	1,412.5
Contractual rents (in EUR million)	78.1	79.0
Rental yield (in %)	5.5	5.6
EPRA vacancy rate* (in %)	11.0	11.0
WALT (in years)	4.7	4.7

* Excluding project developments and real estate held for sale

in EUR thousand	31/12/2021	31/03/2022
Key balance sheet figures		
Total assets	1,705,594	1,717,579
Investment property	1,433,096	1,439,604
Non-current assets held for sale	0	0
Total real estate portfolio	1,433,096	1,439,604
Financial and lease liabilities	914,986	915,413
Cash and cash equivalents	139,619	136,984
Net financial liabilities	775,367	778,432
Net loan-to-value (net LTV) (in %)	49.7	49.5
Equity according to Group balance sheet	592,362	599,733
Equity ratio (in %)	34.7	34.9
Net Asset Value (NAV)	549,023	555,875
NAV (basic/diluted)	629,977/629,487	636,129/636,639
Number of shares in thousands (basic/diluted)	105,513/106,023	105,513/106,023
EPRA NAV per share (basic/diluted) (in EUR)	5.96/5.94	6.03/6.00



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PORTFOLIO HIGHLIGHTS

for the reporting period from 1 January to 31 March 2022

1.4

EUR billion
MARKET VALUE OF THE REAL ESTATE PORTFOLIO

8.11

EUR/m²
AVERAGE RENT
 across the portfolio

64

Properties
 at **53 LOCATIONS**
 in 13 federal states

11.0

per cent
EPRA VACANCY RATE*
 across the portfolio

79.0

EUR million
ANNUALISED CONTRACTUAL RENTS

5.6

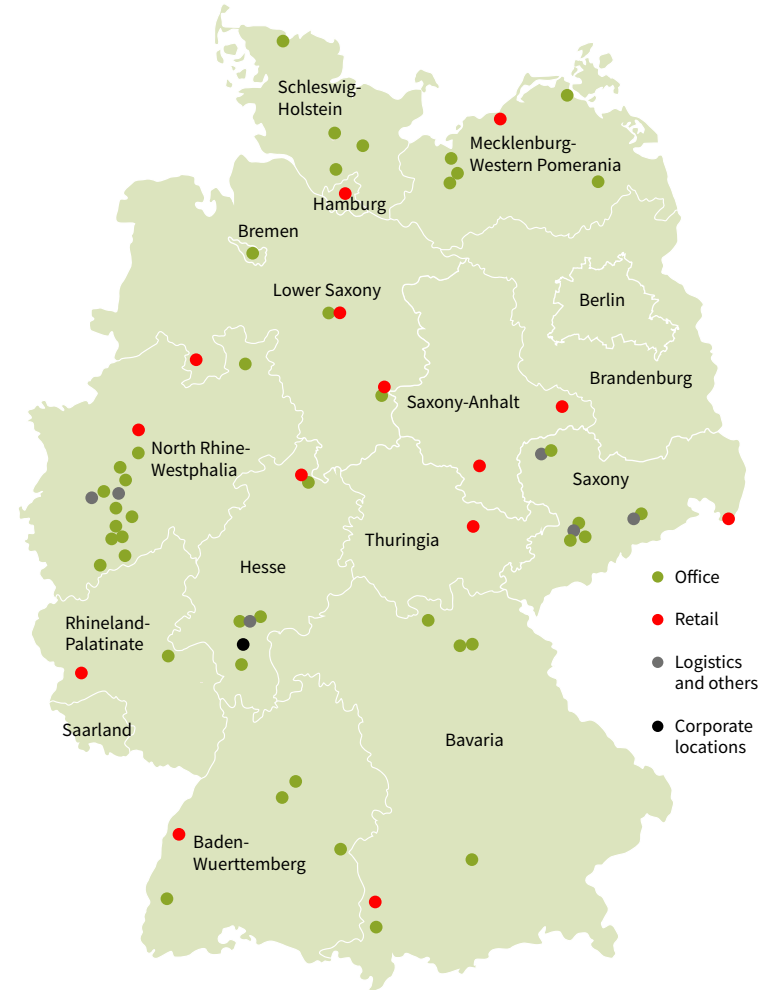
per cent
GROSS RENTAL RETURNS

59.7

per cent
OFFICE SHARE
 of the total portfolio
 by market value

4.7

years
WEIGHTED AVERAGE
 of lease term (WALT)



* Excluding project developments and real estate held for sale

INTERIM GROUP MANAGEMENT REPORT

for the reporting period from
1 January to 31 March 2022

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OVERVIEW

BUSINESS PERFORMANCE

DEMIRE performed to a satisfactory level in the first three months of 2022. Due to the sales completed in 2020 and 2021, the Group key figures are below those in the same period of the previous year and are, thus, in line with the plans and expectations of the Executive Board. Neither the coronavirus pandemic nor the war in Ukraine had any direct impact on DEMIRE's business performance during the period under review. The Company nevertheless remains focused on subsequently implementing the "REALize Potential" strategy and selling smaller, non-strategic properties in order to add to the portfolio by way of targeted purchases, should the opportunity arise. The performance during the period under review and in the previous financial year provides a stable basis to perform well during the current financial year and beyond.

- Rental income totalled EUR 19.3 million (previous year: EUR 21.1 million) in line with expectations.
- Funds From Operations (FFO I, after taxes, before minorities) fell less significantly by 3.0% to EUR 10.5 million, compared to EUR 10.8 million the previous year.
- At about 43,000 m², letting performance exceeded the previous year's excellent value of around 23,000 m².

- An EPRA vacancy rate (excluding project developments and real estate held for sale) of 11.0% and WALT of 4.7 years remain constant compared to year-end 2021.
- NAV per share (basic) went up to EUR 6.03, an improvement of EUR 0.07 compared to the end of 2021.
- Net loan-to-value (LTV) fell to 49.5%. Liquidity as at the reporting date was comfortable at EUR 137.0 million.
- Average nominal financing costs remain at a low level nominally at 1.66%, with no significant maturities arising before 2024.

PERFORMANCE IN LINE WITH FORECAST FOR 2022 FINANCIAL YEAR

Given the backdrop of performance during the first quarter of 2022 and the expectation that neither coronavirus nor the war in Ukraine will significantly impact DEMIRE's business performance, the Executive Board remains committed to its forecast for the 2022 financial year that rental income will be between EUR 78.0 and 80.0 million (2021: EUR 82.3 million), and that FFO I (after taxes, before minority interests) is expected to be between EUR 38.5 and 40.5 million (2021: EUR 39.8 million).



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REAL ESTATE PORTFOLIO

There were no changes in the portfolio as at the reporting date 31 March 2022 compared to the end of 2021. The portfolio consists of 64 commercial properties with lettable floor space of around 1.0 million m² and a total market value of around EUR 1.4 billion. No sales agreements had been concluded as at the reporting date, meaning therefore that no properties are classified as being held for sale. An external property valuation of the portfolio was last performed on 31 December 2021.

The EPRA vacancy rate of the portfolio (excluding project developments and properties held for sale) was 11.0% as at the reporting date of 31 March 2022, which was unchanged compared to the figure as at 31 December 2021. The WALT amounted to 4.7 years as at 31 March 2022 and remained constant compared to the end of 2021. In the period under review, DEMIRE's letting performance reached roughly 43,000 m². New lettings contributed around 42.4% of letting performance and follow-on lettings made up around 57.6%.

Active portfolio management and the successful repositioning of a number of properties reduced DEMIRE's dependency on GMG/Deutsche Telekom and diversified its tenant base. GMG now accounts for 14.3% of contractual rents, less than half the 30.4% as at the end of 2018.

TOP 10 TENANTS (AS AT 31 MARCH 2022)

No.	Tenant	Type of use	Contractual rents p.a.* in EUR million	in % of total
1	GMG / Dt. Telekom	Office	11.3	14.3
2	Imotex	Retail	5.4	6.8
3	GALERIA Karstadt Kaufhof	Retail	3.7	4.7
4	Bima Bundesanstalt für Immobilienaufgaben	Office	2.1	2.7
5	Roomers	Logistics	1.9	2.4
6	momox GmbH	Hotel	1.8	2.3
7	Sparkasse Südholstein	Office	1.6	2.1
8	comdirect bank AG	Office	1.3	1.6
9	Die Autobahn GmbH des Bundes	Office	1.1	1.4
10	BWI GmbH	Office	1.1	1.4
TOTAL			31.3	39.7
Other			47.7	60.3
TOTAL			79.0	100.0

* Based on annualised contractual rents, excluding ancillary costs



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PORTFOLIO BY ASSET CLASS

	Number of properties	Market value in EUR million	Share by market value in %	Lettable space in thousand m ²	Market value/m ²	Contractual rent in EUR million p.a.	Contractual rent per m ²	Rental returns in %	EPRA vacancy rate* in %	WALT in years
Office	42	843.7	59.7	516.7	1,633	47.8	9.0	5.7	12.2	3.8
Retail	17	357.1	25.3	220.1	1,623	23.0	9.5	6.4	7.4	5.3
Logistics & Other	5	211.6	15.0	176.0	1,202	8.2	4.4	3.9	13.3	8.0
Total 31 March 2022	64	1,412.5	100.0	912.7	1,548	79.0	8.1	5.6	11.0	4.7
Total 31 December 2021	64	1,412.5	100.0	912.7	1,548	78.1	8.0	5.5	11.0	4.7
Change (in %/pp)	-	-	-	-	-	1.1	1.4	0.1 pp	-	-

* Excluding real estate held for sale



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ECONOMIC REPORT

Results of operations, financial position and net assets

RESULTS OF OPERATIONS

In the first three months of 2022, the DEMIRE Group generated rental income totaling EUR 19.3 million (previous year: EUR 21.1 million). This 8.5% decrease year-on-year was due to the sale of properties. Profit/loss from the rental of real estate fell by 11.8% to EUR 15.6 million (previous year: EUR 17.7 million). The decline is mainly due to property sales in the past financial year. As was the case in the same period of the previous year, there were no sales revenues generated. As was the case the previous year, profit/loss from sales of EUR –0.1 million (previous year EUR –0.1 million) arose from transaction-related legal and consultancy fees for the sale of properties that have, however, yet to be certified. As a result, there is no profit/loss arising from changes to the fair value adjustments of properties. A notarised agreement had been signed for a property during the same period of the previous year; this property's book value is included in the profit/loss from adjustments to the fair value of investment properties (EUR 1.8 million).

Following the reversal of various provisions for bad debts, impairment on receivables was positive at EUR 0.1 million. The figure for the previous year (EUR –0.4 million) primarily included impairment on receivables from tenants of hotels that were either insolvent or threatened with insolvency as a result of the coronavirus pandemic. General administrative expenses in the first three months of 2022 increased slightly to EUR 2.7 million (previous year: EUR 2.6 million). Earnings before interest and taxes (EBIT) amounted to EUR 13.1 million, a 21.1% decrease on the previous year's figure of EUR 16.6 million.

During the period under review, the financial result was augmented by the effects arising from the investment in the Cielo office property in Frankfurt/Main, which was entered into as at 01 July 2021, amounting to EUR –4.3 million, following on from EUR –5.3 million during the same period in the previous year. In addition to higher financial income of EUR 1.1 million (previous year: EUR 0.2 million), this figure also includes profit/loss from companies accounted for using the equity method of EUR 0.5 million (previous year: EUR 0). The average nominal interest rate on financial debt as at 31 March 2022 remained constant at a nominal 1.66% p.a. compared to year-end 2021.

Earnings before taxes (EBT) fell to EUR 8.8 million in the period under review, compared to EUR 11.3 million in the previous year. The profit for the period for the first three months of 2022 was EUR 7.7 million, compared to EUR 9.4 million in the same period of the previous year.



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CONSOLIDATED INCOME STATEMENT

(selected information in EUR thousand)	01/01/2021 – 31/03/2021	01/01/2022 – 31/03/2022	Change	in %
Rental income	21,148	19,340	-1,808	-8.5
Income from utility and service charges	7,572	9,205	1,633	21.6
Operating expenses to generate rental income	-10,991	-12,910	-1,919	17.5
Profit/loss from the rental of real estate	17,729	15,635	-2,094	-11.8
Income from the sale of real estate and real estate companies	0	0	0	0
Expenses related to the sale of real estate and real estate companies	-83	-51	32	-38.6
Profit/loss from the sale of real estate and real estate companies	-83	-51	32	-38.6
Profit/loss from fair value adjustments of investment properties	1,845	0	-1,845	-100.0
Impairment of receivables	-388	149	537	-
Other operating income	177	453	276	>100
General and administrative expenses	-2,562	-2,740	-178	6.9
Other operating expenses	-141	-371	-230	>100
Earnings before interest and taxes	16,577	13,075	-3,502	-21.1
Financial result	-5,266	-4,309	957	-18.2
Earnings before taxes	11,311	8,766	-2,545	-22.5
Current income taxes	-496	-747	-251	50.6
Deferred taxes	-1,406	-319	1,087	-77.3
Net profit/loss for the period	9,409	7,700	-1,709	-18.2
Thereof attributable to parent company shareholders	8,736	7,112	-1,624	-18.6
Basic earnings per share (in EUR)	0.08	0.07	-0.01	-18.3
Weighted average number of shares outstanding (in thousands)	105,599	105,513	-86	-0.1
Diluted earnings per share (in EUR)	0.08	0.07	-0.01	-16.3
Weighted average number of shares outstanding (diluted) (in thousands)	106,109	106,023	-86	-0.1



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NET ASSETS

As at 31 March 2022, total assets went up by EUR 12.0 million compared to year-end 2021 to approximately EUR 1,717.6 million. The value of investment property amounted to EUR 1,439.6 million as at 31 March 2022, primarily increasing by EUR 6.5 million compared to the value at year-end 2021 as a result of the capitalisation of CapEx activities.

Group equity as at 31 March 2022 totalled approximately EUR 599.7 million, which was primarily higher compared to the level as at 31 December 2021 (EUR 592.4 million) due to the profit for the period. Consequently, the equity ratio amounted to 34.9% (31 December 2021: 34.7%). It should be noted that non-controlling minority interests reported in the Group's borrowed capital of around EUR 84.4 million (31 December 2021: EUR 82.9 million) are carried as non-current liabilities and not as equity in accordance with IFRS, solely as a result of the legal form of Fair Value REIT's fund participations as partnerships. The corresponding adjusted Group equity totalled EUR 684.2 million (31 December 2021: EUR 675.2 million).

Total financial liabilities as at 31 March 2021 amounted to EUR 891.0 million, remaining virtually unchanged compared to the total as at 31 December 2021 (EUR 890.5 million).



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CONSOLIDATED BALANCE SHEET – ASSETS

(selected information in EUR thousand)	31/12/2021	31/03/2022	Change	in %
Assets				
Total non-current assets	1,543,819	1,551,235	7,417	0.5
Total current assets	161,775	166,344	4,569	2.8
Assets held for sale	0	0	0	0.0
TOTAL ASSETS	1,705,594	1,717,579	11,986	0.7

CONSOLIDATED BALANCE SHEET – EQUITY AND LIABILITIES

(selected information in EUR thousand)	31/12/2021	31/03/2022	Change	in %
Equity and liabilities				
Equity				
Equity attributable to parent company shareholders	549,023	555,857	6,834	1.2
Non-controlling interests	43,339	43,876	537	1.2
Total equity	592,362	599,733	7,371	1.2
Liabilities				
Total non-current liabilities	1,066,581	1,065,913	-667	-0.1
Total current liabilities	46,651	51,933	5,282	11.3
Total liabilities	1,113,232	1,117,846	4,615	0.4
TOTAL EQUITY AND LIABILITIES	1,705,594	1,717,579	11,986	0.7



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FINANCIAL POSITION

Cash flow from operating activities came to EUR 9.8 million (previous year: EUR 21.9 million) in the first three months of 2022, essentially depicting the Company's operating result. In the prior-year period, receivables amounting to EUR 8.4 million had been impaired as a result of the Corona pandemic.

Cash flow from investing activities during the period under review amounted to EUR –8.2 million, compared to EUR –11.4 million in the previous year. This was primarily driven by modernisation costs.

Cash flow from financing activities factors came to EUR –4.2 million, compared to EUR 43.1 million in the same prior-year period. This figure primarily includes interest and redemption payments during the period under review; mortgage loans of EUR 47.7 million were paid out and treasury shares were repurchased for EUR 1.2 million during the previous year.

Cash and cash equivalents amounted to EUR 137.0 million on 31 March 2022 (31 March 2021: EUR 155.2 million).

CONSOLIDATED STATEMENT OF CASH FLOWS

(selected information in EUR thousand)	01/01/2021 – 31/03/2021	01/01/2022 – 31/03/2022	Change
Cash flow from operating activities	21,933	9,821	–12,112
Cash flow from investing activities	–11,440	–8,217	3,222
Cash flow from financing activities	43,129	–4,239	–47,368
Net change in cash and cash equivalents	53,622	–2,635	–56,257
Cash and cash equivalents at the end of the period	155,243	136,984	–18,259

FINANCIAL PERFORMANCE INDICATORS

Funds from operations (FFO)

Funds from Operations I (after taxes, before minority interests), the key operating performance indicator, fell slightly by 3.0% to EUR 10.5 million in the first quarter of 2022, compared to EUR 10.8 million during the same period of the previous year. On a diluted basis, this corresponds to an FFO I per share of EUR 0.10, compared to EUR 0.10 in the same period of the previous year.



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FFO CALCULATION

(selected information in EUR thousand)	01/01/2021 – 31/03/2021	01/01/2022 – 31/03/2022	Change	in %
Earnings before taxes	11,311	8,767	–2,544	–22.5
Minority interests	1,137	1,233	96	8.5
Earnings before taxes (EBT)	12,448	10,000	–2,448	–19.7
± Profit/loss from the sale of real estate	83	51	–32	–38.6
± Profit/loss from the valuation of investment properties	–1,845	0	1,845	–100.0
± Other adjustments*	490	835	345	70.3
FFO I before taxes	11,175	10,886	–289	–2.6
± (current) income taxes	–398	–434	–36	9.0
FFO I after taxes	10,778	10,452	–326	–3.0
Thereof attributable to parent company shareholders	9,058	8,619	–439	–4.8
Thereof attributable to non-controlling interests	1,720	1,833	113	6.6
± Profit/loss from the sale of real estate companies/real estate (after taxes)	–83	–51	32	–39.1
FFO II after taxes	10,695	10,402	–293	–2.7
Thereof attributable to parent company shareholders	8,971	8,565	–406	–4.5
Thereof attributable to non-controlling interests	1,724	1,837	113	6.5
FFO I after taxes and minority interests				
Basic earnings per share (in EUR)	0.10	0.10	0.00	–0.9
Weighted average number of shares outstanding (in thousands)	105,599	105,513	–86	–0.1
Diluted earnings per share (in EUR)	0.10	0.10	0.00	–0.9
Weighted average number of shares outstanding (diluted) (in thousands)	106,109	106,023	–86	–0.1
FFO II after taxes and minority interests				
Basic earnings per share (in EUR)	0.10	0.10	0.00	–1.4
Weighted average number of shares outstanding (in thousands)	105,599	105,513	–86	–0.1
Diluted earnings per share (in EUR)	0.10	0.10	0.00	–1.9
Weighted average number of shares outstanding (diluted) (in thousands)	106,109	106,023	–86	–0.1

* Other adjustments include:
– One-time refinancing costs and effective interest payments (EUR 0.6 million; previous year: EUR 0.6 million)
– One-time transaction, legal and consultancy fees (EUR –0.2 million, previous year: EUR 0.1 million)
– One-time administrative costs (EUR 0.2 million; previous year: EUR –0.2 million)
– Non-period expenses/income (EUR 0.2 million, previous year: EUR 0.0 million)



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Net Asset Value (NAV)

The basic net asset value went up from EUR 629.0 million as at 31 December 2021 to EUR 636.1 million as at 31 March 2022, largely due to the positive result for the period. On a per-share basis, basic NAV amounted to EUR 6.03 per share on the reporting date (31 December 2021: EUR 5.96 per share).

NET ASSET VALUE (NAV)

in EUR thousand	31/12/2021	31/03/2022	Change	in %
Net Asset Value (NAV)	549,023	555,857	6,834	1.2
Deferred taxes	84,692	85,011	319	0.4
Goodwill resulting from deferred taxes	-4,738	-4,738	0	0.0
NAV (basic)	628,977	636,129	7,153	1.1
Number of outstanding shares (basic) (in thousands)	105,513	105,513	0	0.0
NAV per share (basic) (in EUR)	5.96	6.03	0.07	1.1
Effect of the conversion of convertible bonds and other equity instruments	510	510	0	0.0
NAV (diluted)	629,487	636,639	7,153	1.1
Number of outstanding shares (diluted) (in thousands)	106,023	106,023	0	0.0
NAV per share (diluted) (in EUR)	5.94	6.00	0.06	1.1

NET LOAN-TO-VALUE RATIO

The DEMIRE Group's loan-to-value ratio as defined in the 2019/2024 corporate bond prospectus is defined as the ratio of net financial liabilities to all assets, less intangible assets and cash and cash equivalents. The net loan-to-value fell to 49.5% as at 31 March 2022 from 49.7% at the end of 2021.



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NET LOAN-TO-VALUE (NET LTV)

in EUR thousand	31/12/2021	31/03/2022
Financial liabilities and lease liabilities	914,986	915,413
Cash and cash equivalents	139,619	136,984
Net financial debt	775,367	778,429
Total assets	1,705,594	1,717,579
Intangible assets	-6,783	-6,783
Cash and cash equivalents	-139,619	-136,984
Total assets less intangible assets and cash and cash equivalents	1,559,192	1,573,812
Net LTV (in %)	49.7	49.5

Covenants for the 2019/2024 corporate bond

Within the scope of issuing the 2019/2024 corporate bond, DEMIRE undertook to comply with and regularly report on various covenants. The definition of the covenants to be reported on is listed in the offering prospectus for the 2019/2024 corporate bond.

BOND COVENANTS 31/03/2022

	NET LTV	NET SECURED LTV	ICR
Covenant	max. 60%	max. 40%	min. 2.00
Value	49.5%	9.8%	4.47

As at 31 March 2022, DEMIRE had complied with all covenants of the 2019/2024 corporate bond. In addition, the planning for 2022 and beyond assumes that the covenants will also be complied with at all times in the future.

Opportunities and risks

Please refer to the disclosures made in the opportunities and risks report included within the [consolidated financial statements](#) as at 31 December 2021 for information on the opportunities and risks of future business performance. There were no material changes to the Group's opportunity and risk structure in the first three months of 2022.

The opportunities and risks are reviewed on a continual basis as part of a structured process. From today's perspective, there are no discernible risks that could jeopardise the Company.


Subsequent events

No events occurred after the interim reporting date that are of particular significance for DEMIRE's net asset, financial position and results of operations.

Frankfurt am Main, 11 May 2022

DEMIRE Deutsche Mittelstand Real Estate AG


Ingo Hartlief (FRICS)
(CEO)


Tim Brückner
(CFO)



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CONSOLIDATED STATEMENT OF INCOME

for the reporting period from 1 January to 31 March 2022

in EUR thousand	NOTE	01/01/2021 – 31/03/2021	01/01/2022 – 31/03/2022
Rental income		21,148	19,340
Income from utility and service charges		7,572	9,205
Operating expenses to generate rental income		–10,991	–12,910
Profit/loss from the rental of real estate		17,729	15,635
Income from the sale of real estate and real estate companies		0	0
Expenses related to the sale of real estate and real estate companies		–83	–51
Profit/loss from the sale of real estate and real estate companies		–83	–51
Profit/loss from fair value adjustments of investment properties		1,845	0
Impairment of receivables		–388	149
Other operating income		177	453
General and administrative expenses		–2,562	–2,740
Other operating expenses		–141	–371
Earnings before interest and taxes	D 1	16,577	13,075
Financial income		209	1,057
Financial expenses		–4,338	–4,661
Profit/loss from companies accounted for using the equity method		0	528
Minority interests		–1,137	–1,233
Financial result	D 2	–5,266	–4,309
Earnings before taxes		11,311	8,766
Current income taxes		–496	–747
Deferred taxes		–1,406	–319
Net profit/loss for the period		9,409	7,700
Thereof attributable to:			
Non-controlling interests		673	588
Parent company shareholders		8,736	7,112
Basic/diluted earnings per share (in EUR)	D 3	0.08	0.07



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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the reporting period from 1 January to 31 March 2022

in EUR thousand	01/01/2021 – 31/03/2021	01/01/2022 – 31/03/2022
Net profit/loss for the period	9,409	7,700
Other comprehensive income	0	0
Total comprehensive income	9,409	7,700
Thereof attributable to:		
Non-controlling interests	673	588
Parent company shareholders	8,736	7,112



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CONSOLIDATED BALANCE SHEET

as at 31 March 2022

ASSETS

in EUR thousand	NOTE	31/12/2021	31/03/2022
Assets			
Non-current assets			
Intangible assets		6,783	6,783
Property, plant and equipment		228	210
Investment property	E 1	1,433,096	1,439,604
Shares in companies accounted for using the equity method		1,025	1,463
Loans to companies accounted for using the equity method		26,505	25,205
Loans and financial assets		64,264	63,946
Other assets		11,917	14,024
Total non-current assets		1,543,819	1,551,235
Current assets			
Trade accounts receivable		8,671	11,796
Financial assets		3,925	5,102
Other assets		3,191	5,983
Tax refund claims		6,369	6,479
Cash and cash equivalents		139,619	136,984
Total current assets		161,775	166,344
Non-current assets held for sale		0	0
TOTAL ASSETS		1,705,594	1,717,579



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CONSOLIDATED BALANCE SHEET

as at 31 March 2022

EQUITY AND LIABILITIES

in EUR thousand	NOTE	31/12/2021	31/03/2022
Equity and liabilities			
Equity			
Subscribed capital	E 2	105,513	105,513
Reserves		443,510	450,344
Equity attributable to parent company shareholders		549,023	555,857
Non-controlling interests		43,339	43,876
Total equity		592,362	599,733
Liabilities			
Non-current liabilities			
Deferred tax liabilities		84,692	85,011
Minority interests		82,882	84,441
Financial liabilities	E 3	874,417	872,016
Lease liabilities		24,285	24,222
Other liabilities		305	233
Total non-current liabilities		1,066,581	1,065,913
Current liabilities			
Provisions		4,012	3,689
Trade payables		10,571	9,721
Other liabilities		7,114	9,703
Tax liabilities		8,670	9,645
Financial liabilities	E 3	16,097	18,955
Lease liabilities		187	220
Total current liabilities		46,651	51,933
TOTAL LIABILITIES		1,113,232	1,117,846
TOTAL EQUITY AND LIABILITIES		1,705,594	1,717,579



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CONSOLIDATED STATEMENT OF CASH FLOWS

for the reporting period from 1 January to 31 March 2022

in EUR thousand	01/01/2021 – 31/03/2021	01/01/2022 – 31/03/2022
Group profit/loss before taxes	11,311	8,766
Financial expenses	4,338	4,661
Financial income	-209	-1,585
Minority interests	1,137	1,233
Change in trade accounts receivable	-2,249	-2,976
Change in other receivables and other assets	8,366	-3,266
Change in provisions	-159	-323
Change in trade payables and other liabilities	624	2,804
Profit/loss from fair value adjustments of investment properties	-1,845	0
Profit/loss from the sale of real estate and real estate companies	83	51
Interest received from loans to companies accounted for using the equity method	0	340
Income taxes paid	-27	-134
Change in reserves	19	0
Depreciation and amortisation and impairment	508	116
Distributions from companies accounted for using the equity method	0	90
Other non-cash items	36	3
Cash flow from operating activities	21,933	9,821



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CONSOLIDATED STATEMENT OF CASH FLOWS

for the reporting period from 1 January to 31 March 2022

in EUR thousand	01/01/2021 – 31/03/2021	01/01/2022 – 31/03/2022
Payments for the acquisition of/investments in investment properties, incl. prepayments, refurbishment measures and prepayments for property, plant and equipment	–3,641	–9,467
Payments for the acquisition of interests in fully consolidated companies, less net cash equivalents acquired	0	0
Payments for investments in companies accounted for using the equity method	–7,716	0
Proceeds from loans to companies accounted for using the equity method	0	1,300
Proceeds from the sale of real estate	–83	–51
Cash flow from investing activities	–11,440	–8,217
Payments for borrowing costs	–450	0
Proceeds from borrowings	47,700	0
Interest paid on financial liabilities	–945	–1,240
Payments for the purchase of additional shares in a subsidiary	–43	–5
Payment for the redemption of lease liabilities*	–95	–32
Payments for the redemption of financial liabilities*	–1,860	–2,962
Buyback of treasury shares	–1,178	0
Cash flow from financing activities	43,129	–4,239
Net change in cash and cash equivalents	53,622	–2,635
Cash and cash equivalents at the start of the period	101,620	139,619
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	155,243	136,984

* The previous year's figures were adjusted based on reporting changes during the period under review.



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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the reporting period from 1 January to 31 March 2022

in EUR thousand	Share capital		Reserves			Total equity
	Subscribed capital	Capital reserves	Retained earnings incl. Group profit/loss	Equity attributable to parent company shareholders	Non-controlling interests	
01/01/2022	105,513	88,366	355,144	549,023	43,339	592,362
Net profit/loss for the period	0	0	7,112	7,112	588	7,700
Other comprehensive income	0	0	0	0	0	0
Total comprehensive income	0	0	7,112	7,112	588	7,700
Stock option programme	0	0	0	0	0	0
Dividend payments/distributions	0	0	0	0	0	0
Increase in shareholdings in subsidiaries	0	0	0	0	0	0
Acquisition of treasury shares	0	0	0	0	0	0
Other changes	0	0	-278	-278	-51	-329
31/03/2022	105,513	88,366	361,978	555,857	43,876	599,733



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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the reporting period from 1 January to 31 March 2021

in EUR thousand	Share capital		Reserves			Total equity
	Subscribed capital	Capital reserves	Retained earnings incl. Group profit/loss	Equity attributable to parent company shareholders	Non-controlling interests	
01/01/2021	105,772	88,404	363,780	557,956	40,085	598,041
Net profit/loss for the period	0	0	8,736	8,736	673	9,409
Other comprehensive income	0	0	0	0	0	0
Total comprehensive income	0	0	8,736	8,736	673	9,409
Stock option programme	0	0	0	0	0	0
Dividend payments/distributions	0	0	0	0	0	0
Increase in shareholdings in subsidiaries	0	0	0	0	0	0
Acquisition of treasury shares	-260	-919	0	-1,179	0	-1,179
Other changes	0	0	19	19	-29	-10
31/03/2021	105,513	87,485	372,535	565,533	40,730	606,263



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the reporting period from 1 January to 31 March 2022

A. General information

1. Basis of preparation

DEMIRE Deutsche Mittelstand Real Estate AG (hereafter “DEMIRE AG”) is recorded in the commercial register in Frankfurt am Main, Germany, the location of the Company’s headquarters, under the number HRB 89041. The Company’s registered office is located in Frankfurt am Main, Germany, and the Company’s business address is Robert-Bosch-Strasse 11, Langen, Germany.

The Company’s shares are listed in the Prime Standard segment of the Frankfurt Stock Exchange. The subject of these condensed interim consolidated financial statements as at 31 March 2022 is DEMIRE AG and its subsidiaries (hereafter “DEMIRE”).

DEMIRE itself has not carried out any investments in real estate or real estate projects to date. Investments are generally processed through real estate companies. Interests in these real estate companies are held by DEMIRE AG either directly or indirectly (through intermediate holding companies). DEMIRE focuses on the German commercial real estate market where it is an active investor and portfolio manager. DEMIRE itself carries out the acquisition, management and leasing of commercial properties. Value appreciation is to be achieved through active real estate management. This may also include the targeted sale of properties when they are no longer a strategic fit or have exhausted their potential for value appreciation.

The condensed interim consolidated financial statements for the period from 1 January to 31 March 2022 were prepared in accordance with the requirements of IAS 34 Interim Financial Reporting (hereafter IAS 34). This report has not been audited and, for this reason, does not contain an auditor’s opinion.

The condensed interim consolidated financial statements of DEMIRE AG were prepared in accordance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB), as applicable in the European Union (EU), pursuant to Section 315e of the German Commercial Code (HGB). All International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), interpretations of the IFRS Interpretations Committee (IFRS IC) – formerly the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC) – that were mandatory for the 2022 financial year have been taken into consideration. Furthermore, all disclosure and explanation requirements under German law above and beyond the provisions of the IASB have been fulfilled.

Under IAS 34, the condensed interim consolidated financial statements shall represent an update of the last financial year’s financial statements and, therefore, do not contain all of the information and disclosures required for consolidated financial statements but rather concentrate on new activities, events and circumstances so as not to repeat information that has already been reported. The condensed interim consolidated financial statements of DEMIRE AG as at 31 March 2022 should therefore always be viewed in conjunction with the [🔗 consolidated financial statements](#) prepared as at 31 December 2021.



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The euro (EUR) is the reporting currency of DEMIRE AG's condensed interim consolidated financial statements. Unless otherwise stated, all amounts are expressed in thousands of euros (EUR thousand). For computational reasons, rounding differences of ± one unit (EUR, %, etc.) may occur in the information presented in these financial statements. The consolidated statement of income has been prepared according to the cost-of-sales method.

These condensed interim consolidated financial statements of DEMIRE AG were approved for publication by a resolution of the Executive Board on 11 May 2022.

B. Scope and principles of consolidation

There were no changes to the scope of consolidation in the first quarter of 2022.

C. Accounting policies

The accounting policies applied to these interim consolidated financial statements are the same as those applied to the consolidated financial statements as at 31 December 2021. There were no material changes in estimates compared to those in the [consolidated financial statements](#) as at 31 December 2021.

The first-time application of amendments to IFRS 9, IAS 39, IFRS 7 and IFRS 4 have no effect on the consolidated financial statements of DEMIRE.

D. Notes to the consolidated statement of income

1. Earnings before interest and taxes

in EUR thousand	01/01/2021 – 31/03/2021	01/01/2022 – 31/03/2022
Net rent	21,148	19,340
Income from utility and service charges	7,572	9,205
Rental revenue from real estate	28,720	28,545
Allocable operating expenses to generate rental income	-9,647	-10,906
Non-allocable operating expenses to generate rental income	-1,344	-2,004
Operating expenses to generate rental income	-10,991	-12,910
PROFIT/LOSS FROM THE RENTAL OF REAL ESTATE	17,729	15,635



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Rental revenue in the interim reporting period resulted exclusively from the rental of commercial real estate and is free from seasonal effects.

The fall in profit/loss from the rental of real estate to EUR 15,635 thousand (Q1 2021: EUR 17,729 thousand) is primarily due to lower rental income in the amount of EUR 19,340 thousand (Q1 2021: EUR 21,148 thousand) owing to the disposal of properties sold during the 2021 financial year.

The increase in non-allocable operating expenses was largely driven by higher maintenance costs in the amount of EUR 973 thousand (Q1 2021: EUR 487 thousand) and higher non-capitalised expenses for tenant improvements and depreciation of rental incentives in the amount of EUR 354 thousand (Q1 2021: EUR 52 thousand).

Of the operating expenses, an amount of EUR 10,906 thousand (Q1 2021: EUR 9,647 thousand) is generally allocable and can be charged on to tenants. This increase is primarily the result of a large increase in energy costs and a one-time effect arising from the passing on of costs to a tenant. The increase in non-allocable expenses is also shown in the increase in income from the allocation of service charges.

The Group generated a profit of EUR –51 thousand from the sale of real estate as at 31 March 2022 (Q1 2021: EUR –83 thousand).

The loss from the sale of real estate resulted, above all, from subsequent selling expenses that were incurred in connection with the sale of the property in Regensburg and Trier in the previous year.

As in the comparable prior-year period, no revaluation of investment properties was performed as at the 31 March 2022 reporting date. Profit/loss from adjustments to the fair value of investment properties in the amount of EUR 1,845 thousand from the previous year related to changes in the value of a property in Ansbach, which was reclassified to non-current assets held for sale.

Impairments on receivables amounted to EUR 149 thousand in the period under review (Q1 2021: EUR –388 thousand) and therefore represented income. This income was derived from the reversal of value adjustments on receivables.



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2. Financial result

in EUR thousand	01/01/2021 – 31/03/2021	01/01/2022 – 31/03/2022
Financial income	209	1,057
Financial expenses	–4,338	–4,661
Profit/loss from companies accounted for using the equity method	0	528
Minority interests	–1,137	–1,233
FINANCIAL RESULT	–5,266	–4,309

Financial income in the amount of EUR 1,585 thousand (previous year: EUR 209 thousand) mainly resulted from interest income from the granting of loans to the joint venture JV Theodor-Heuss-Allee-GmbH, which was founded in the comparable prior-year period, in the amount of EUR 25.1 million, as well as to the third party RFR Immobilien 5 GmbH in the amount of EUR 60 million. This is an affiliate of the joint venture partner RFR Immobilien 4 GmbH. The increase in financial expenses is largely due to taking out new loans in the 2021 financial year.


Profits from companies accounted for using the equity method in the amount of EUR 528 thousand (previous year: EUR 0 thousand) relate to the investment profits during the period under review in JV Theodor-Heuss-Allee GmbH, Frankfurt am Main.

The interests of minority shareholders in the amount of EUR –1,233 thousand (Q1 2021: EUR –1,137 thousand) relate to the share of profits of minority shareholders in Fair Value REIT-AG's subsidiaries, which are carried as liabilities under IAS 32. The year-on-year increase is largely due to lower administrative expenses for these subsidiaries.

3. Earnings per share

	01/01/2021 – 31/03/2021	01/01/2022 – 31/03/2022
Net profit/loss for the period (in EUR thousand)	9,409	7,700
Profit/loss for the period less non-controlling interests	8,736	7,112
Number of shares (in thousands)		
Number of shares outstanding as at the reporting date	105,513	105,513
Weighted average number of shares outstanding	105,599	105,513
Impact of conversion of convertible bonds and exercise under the 2015 Stock Option Programme	510	510
Weighted average number of shares (diluted)	106,109	106,023
Earnings per share (in EUR)		
Basic earnings per share	0.08	0.07
Diluted earnings per share	0.08	0.07

As at 31 March 2022, the Company had potential ordinary shares outstanding from the 2015 Stock Option Programme entitling the owners to subscribe to 510,000 shares.

	
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E. Notes to the consolidated balance sheet


1. Investment property

Investment properties are measured at fair value. The fair values during the interim reporting period developed as follows:

in EUR thousand	Office	Retail	Logistics	Other	Total
Fair value at the beginning of the 2022 financial year	843,956	377,559	141,600	69,981	1,433,096
Additions of properties	1,596	1,641	2,658	613	6,508
Reclassifications to non-current assets held for sale	-	-	-	-	-
Fair value as at 31/03/2022	845,553	379,200	144,258	70,593	1,439,604

The additions to investment properties consisted primarily of construction activities which were capitalised.

The fair value measurement of investment properties is allocated to Level 3 of the valuation hierarchy in accordance with IFRS 13 (measurement based on unobservable input factors). DEMIRE determines fair values within the framework of IAS 40 accounting. No revaluation of investment properties was performed as at the 31 March 2022 reporting date.

	
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2. Equity

Subscribed capital amounted to EUR 105,513 thousand (31 December 2021: EUR 105,513 thousand).

3. Financial liabilities

Financial liabilities consisted of the following:

FINANCIAL LIABILITIES

in EUR thousand	31/12/2021	31/03/2022
2019/2024 corporate bond	594,047	594,564
Other financial liabilities	296,467	296,406
TOTAL	890,514	890,971

The following table shows the nominal value of financial liabilities:

FINANCIAL LIABILITIES

in EUR thousand	31/12/2021	31/03/2022
2019/2024 corporate bond	600,000	600,000
Other financial liabilities	297,866	297,687
TOTAL	897,866	897,687

The difference between the carrying amounts of financial liabilities and their nominal values is due to the subsequent measurement of financial liabilities at amortised cost using the effective interest method in accordance with IFRS 9.

All of the Group's financial liabilities have fixed interest rates. The nominal interest rate of the 2019/2024 corporate bond is 1.875% p.a. Other financial liabilities mainly include bank liabilities with a weighted average nominal interest rate of 1.23% p.a. as at 31 March 2022 (31 December 2021: 1.31% p.a.). The average nominal interest rate on financial debt across all financial liabilities amounted to 1.66% p.a. as at 31 March 2022 (31 December 2021: 1.66% p.a.).

The change in other financial liabilities during the interim period under review is due to current repayments.



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F. Condensed Group segment reporting

01/01/2022 – 31/03/2022

in EUR thousand	Core Portfolio	Fair Value REIT	Corporate functions/ others	Group
Total revenue	22,278	6,267	0	28,545
Segment revenue	22,413	6,310	275	28,998
Segment expenses	-10,922	-2,699	2,300	-15,922
EBIT	11,491	3,611	-2,027	13,075
Net profit/loss for the period	6,328	1,833	-461	7,700
Segment assets 31/03/2022	1,260,891	348,499	108,188	1,717,579
Thereof tax assets	3,829	47	2,602	6,479
Thereof additions to non-current assets	5,154	1,353	0	6,508
Thereof non-current assets held for sale	0	0	0	0
Segment liabilities 31/03/2022	915,202	190,736	11,907	1,117,846
Thereof non-current financial liabilities	796,891	75,125	0	872,016
Thereof lease liabilities	24,420	0	22	24,442
Thereof current financial liabilities	16,162	2,793	0	18,955
Thereof tax liabilities	2,286	0	7,357	9,645

01/01/2021 – 31/03/2021

in EUR thousand	Core Portfolio	Fair Value REIT	Corporate functions/ others	Group
Total revenue	22,686	6,033	0	28,720
Segment revenue	24,636	6,095	11	30,742
Segment expenses	-9,429	-2,989	-1,747	-14,165
EBIT	15,207	3,106	-1,736	16,577
Net profit/loss for the period	10,298	1,133	-2,021	9,409
Segment assets 31/03/2021	1,249,213	334,078	102,204	1,685,495
Thereof tax assets	3,398	0	4,029	7,428
Thereof additions to non-current assets	2,647	372	0	3,019
Thereof non-current assets held for sale	49,000	0	0	49,000
Segment liabilities 31/03/2021	884,629	185,663	8,940	1,079,232
Thereof non-current financial liabilities	782,363	78,090	0	860,452
Thereof lease liabilities	18,626	0	36	18,662
Thereof current financial liabilities	15,302	2,705	0	18,008
Thereof tax liabilities	2,059	0	2,532	4,591



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The segmentation of the data in the financial statements is based on the internal alignment according to strategic business segments pursuant to IFRS 8. The segment information presented represents the information to be reported to the Executive Board.

The DEMIRE Group is divided into the two reportable business segments Core Portfolio and Fair Value REIT.

More than 10% of total revenue was generated from one customer in the “Core Portfolio” segment, corresponding to a total of EUR 3,070 thousand (Q1 2021: EUR 3,611 thousand) during the reporting period.

G. Other disclosures

1. Related party disclosures

DEMIRE AG has a loan receivable in the amount of EUR 25,240 thousand (including interest receivable) from the joint venture JV Theodor-Heuss-Allee-GmbH. Interest income from this loan comes to EUR 260 thousand as at 31 March 2022. In addition, an asset management agreement and an agency agreement exist between DEMIRE AG and the purchasing company JV Theodor-Heuss-Allee-GmbH, resulting in receivables of EUR 51 thousand and income of EUR 19 thousand as at 31 March 2022.

Furthermore, there were no business transactions with members in key Company positions during the reporting period, except for the compensation of the Executive Board mentioned in [section G.5](#).

2. Financial instruments

The carrying amounts of the following financial instruments carried at cost or amortised cost do not correspond to their fair values:

in EUR thousand	31/12/2021		31/03/2022	
	Carrying amount under IFRS 9	Fair Value	Carrying amount under IFRS 9	Fair Value
Bonds	594,047	592,848	594,564	585,636
Other financial liabilities	282,459	278,638	296,406	279,419

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3. Risk report

Please refer to the disclosures made in the risk reporting included within the [🔗 consolidated financial statements](#) as at 31 December 2021 for information on the risks of future business performance. There were no significant changes in the Group's risk structure in the reporting period from 1 January to 31 March 2022.

For a general overview of the risks, please refer to the [📄 report on risks and opportunities](#).

4. Other notes

As at the reporting date, there were no financial obligations stemming from purchase agreements for properties and real estate companies which are not yet due.

Contractual obligations for modification and expansion measures as well as maintenance and modernisation obligations for the properties totalled EUR 25,977 thousand as at 31 March 2022 (Q1 2021: EUR 22,363 thousand). These obligations are fixed in terms of their scope.

Purchase order commitments for maintenance and modernisation, as well as modification and expansion measures, totalled EUR 6,334 thousand as at the interim reporting date (Q1 2021: EUR 6,319 thousand).

As at 31 March 2022, unused credit lines in the amount of EUR 5,000 thousand (31 December 2021: EUR 5,000 thousand) were available.

5. Governing bodies and employees

In accordance with DEMIRE AG's Articles of Association, the Executive Board is responsible for managing business activities.

The following were members of the Executive Board during the interim period under review and comparable prior-year period:

Mr Ingo Hartlief (Chairman of the Executive Board since 20 December 2018)

Mr Tim Brückner (Chief Financial Officer since 1 February 2019)

For the interim period under review, performance-related remuneration in the amount of EUR 211 thousand (Q1 2021: EUR 83 thousand), fixed remuneration in the amount of EUR 183 thousand (Q1 2021: EUR 175 thousand) and share-based remuneration in the amount of EUR 246 thousand (Q1 2021: EUR 38 thousand) were recognised for the Executive Board of DEMIRE AG. No loans or advances were granted to the members of the Executive Board, nor were any contingent liabilities in favour of the members of the Executive Board entered into either.


6. Events after the interim reporting date of 31 March 2022

No events occurred after the interim reporting date that are of particular significance for DEMIRE's net asset, financial position and results of operations.

Frankfurt am Main, 11 May 2022

DEMIRE Deutsche Mittelstand Real Estate AG


Ingo Hartlief (FRICS)
(CEO)


Tim Brückner
(CFO)



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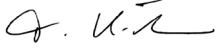
Declaration by the executive directors

As members of the Executive Board of DEMIRE Deutsche Mittelstand Real Estate AG, we hereby affirm that, to the best of our knowledge, the consolidated financial statements give a true and fair view of the Group's net assets, financial position and results of operations in accordance with the applicable accounting principles and that the Group management report gives a true and fair view of the development and performance of the business, including the business results and the position of the Group, together with a description of the principal opportunities and risks associated with the Group's expected development.

Frankfurt am Main, 11 May 2022

DEMIRE Deutsche Mittelstand Real Estate AG


Ingo Hartlief (FRICS)
(CEO)



Tim Brückner
(CFO)



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PUBLISHER

The Executive Board of
DEMIRE Deutsche Mittelstand Real Estate AG

CONCEPT AND LAYOUT

Berichtsmanufaktur GmbH, Hamburg

PUBLICATION DATE

11 May 2022