



HALF-YEAR FINANCIAL REPORT
1 JANUARY – 30 JUNE 2024





HIGHLIGHTS H1 2024



KEY EARNINGS FIGURES

15.5

in EUR million
FFO I (after taxes,
before minority interests),
compared to EUR 19.3 million
in H1 2023

35.5

in EUR million
RENTAL INCOME,
compared to EUR 40.8 million
in H1 2023



KEY FINANCIAL INDICATORS

55.6

in %
NET LOAN-TO-VALUE RATIO¹
(**NET LTV**),
compared to 57.7% as at
year-end 2023

1.78

in % p. a.
AVERAGE
NOMINAL INTEREST COSTS,
compared to 1.74% p.a.
as at year-end 2023

3.02

in EUR
NET ASSET VALUE
(**PER SHARE, BASIC**)
compared to EUR 3.24
as at year-end 2023



PORTFOLIO DEVELOPMENT

949.8

in EUR million
PORTFOLIO VALUE,
compared to EUR 1,076.6 million
as at year-end 2023

66.9

in EUR million
ANNUALISED
RENTAL INCOME,
compared to EUR 76.7
million as at year-end 2023

-5.5

in %
LIKE-FOR-LIKE GROWTH
in annualised contractual
rent, compared to 5.6%
in H1 2023

4.3

in years
WALT,
compared to 4.6 years
as at year-end 2023

15.5

in %
EPRA-LEPRA VACANCY RATE²,
compared to 13.1%
as at year-end 2023

25,000

in m²
LETTING PERFORMANCE,
compared to 18,200 m²
in H1 2023

¹ According to the definition of bond 2019/24

² Excluding properties classified as a project development

Key for navigating the
interim report:



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in the interim report



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FOREWORD BY THE EXECUTIVE BOARD

Dear Shareholders, dear Readers,

The first half of 2024 continued to be dominated by weak economic conditions, which curbed demand in the rental markets. Uncertainty about the medium-term interest rate trend continued to have a negative impact on transaction dynamics in the real estate markets.

However, the significantly lower key Group figures in the first half of 2024 are not a result of the economic conditions described above, but are due to the property sales made in order to build up a liquidity reserve for the refinancing of the 2019/24 bond. Rental income fell 13.1% to EUR 35.5 million. FFO I after tax declined by 19.7% to EUR 15.5 million compared to the previous period.

With the receipt of the purchase price following the transfer of our LogPark logistics property in Leipzig at the end of the first quarter of 2024, there was a further cash inflow into our liquidity reserve for the refinancing of the 2019/24 bond. In the second quarter of 2024 we focused entirely on refinancing our bond, which matures in October 2024. In June 2024, we announced the agreement to extend the bond until the end of 2027. At the time of publication of this report, formal consent from more than 90% of the bondholders in accordance with the German Bond Act (SchVG) had been obtained for the extension of the bond to the beginning of September 2024. The technical implementation of the bond extension will now be carried out in the fourth quarter of 2024. We are very pleased with the outcome of what was a complex negotiation process involving a large number of parties. We have obtained financial planning security at good conditions and can now fully concentrate on the operational performance of our portfolio again.

In September, we bolstered our asset management team by appointing a new manager and making organisational improvements. This reflects our increased focus on asset management as of the second quarter of 2024. On top of that, we rented out a good third more floor space in the first half of the year than in the same period of the previous year. Over the next few quarters, we want to do our utmost to leverage the potential of our portfolio and further increase our letting performance.

In June, we published our third sustainability report, which was externally validated, as was last year's report. We have been able to reduce our own emissions by 39% since last year. These savings were achieved through various individual measures, which were only possible to such an extent thanks to the great support of the DEMIRE team. At DEMIRE, we are committed to the goals of the Paris Agreement and want to implement the specified climate path as part of our operational strategy over the long term. We will therefore develop a comprehensive climate plan for our assets as a matter of urgency.

During the first half of the year, we also conducted a materiality analysis to determine our reporting obligations under the EU's Corporate Sustainability Reporting Directive (CSRD) and will put the results into practice as part of a data collection project. From the 2025 reporting year onwards, we will report even more extensively on sustainability topics and integrate them into our annual report.

Frankfurt am Main, 30 September 2024

Frank Nickel
(CEO)

Tim Brückner
(CFO)

Ralf Bongers
(Member of the
Executive Board)



DEMIRE AT A GLANCE

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KEY GROUP FIGURES

in EUR thousand	01/01/2024 – 30/06/2024	01/01/2023 – 30/06/2023
Key earnings figures		
Rental income	35,479	40,843
Profit/loss from the rental of real estate	23,540	30,166
EBIT	-14,076	-64,972
Financial result	-6,997	9,985
EBT	-21,073	-54,987
Net profit/loss for the period	-27,629	-46,688
Net profit/loss for the period attributable to parent company shareholders	-28,054	-44,039
Net profit/loss for the period per share (basic/diluted) (in EUR)	-0,27/-0,27	-0,42/-0,42
FFO I (after taxes, before minority interests)	15,450	19,252
FFO I per share (basic/diluted) (in EUR)	0,15/0,15	0,18/0,18

	30/06/2024	31/12/2023
Key portfolio indicators		
Properties (number)	58	59
Market value (in EUR million) ¹	949.8	1,075.6
Annualised contractual rents (in EUR million)	66.9	76.7
Rental yield (in %)	7.0	7.1
EPRA vacancy rate ² (in %)	15.5	13.1
WALT (in years)	4.3	4.6

¹ The market value (in EUR million) represents the total fair value of DEMIRE's property portfolio as of the reporting date. In contrast to the balance sheet total of the "Total portfolio", no leaseholds or operating facilities are recognised.

² Excluding project developments

in EUR thousand	30/06/2024	31/12/2023
Key balance sheet figures		
Total assets	1,263,011	1,327,528
Investment properties	890,621	947,276
Non-current assets held for sale	82,575	149,100
Total real estate portfolio	973,196	1,096,374
Financial and lease liabilities	776,717	816,992
Cash and cash equivalents	167,111	119,989
Net financial liabilities	609,606	697,003
Net loan-to-value (Net-LTV) (in %)	55.6	57.7
Equity according to Group balance sheet	303,250	333,285
Equity ratio (in %)	24.0	25.1
Net Asset Value (NAV)	277,017	303,589
NAV (basic/diluted)	319.094/319.604	341.504/342.014
Number of shares (basic/diluted)	105.513/106.023	105.513/106.023
EPRA NAV per share (basic/diluted)	3,02/3,01	3,24/3,23



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PORTFOLIO HIGHLIGHTS

as at 30 June 2024

949.8

in EUR million
MARKET VALUE OF THE PROPERTY PORTFOLIO

10.20

in EUR/m²
AVERAGE RENT
 across the portfolio

58

Assets
 at **48 LOCATIONS**
 in 11 federal states

15.5

in %
EPRA VACANCY RATE¹
 across the portfolio

66.9

in EUR million
ANNUALISED CONTRACTUAL RENTS

7.0

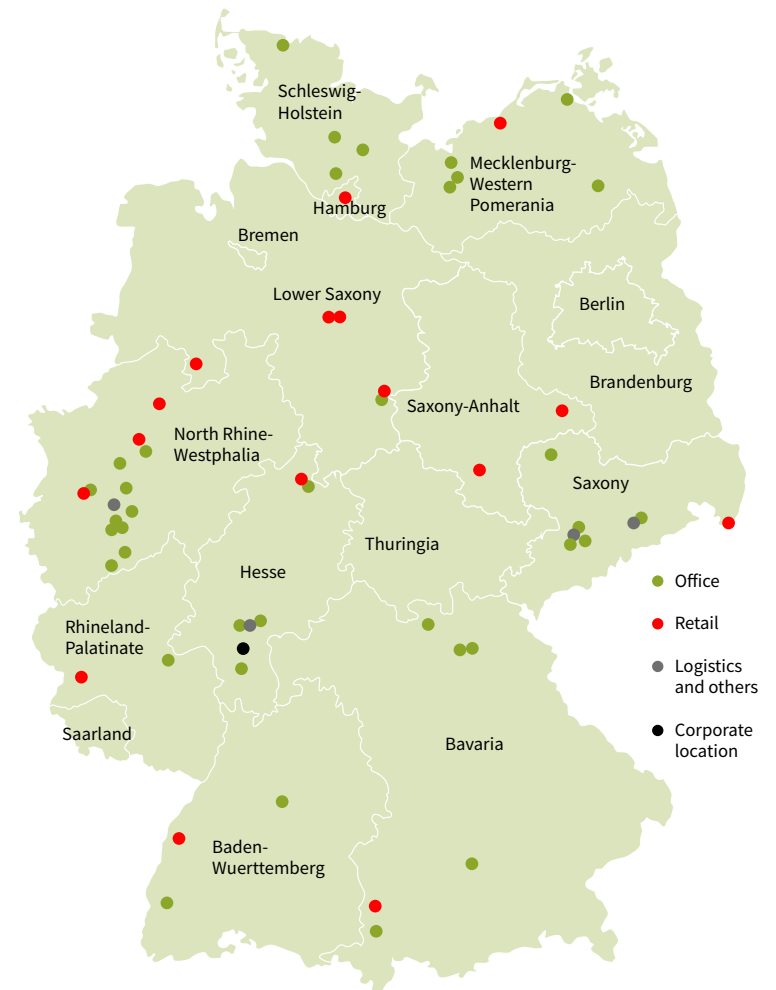
in %
GROSS RENTAL RETURNS

-5.5

in %
LIKE-FOR-LIKE GROWTH
 in annualised contractual rent

4.3

in years
WEIGHTED AVERAGE
 residual lease term (WALT)



¹ Excluding properties classified as a project development



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DEMIRE ON THE CAPITAL MARKET

An overview of DEMIRE shares

The share capital of DEMIRE Deutsche Mittelstand Real Estate AG consists of a total of 107.78 million no-par value bearer shares that are admitted for trading on the Frankfurt Stock Exchange and the XETRA electronic trading platform.

DEMIRE key share data

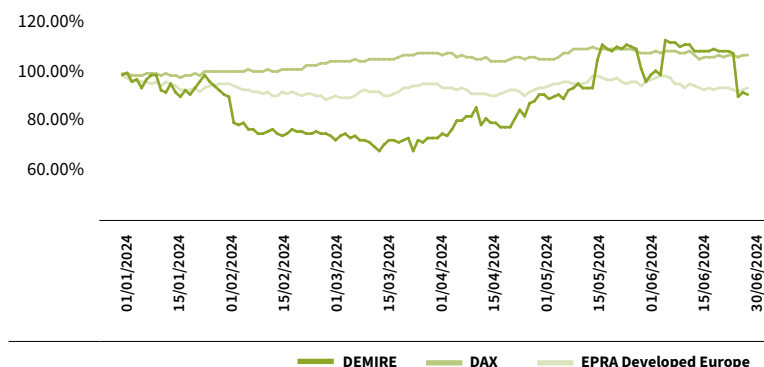
DEMIRE KEY SHARE DATA

Share	30/06/2024	31/12/2023
ISIN	DE000A0XFSF0	DE000A0XFSF0
Symbol/ticker	DMRE	DMRE
Stock exchange	Frankfurt Stock Exchange (FSE); XETRA Open markets in Stuttgart, Berlin, Düsseldorf	Frankfurt Stock Exchange (FSE); XETRA Open markets in Stuttgart, Berlin, Düsseldorf
Market segment	Regulated Market (Prime Standard)	Regulated Market (Prime Standard)
Designated sponsors	BaaderBank, Pareto Securities AS	BaaderBank, Pareto Securities AS
Share capital	EUR 107,777	EUR 107,777
Number of shares	107,777,324	107,777,324
Closing (XETRA)	EUR 1.00	EUR 1.08
Ø daily trading volume 1 Jan. to 31 Dec.	14,297	9,760
Market capitalisation	EUR 108 Millionen	EUR 116 Millionen
Free float < 3% (in %)	7.15	7.15

Development of the stock market and DEMIRE shares

So far, the development of the 2024 stock market year in Germany and Europe has been characterised by the negative geopolitical effects of the war in Ukraine, interest rates that remain high and the ECB's interest rates not being cut as quickly as originally expected in spite of a falling rate of inflation and an economic environment marked by fears of recession and uncertain business prospects. Nevertheless, the DAX recorded an 8.9% increase. DEMIRE shares, on the other hand, have fallen by 9.4% since the beginning of the year. At the same time, the prices of European property shares, as summarised in the EPRA Developed Europe Index, fell by 6.3%.

SHARE DEVELOPMENT IN THE FIRST HALF OF 2024





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Dividend

DEMIRE did not pay out a dividend for the 2023 financial year (previous year: no dividend). In the first half of 2024, the focus remained on creating additional liquidity to refinance the 2019/24 bond, which is set to expire in October 2024.

Development of the DEMIRE bond

In the first half of 2024, the bond market was characterised by the central banks' anticipated interest rate cuts, with the ECB making its first move in June. Yields developed positively overall in Germany in the first half of 2024. The DEMIRE bond was being traded at a price of EUR 62.9 on 1 January 2024. As at 30 June 2024, it was being traded at a price of EUR 83.6. The price increase is attributable in particular to an agreement having been reached in the meantime with bondholders regarding refinancing of the bond set to expire in October 2024.

2019/24 CORPORATE BOND

Name	DEMIRE Senior Notes 2019/24
Issuer	DEMIRE Deutsche Mittelstand Real Estate AG
Rating	Caa3 (Moody's)
Stock exchange listing/trading	Open market of the Luxembourg Stock Exchange (Euro MTF)
Applicable law	German law
ISIN	DE000A2YPAK1
WKN	A2YPA
Issue volume	600,000,000
Denomination	100,000
Coupon	1.875%
Interest payments	On 15 April and 15 October, starting on 15 April 2020
Maturity date	15 Oktober 2024
Repayment	Non Call Life (including 3-month option for early repayment)
Distribution	Regulation S, excluding registration rights
Change of control	101% plus accrued and not yet paid interest
Closing price 28 June 2024	83.60%

Rating

With the rating assessments, DEMIRE strengthens transparency and supports the independent assessment of its business activities.

The Moody's rating assessments remained unchanged in the first half of 2024. The Company has had a rating of Caa2 with a negative outlook since November 2023. The bond was given a Caa3 rating. This rating was founded first and foremost on uncertainties regarding a possible repayment of the bond.

The rating reports are available on [DEMIRE's website](#).

DEMIRE RATING – AS AT 30 JUNE 2024

	Company		Bonds
Rating agency	Rating	Outlook	Rating
Moody's	Caa2	negative	Caa3

Annual General Meeting

The most recent DEMIRE Annual General Meeting was held online on 17 May 2023. All items on the agenda proposed by the management were approved by a large majority.



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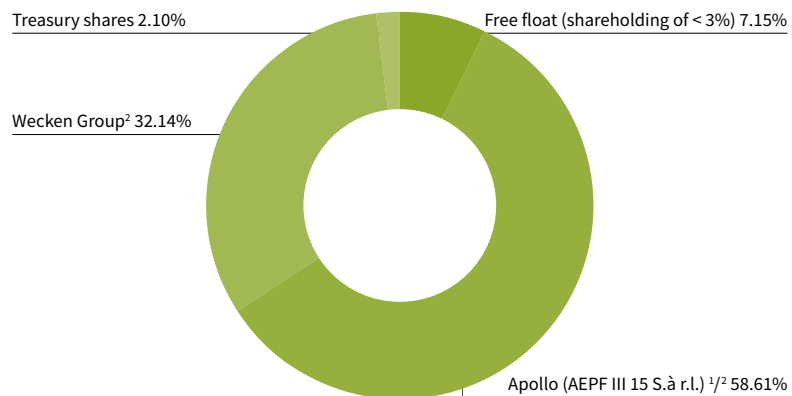
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Shareholder structure

The DEMIRE shareholder structure remained largely unchanged in the first half of 2024. Apollo and the Wecken Group remain the Company's major shareholders and still hold around 90.7% of the shares in the Company between them.

SHAREHOLDER STRUCTURE AS AT 30 JUNE 2023/2024



¹ Including subsidiaries

² Acting in concert

Source: Notifications from WpHG (German Securities Trading Act) and own calculations

IR activities

The Investor Relations department is responsible for approaching investors and analysts in a professional manner and communicating with debt specialists. The department thus handles communication for all capital market activities and is responsible for the reporting requirements for equity and bond investors as well as for the rating agencies.

DEMIRE did not take part in any German or international equity and debt capital market conferences in the first half of 2024 due to the ongoing process of refinancing the 2019/24 bond. However, the Company did regularly present its latest developments to existing and new equity and bond investors and the rating agency Moody's.

DEMIRE regularly and comprehensively informs its stakeholders of the Company's latest developments. This includes publishing its results as at the reporting date and organising telephone conferences for interested investors, analysts and the media, and reporting in detail on the results.

On the capital market, DEMIRE relies on active and transparent dialogue with all current and potential investors. With the support of existing shareholders and further growth that the Company is aiming to achieve in the long run, DEMIRE's market capitalisation and visibility on the capital market are expected to continue to rise in the future.



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Comprehensive informational documents are available to all investors, analysts and the media in the [Investor Relations section](#) of DEMIRE's website. The documents available include all published annual reports, half-year reports and quarterly statements. The website also provides summary presentations of these, as well as recordings of conference calls, the latest company presentations and additional information. With respect to its communications policy, DEMIRE is committed to the equal treatment of bond investors and analysts, as well as equity investors and analysts.

Analyst coverage

DEMIRE's shares are currently covered and valued by two financial analysts.

DEMIRE RATING – AS AT SEPTEMBER 2024

Bank/broker	Analyst	Current rating	Current target price EUR
Hauck & Aufhäuser	Philipp Sennewald	Hold	1.20
Baader Bank	Andre Remke	Reduce	1.25



INTERIM GROUP MANAGEMENT REPORT

for the reporting period from
1 January to 30 June 2024

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OVERVIEW

BUSINESS PERFORMANCE

Overall, DEMIRE's business performance was mixed in the first half of 2024 due to the weak economic situation in Germany and the difficult market environment. The Group's key figures are below those in the same period of the previous year, in some cases due to a reduced portfolio base following disposals. They are nevertheless in line with the Company's plans and expectations. The weak economic environment in the reporting period is already reflected in DEMIRE's forecast figures.

DEMIRE's key figures thus developed as expected overall in the first half of 2024, considering the market environment and the economic situation, as well as the property sales:

- Rental income totalled EUR 35.5 million (previous year: EUR 40.8 million).
- Profit from rental income amounted to EUR 23.5 million, compared to EUR 30.2 million in the same period of the previous year.
- Funds from operations (FFO I, after taxes, before minority interests) decreased by 19.7% to EUR 15.5 million.
- The rental performance remains weak, but has improved by 37.4% year-on-year to around 25,000 m².
- The like-for-like development in annualised contractual rents was –5.5% compared to 30 June 2023 (previous year: 5.6%). The increased vacancy rate in the reporting period has had a negative impact here.

- The EPRA Vacancy Rate¹ rose to 15.5% (31 December 2023: 13.1%), and WALT fell slightly to 4.3 years.
- The NAV per share (basic) fell to EUR 3.02, compared to EUR 3.24 at the end of 2023.
- Net loan-to-value² (net LTV) fell to 55.6% due to the sale of LogPark in Leipzig, with liquidity totalling EUR 167.1 million as at the reporting date.
- The average nominal financing costs are almost unchanged at 1.78% per annum. Financing costs will only increase significantly once the 2019/24 bond has been extended.

FORECAST FOR THE 2024 FINANCIAL YEAR

Against the background of the development in the first half of 2024, the Executive Board can confirm the forecast for the 2024 financial year: rental income will be between EUR 64.0 million and EUR 66.0 million (2023: EUR 78.5 million). As there is no set date for the official implementation of the new bond conditions as yet, it is not possible to make a meaningful interim forecast regarding FFO I (after taxes, before minority interests) at this time. However, FFO I (after taxes, before minority interests) is expected to be significantly lower than in the previous year (2023: EUR 36.7 million).

¹ Excluding properties classified as a project development

² According to the definition of bond 2019/24



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PROPERTY PORTFOLIO

Between the end of the previous year and the reporting date, the property portfolio decreased to 58 properties (31 December 2023: 59 properties). The lettable area of the buildings in the portfolio is 697.3 thousand m² (31 December 2023: 858.4 thousand m²) and the total market value is approximately EUR 949.8 million (31 December 2023: EUR 1,075.6 million). The last external property valuation of the portfolio, excluding the properties held for sale, was carried out on 31 December 2023.

The EPRA Vacancy Rate² improved to 15.5% as at the reporting date of 30 June 2024, compared to 13.1% on 31 December 2023. WALT was 4.3 years as at 30 June 2024, compared to 4.6 years as at year-end 2023. In the period under review, DEMIRE achieved a rental performance of 25,000 m² (H1 2023: 18,200 m²), thus attesting to a slight recovery in the rental performance. 29% of the letting performance was attributable to new lettings and 71% to follow-on lettings. The rental performance was driven, inter alia, by an extension relating to around 6,000 m² in Schwerin and an extension of around 2,800 m² in Freiburg. There was additionally a new letting of approximately 2,000 m² in Essen.

TOP TEN TENANTS (AS AT 30 JUNE 2024)

No.	Tenant	Type of use	Contractual rents p.a. ¹ in EUR million	in % of total
1	GMG/Dt. Telekom	Office	7.3	11.0
2	IMOTEX	Retail	5.4	8.1
3	Bima Bundesanstalt für Immobilienaufgaben	Office	3.2	4.8
4	Roomers	Hotel	2.1	3.2
5	GALERIA Karstadt Kaufhof	Retail	2.1	3.1
6	Sparkasse Südholstein	Office	1.8	2.8
7	comdirect bank AG	Office	1.4	2.1
8	Die Autobahn GmbH des Bundes	Office	1.3	1.9
9	BWI GmbH	Office	1.2	1.8
10	CFH Penta Rostock GmbH	Hotel	1.2	1.8
Total			27.1	40.5
Other			39.9	59.5
Total			66.9	100.0

PORTFOLIO BY ASSET CLASS

	Number of properties	Market value ¹ in EUR million	Share by market value in %	Lettable space in thousand m ²	Market value ¹ /m ²	Contractual rent in EUR million p.a.	Contractual rent per m ²	Rental returns in %	EPRA vacancy rate ² in %	WALT in years
Office	38	609.0	64.1	453.9	1,342	43.3	10.08	7.1	14.1	3.2
Retail	16	278.9	29.4	214.5	1,301	20.5	10.18	7.3	17.7	5.0
Other	4	61.8	6.5	28.8	2,143	3.2	12.51	5.1	15.9	16.1
Total 30 June 2024	58	949.8	100.0	697.3	1,362	66.9	10.20	7.0	15.5	4.3
Total 31 December 2023	59	1,075.6	100.0	858.4	1,253	76.7	9.00	7.1	13.1	4.6
Change (in %/pp)	-1	-11.7%	-	-18.8%	8.7%	-12.7%	13.3%	-0.1	2.4	-0.3

¹ The market value (in EUR million) represents the total fair value of DEMIRE's property portfolio as at the reporting date. In contrast to the balance sheet item "Total Core Portfolio", no heritable building rights or operating facilities are recognised.

² Excluding properties classified as a project development



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ECONOMIC REPORT

Results of operations, net assets and financial position

RESULTS OF OPERATIONS

In the first half of 2024, the DEMIRE Group generated rental income totalling EUR 35.5 million (previous year: EUR 40.8 million). The decline is mainly due to property sales with the goal of building up a liquidity reserve for the refinancing of the 2019/24 bond. The result from the rental of real estate likewise fell significantly by 22.0% to EUR 23.6 million (previous year: EUR 30.2 million), largely due to the property sales mentioned above, as well as, to a lesser extent, higher management expenses and greater impairments on receivables. Profit/loss from the sale of real estate totalled EUR –5.3 million (previous year: EUR –18.8 million). The LogPark logistics property in Leipzig was sold in the first half of 2024. In connection with the looming insolvency of the Limes portfolio, the four properties in Essen, Kassel, Aschheim and Cologne (Max-Glomsda-Straße) were revalued as at 30 June 2024. This resulted in a fair value adjustment of the investment properties of EUR –17.9 million (previous year: EUR –59.7 million). The adjustment to the assets held for sale – the properties in the sales portfolio – was EUR –8.0 million (previous year: EUR –9.4 million).

Impairments on financial and other receivables totalled EUR 0.7 million (previous year: EUR 0.5 million). General administrative expenses in the first half of 2024 increased marginally to EUR 5.9 million (previous year: EUR 5.6 million). Earnings before interest and taxes (EBIT) amounted to EUR –14.1 million, significantly above the previous year's figure of EUR –65.0 million. The previous year's EBIT was more heavily impacted by the negative valuation result.

The financial result came to EUR –7.0 million in the first half of 2024 (previous year: EUR 10.0 million). In the previous year, financial income generated by the bond buyback under par in April played a considerable part in the positive result. The average nominal interest on borrowed capital was 1.78% per annum (previous year: 1.74% per annum). After a positive contribution to earnings made by minority shareholders of EUR 0.5 million in the previous year due in particular to the lower value of the real estate portfolio, there was a negative contribution from minority shareholders in the amount of EUR 2.4 million in the first half of 2024.

Current income taxes fell to EUR 2.4 million (previous year: EUR 6.7 million), mainly due to reduced fiscal sales revenues from real estate.

Deferred taxes totalled EUR –4.2 million (previous year: EUR 15.0 million). The distinctly negative result of the property valuation led to a positive contribution in the previous year.

Earnings before taxes (EBT) rose to EUR –21.1 million in the reporting period, compared to EUR –55.0 million in the previous year. The previous year's figure was burdened by the negative result of the property valuation. The net result for the first half of 2024 was EUR –27.6 million, compared to EUR –46.7 million in the same period of the previous year.



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CONSOLIDATED INCOME STATEMENT

(selected information in EUR thousand)	01/01/2024 – 30/06/2024	01/01/2023 – 30/06/2023	Change	in %
Rental income	35,479	40,843	-5,364	-13.1
Income from utility and service charges	10,455	11,857	-1,402	-11.8
Operating expenses to generate rental income ¹	-20,785	-21,679	894	-4.1
Impairment of trade accounts receivable ¹	-1,609	-855	-754	88.3
Profit/loss from the rental of real estate	23,540	30,166	-6,626	-22.0
Income from the sale of real estate and real estate companies	99,022	69,100	29,922	43.3
Expenses related to the sale of real estate and real estate companies	-104,293	-87,887	-16,406	18.7
Profit/loss from the sale of real estate and real estate companies	-5,271	-18,787	13,516	-71.9
Profit/loss from fair value adjustments of investment properties	-17,923	-59,680	41,757	-70.0
Result from the fair value adjustment of assets held for sale ¹	-7,973	-9,448	1,475	-15.6
Impairment of receivables	-726	-519	-207	39.8
Other operating income	239	564	-325	-57.6
General and administrative expenses	-5,891	-5,570	-321	5.8
Other operating expenses	-71	-1,698	1,627	-95.8
Earnings before interest and taxes	-14,076	-64,972	50,896	-78.3
Financial result	-6,997	9,985	-16,982	>100
Earnings before taxes	-21,073	-54,987	33,914	-61.7
Current income taxes	-2,395	-6,709	4,314	-64.3
Deferred taxes	-4,161	15,008	-19,169	>100
Net profit/loss for the period	-27,629	-46,688	19,059	-40.8
of which attributable to parent company shareholders	-28,054	-44,039	15,985	-36.3
Basic earnings per share (in EUR)	-0.27	-0.42	0.15	-36.2
Weighted average number of shares outstanding	105,513	105,513	0	0.0
Diluted earnings per share (in EUR)	-0.27	-0.42	0.15	-35.9
Weighted average number of shares outstanding (diluted)	106,023	106,023	0	0.0

¹ The prior-year figures have been adjusted due to a change in presentation in the reporting period.



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NET ASSETS

As at 30 June 2024, the total assets decreased by EUR 64.5 million to EUR 1,263.0 million compared to year-end 2023. This resulted primarily from the sale of LogPark in Leipzig. The value of investment property was EUR 890.6 million as at 30 June 2024, compared to EUR 947.3 million as at 31 December 2023. As at the reporting date, the assets for sale totalled EUR 82.6 million (31 December 2023: EUR 149.1 million).

Group equity as at 30 June 2024 totalled EUR 303.3 million, compared with EUR 333.3 million as at 31 December 2023. The main reasons for the decline were the sale of LogPark at a markdown price compared to the property valuation performed at the end of 2023 and the revaluation of the Limes portfolio as at 30 June 2024. The equity ratio came to 24.0% (31 December 2023: 25.1%). It should be noted that non-controlling minority interests reported in the Group's borrowed capital of around EUR 72.2 million (31 December 2023: EUR 72.2 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 approximately EUR 375.5 million (31 December 2023: EUR 405.3 million).

Total financial liabilities as at 30 June 2024 amounted to EUR 750.9 million. These decreased by EUR 40.1 million compared to 31 December 2023. Repayment of the loan for LogPark in Leipzig as part of the sale of the property was instrumental here.



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CONSOLIDATED BALANCE SHEET – ASSETS

(selected information in EUR thousand)	30/06/2024	31/12/2023	Change	in %
Assets				
Total non-current assets	977,007	1,026,550	-49,543	-4.8
Total current assets	203,429	151,881	51,548	33.9
Assets held for sale	82,575	149,100	-66,525	-0.4
Total Assets	1,263,011	1,327,531	-64,520	-4.9

CONSOLIDATED BALANCE SHEET – EQUITY AND LIABILITIES

(selected information in EUR thousand)	30/06/2024	31/12/2023	Change	in %
Equity and liabilities				
Equity				
Equity attributable to parent company shareholders	277,018	303,589	-26,571	-8.8
Non-controlling interests	26,232	29,696	-3,464	-11.7
Total equity	303,250	333,285	-30,035	-9.0
Liabilities				
Total non-current liabilities	289,333	279,982	9,351	3.3
Total current liabilities	670,428	714,264	-43,836	-6.1
Total liabilities	959,761	994,246	-34,485	-3.5
Total equity and liabilities	1,263,011	1,327,531	-64,520	-4.9



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FINANCIAL POSITION

Cash flow from operating activities in the first half of 2024 amounted to EUR 19.1 million (previous year: EUR 24.6 million).

Cash flow from investing activities amounted to EUR 90.3 million in the reporting period, compared to EUR 70.7 million in the previous year. The majority of the positive cash flow came from the proceeds from the sale of property. At the same time, there were higher payments for modernisation measures in the previous period.

Cash flow from financing activities came to EUR –62.3 million, compared to EUR –29.4 million in the same period of the previous year. This change was driven first and foremost by the repayment of financial liabilities relating to the sale of LogPark in Leipzig.

Cash and cash equivalents amounted to EUR 167.1 million on 30 June 2024 (31 December 2023: EUR 120.0 million; 30 June 2023: EUR 123.4 million).

Funds from Operations (FFO)

Funds from operations I (after taxes, before minority interests), the key operating performance indicator, decreased by 19.7% to EUR 15.5 million in the first six months of 2024, compared to EUR 19.3 million in the same period of the prior year. On a diluted basis, FFO I per share came to EUR 0.15, compared to EUR 0.18 in the same period of the previous year.

CONSOLIDATED STATEMENT OF CASH FLOWS

(selected information in EUR thousand)	01/01/2024 – 30/06/2024	01/01/2023 – 30/06/2023	Change
Cash flow from operating activities	19,063	24,642	–5,579
Cash flow from investing activities	90,318	70,726	19,592
Cash flow from financing activities	–62,259	–29,406	–32,853
Net change in cash and cash equivalents	47,122	65,962	–18,840
Cash and cash equivalents at the end of the period	167,111	123,377	43,734



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FFO CALCULATION

(selected information in EUR thousand)	01/01/2024 – 30/06/2024	01/01/2023 – 30/06/2023	Change	in %
Earnings before taxes	-21,073	-54,987	33,915	-61.7
Minority interests	2,381	-461	2,842	>100
Earnings before taxes (EBT)	-18,692	-55,448	36,757	-66.3
± Profit/loss from the sale of real estate	5,271	18,787	-13,516	-71.9
± Profit/loss from the valuation of investment properties	25,895	69,128	-43,233	-62.5
± Other adjustments ¹	4,281	-10,923	15,203	>100
FFO I before taxes	16,755	21,544	-4,789	-22.2
± (Current) income taxes	-1,305	-2,292	987	-43.1
FFO I after taxes	15,450	19,252	-3,802	-19.7
of which attributable to parent company shareholders	12,538	16,543	-4,005	-24.2
of which attributable to non-controlling interests	2,912	2,709	204	7.5
± Profit/loss from the sale of real estate and real estate companies (after taxes)	-5,271	-23,407	18,136	-77.5
FFO II after taxes	10,179	-4,155	14,334	>100
of which attributable to parent company shareholders	7,010	-7,979	14,989	>100
of which attributable to non-controlling interests	3,169	3,823	-655	-17.1
FFO I after taxes and minority interests				
Basic earnings per share (in EUR)	0.12	0.16	-0.04	-24.2
Weighted average number of shares outstanding	105,513	105,513	0	0.0
Diluted earnings per share (in EUR)	0.12	0.16	-0.04	-24.2
Weighted average number of shares outstanding (diluted)	106,023	106,023	0	0.0
FFO II after taxes and minority interests				
Basic earnings per share (in EUR)	0.07	-0.08	0.14	>100
Weighted average number of shares outstanding	105,513	105,513	0	0.0
Diluted earnings per share (in EUR)	0.07	-0.08	0.14	>100
Weighted average number of shares outstanding (diluted)	106,023	106,023	0	0.0

¹ Other adjustments include:
— One-time refinancing costs and effective interest payments (EUR 2.5 million, previous year: EUR 1.0 million)
— One-time transaction, legal and consultancy fees (EUR 0.3 million, previous year: EUR 0.2 million)
— Non-period expenses/income (EUR 1.5 million, previous year: EUR -0.1 million)



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Net asset value (NAV)

The basic net asset value fell from EUR 341.5 million as at 31 December 2023 to EUR 319.1 million as at 30 June 2024 due to the sale of LogPark in Leipzig and the market condition-related devaluation of the Limes portfolio. On an undiluted basis, the NAV as at the reporting date was EUR 3.02 per share (31 December 2023: EUR 3.24 per share).

NET ASSET VALUE (NAV)

in EUR thousand	30/06/2024	31/12/2023	Change	in %
Net Asset Value (NAV)	277,017	303,589	-26,572	-8.8
Deferred taxes	42,076	37,915	4,161	11.0
Goodwill resulting from deferred taxes	0	0	0	0.0
NAV (basic)	319,094	341,504	-22,410	-6.6
Number of outstanding shares (basic) (in thousands)	105,513	105,513	0	0.0
NAV per share (basic) (in EUR)	3.02	3.24	-0.21	-6.6
Effect of the conversion of convertible bonds and other equity instruments	510	510	0	0.0
NAV (diluted)	319,604	342,014	-22,410	-6.6
Number of outstanding shares (diluted) (in thousands)	106,023	106,023	0	0.0
NAV per share (diluted) (in EUR)	3.01	3.23	-0.21	-6.6



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NET LOAN-TO-VALUE RATIO

The DEMIRE Group's net loan-to-value ratio is defined in the 2019/24 bond prospectus as the ratio of net financial liabilities to the sum of all assets less intangible assets and cash and cash equivalents. The net loan-to-value ratio fell moderately to 55.6% (from 57.7% at the end of 2023). The sale of the LogPark property in Leipzig had an instrumental part to play in the decline.

NET LOAN-TO VALUE (NET LTV)

in EUR thousand	30/06/2024	31/12/2023
Financial liabilities and lease liabilities	776,717	816,992
Cash and cash equivalents	167,111	119,989
Net financial debt	609,606	697,003
Total assets	1,263,011	1,327,531
Intangible assets	0	0
Cash and cash equivalents	-167,111	-119,989
Total assets less intangible assets and cash and cash equivalents	1,095,900	1,207,542
Net LTV (in %)	55.6	57.7

Covenants for the 2019/24 corporate bond

Within the scope of issuing the 2019/24 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 2019/24 corporate bond.

BOND COVENANTS 30/06/2024

	NET LTV	NET SECURED LTV	ICR
Covenant	max. 60%	max. 40%	min. 2.00
Value	55.6%	7.6%	4.29

As at 30 June 2024, DEMIRE had complied with all covenants of the 2019/24 corporate bond. In addition, the planning for the residual term of the 2019/24 bond up to mid-October 2024 assumes that the covenants will be complied with at all times.

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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 2023 for information on the opportunities and risks of future business performance. In addition to the opportunities and risks recorded as at 31 December 2023, the first half of 2024 was largely dominated by higher interest rates and reduced willingness to finance, both in the banking and capital markets. The transaction markets continue to record low transaction volumes and falling prices. All these factors continue to generate a high degree of uncertainty in the property market and a weak economic environment, having a negative impact on DEMIRE's key operating figures such as the vacancy rate and rental growth. However, both rental payments and funds from operations (after taxes, before minority interests) are in line with our expectations.

The risk of insolvency of the Limes portfolio comprising four property companies covering the assets in Essen, Kassel, Aschheim and Max-Glomsda-Straße in Cologne materialised at the end of the first half of the year and has already been recognised in full in the balance sheet.

Nevertheless, DEMIRE's Executive Board is closely monitoring whether and how the economic environment is changing and may possibly have a negative impact on the performance of the portfolio. The risks are reviewed continuously and in a structured process. From today's perspective, no risks that could endanger the Company have been identified.

Subsequent events and related party transactions

Information on transactions with related parties and events after the balance sheet date can be found in [🔗 Section G. 1](#) and [🔗 Section G. 6](#) of the notes.

Frankfurt am Main, 30 September 2024

DEMIRE Deutsche Mittelstand Real Estate AG



Frank Nickel
(CEO)



Tim Brückner
(CFO)



Ralf Bongers
(Member of the Executive Board)



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CONSOLIDATED STATEMENT OF INCOME

for the reporting period from 1 January to 30 June 2024

in EUR thousand	NOTE	01/01/2024 – 30/06/2024	01/01/2023 – 30/06/2023	01/04/2024 – 30/06/2024	01/04/2023 – 30/06/2023
Rental income		35,479	40,843	16,863	20,078
Income from utility and service charges		10,455	11,857	3,133	3,518
Operating expenses to generate rental income ¹		-20,785	-21,679	-7,706	-8,051
Impairment of trade accounts receivable ¹		-1,609	-855	-911	-297
Profit/loss from the rental of real estate		23,540	30,166	11,379	15,248
Income from the sale of real estate and real estate companies		99,022	69,100	0	69,100
Expenses related to the sale of real estate and real estate companies		-104,293	-87,887	-765	-87,790
Profit/loss from the sale of real estate and real estate companies		-5,271	-18,787	-765	-18,690
Profit/loss from fair value adjustments of investment properties		-17,923	-59,680	-17,923	-59,680
Result from fair value adjustment of assets held for sale		-7,973	-9,448	-7,973	16,052
Impairment of financial and other receivables ¹		-726	-519	-381	-509
Other operating income		239	564	169	265
General and administrative expenses		-5,891	-5,570	-3,267	-3,022
Other operating expenses		-71	-1,698	-66	301
Earnings before interest and taxes	D 1	-14,076	-64,972	-18,827	-50,035
Financial income		3,779	18,112	2,234	16,907
Financial expenses		-8,395	-8,588	-4,149	-4,289
Minority interests		-2,381	461	-1,218	1,855
Financial result	D 2	-6,997	9,985	-3,133	14,473
Earnings before taxes		-21,073	-54,987	-21,960	-35,562
Current income taxes		-2,395	-6,709	-1,246	-5,601
Deferred taxes		-4,161	15,008	-58	13,609
Net profit/loss for the period		-27,629	-46,688	-23,264	-27,554
of which attributable to:					
Non-controlling interests		425	-2,649	153	-1,807
Parent company shareholders		-28,054	-44,039	-23,417	-25,748
Basic/diluted earnings per share (in EUR)	D 3	-0.27	-0.42	-0.22	-0.24

¹ The previous year's figures were adjusted based on reporting changes during the period under review



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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the reporting period from 1 January to 30 June 2024

in EUR thousand	01/01/2024 – 30/06/2024	01/01/2023 – 30/06/2023	01/04/2024 – 30/06/2024	01/04/2023 – 30/06/2023
Net profit/loss for the period	-27,629	-46,688	-23,264	-27,554
Other comprehensive income	0	0	0	0
Total comprehensive income	-27,629	-46,688	-23,264	-27,554
of which attributable to:				
Non-controlling interests	425	-2,649	153	-1,807
Parent company shareholders	-28,054	-44,039	-23,417	-25,748



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CONSOLIDATED BALANCE SHEET

as at 30 June 2024

ASSETS

in EUR thousand	NOTE	30/06/2024	31/12/2023
Assets			
Non-current assets			
Property, plant and equipment		128	153
Investment properties ¹	E 1	890,621	947,276
Shares in companies accounted for using the equity method		351	351
Loans to companies accounted for using the equity method		25,150	25,150
Loans and financial assets		46,953	48,365
Other assets		16,809	8,260
Total non-current assets		980,012	1,029,555
Current assets			
Trade accounts receivable		13,402	14,176
Financial assets		10,262	9,735
Other assets		8,684	3,920
Tax refund claims		965	1,057
Cash and cash equivalents		167,111	119,989
Total current assets		200,424	148,877
Non-current assets held for sale		82,575	149,100
Total assets		1,263,011	1,327,532



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CONSOLIDATED BALANCE SHEET

as at 30 June 2024

EQUITY AND LIABILITIES

in EUR thousand	NOTE	30/06/2024	31/12/2023
Equity and liabilities			
Equity			
Subscribed capital		105,513	105,513
Reserves	E 2	171,505	198,076
Equity attributable to parent company shareholders		277,018	303,589
Non-controlling interests		26,232	29,696
Total equity		303,250	333,285
Liabilities			
Non-current liabilities			
Deferred tax liabilities		42,076	37,915
Minority interests		72,175	72,021
Financial liabilities	E 3	125,540	120,341
Lease liabilities		25,442	25,605
Market values of options		24,100	24,100
Total non-current liabilities		289,333	279,982
Current liabilities			
Provisions		2,816	2,639
Trade payables		10,683	10,016
Other liabilities		7,076	6,312
Tax liabilities		24,118	24,252
Financial liabilities	E 3	625,404	670,729
Lease liabilities		331	317
Total current liabilities		670,428	714,265
Total liabilities		959,761	994,247
Total equity and liabilities		1,263,011	1,327,532



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CONSOLIDATED STATEMENT OF CASH FLOWS

for the reporting period from 1 January to 30 June 2024

in EUR thousand	01/01/2024 – 30/06/2024	01/01/2023 – 30/06/2023
Earnings before taxes	-21,073	-54,987
Financial expenses	8,395	8,588
Financial income	-3,779	-18,112
Minority interests	2,381	-461
Change in trade accounts receivable	-835	-1,493
Change in other receivables and other assets	-1,114	-1,448
Change in provisions	297	-1,505
Change in trade payables and other liabilities	1,341	1,191
Profit/loss from fair value adjustments of investment properties	25,895	69,128
Profit/loss from the sale of real estate and real estate companies	5,271	18,787
	1,239	0
Interest received from loans to companies accounted for using the equity method	694	524
Income taxes paid	-2,438	2,032
Depreciation and amortisation and impairment	2,705	1,984
Other non-cash items	84	415
Cash flow from operating activities	19,063	24,642



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CONSOLIDATED STATEMENT OF CASH FLOWS

for the reporting period from 1 January to 30 June 2024

in EUR thousand	01/01/2024 – 30/06/2024	01/01/2023 – 30/06/2023
Payments for the acquisition of/investments in investment properties, incl. prepayments, refurbishment measures and prepayments for property, plant and equipment	-7,666	-5,631
Payments for investments in/loans to companies accounted for using the equity method	0	-5,570
Proceeds from loans to companies accounted for using the equity method	0	5,602
Proceeds from the sale of real estate	97,984	76,326
Cash flow from investing activities	90,318	70,726
Proceeds obtaining financial debts	0	23,300
Payments to obtain financial debts	-6,908	0
Distributions to minority shareholders / dividends	-5,737	-3,445
Interest paid on financial liabilities	-7,508	-7,733
Payments for the purchase of additional shares in a subsidiary	-658	0
Payments for the redemption of financial liabilities	-41,299	-41,341
Payment for the redemption of lease liabilities	-149	-187
Cash flow from financing activities	-62,259	-29,406
Net change in cash and cash equivalents	47,122	65,962
Cash and cash equivalents at the start of the period	119,989	57,415
Cash and cash equivalents at the end of the period	167,111	123,377



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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the reporting period from 1 January to 30 June 2024

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	
01/01/2024	105,513	89,767	108,309	303,589	29,696	333,285
Net profit/loss for the period	0	0	-28,054	-28,054	425	-27,629
Other comprehensive income	0	0	0	0	191	191
Total comprehensive income	0	0	-28,054	-28,054	616	-27,438
Dividend payments/distributions	0	0	0	0	0	0
Acquisition of treasury shares	0	1,483	0	1,483	0	1,483
Other changes	0	0	0	0	-4,080	-4,080
30/06/2024	105,513	91,250	80,255	277,018	26,232	303,250

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	
01/01/2023	105,513	88,366	256,347	450,226	36,465	486,691
Net profit/loss for the period	0	0	-44,039	-44,039	-2,649	-46,688
Other comprehensive income	0	0	0	0	0	0
Total comprehensive income	0	0	-44,039	-44,039	-2,649	-46,688
Dividend payments/distributions	0	0	0	0	-798	-798
Other changes	0	0	-12	-12	1	-11
30/06/2023	105,513	88,366	212,296	406,175	33,019	439,194



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for the reporting period from 1 January to 30 June 2024

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 30 June 2024 is DEMIRE AG and its subsidiaries (hereafter “DEMIRE”).

DEMIRE AG 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 property 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 30 June 2024 were prepared in accordance with the requirements of IAS 34 Interim Financial Reporting (hereafter IAS 34). This report has not been audited or subjected to audit review, 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 adopted by the European Union (EU), applying Section 315e of the German Commercial Code (HGB). All International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and 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 2023 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 are intended to be an update of the most recent annual financial statements. They 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 30 June 2024 should therefore be viewed in conjunction with the consolidated financial statements as at 31 December 2023.

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.



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Adjustment of the previous year's figures

In the consolidated statement of income, the item “Impairment of trade receivables” has been incorporated into “Profit/loss from the rental of real estate” and “Impairment of financial and other receivables” has been incorporated into “Earnings before interest and taxes”.

The previous year's presentation of the item “General administrative expenses” in the statement of income has been reduced by legal and consultancy fees in the amount of EUR – 243 thousand and by general administrative expenses associated with consultancy services in the area of asset management in the amount of EUR – 466 thousand as these are now recognised under “Operating expenses to generate rental income”.

In addition, the previous year's “Impairment of trade receivables” item has been reduced by EUR – 855 thousand. The previous year's “Impairment of financial and other receivables” item only includes impairments for loans in the amount of EUR – 519 thousand.

These condensed interim consolidated financial statements of DEMIRE AG were approved for publication by a resolution of the Executive Board on 30 September 2024.

B. Scope and principles of consolidation

There were no changes in the scope of consolidation in the 2024 reporting period.

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 2023. There were no material changes in estimates compared to those in the consolidated financial statements as at 31 December 2023.

The first-time application of amendments to IAS 1 and 7, IFRS 7 and 16 have no effect on the consolidated financial statements of DEMIRE.



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D. Notes to the consolidated statement of income

1. Earnings before interest and taxes

in EUR thousand	01/01/2024 – 30/06/2024	01/01/2023 – 30/06/2023
Net rent	35,479	40,843
Income from utility and service charges	10,455	11,857
Rental revenue from real estate	45,934	52,700
Allocable operating expenses to generate rental income	-15,860	-16,327
Non-allocable operating expenses to generate rental income ¹	-4,925	-5,352
Impairment of trade accounts receivable ¹	-1,609	-855
Operating expenses to generate rental income	-22,394	-22,534
Profit/loss from the rental of real estate	23,540	30,166

¹ The previous year's figures were adjusted based on reporting changes during the period under review

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

At EUR 23,540 thousand, the result from the rental of real estate was lower year-on-year (H1 2023: EUR 30,166 thousand), due in particular to the disposal of the properties sold in Ulm, Apolda and Bad Oeynhausen in the previous period and the disposal of the Leipzig property at Am alten Flughafen sold in the first quarter of the current financial year. This is also reflected in lower rental income in the amount of EUR 35,479 thousand (H1 2023: EUR 40,843 thousand). Another reason for the lower rental income is the increase in vacancies in comparison to the previous period, caused for example by the closure of the Galeria Karstadt Kaufhof department store in Celle.

Of the operating expenses, an amount of EUR -15,860 thousand (H1 2023: EUR -16,327 thousand) is generally allocable and can be charged to tenants. The decline is due in particular to the disposal of properties sold in the previous period. The decrease in non-allocable expenses is also shown in the decrease in income from the allocation of utility and service charges.

Non-allocable operating expenses fell to EUR -4,925 thousand (H1 2023: EUR -5,352) in spite of an increase in maintenance expenses in the amount of EUR -427 thousand. In addition to the disposal of properties sold in the previous period, this is also attributable to provisioning in the amount of EUR -550 thousand in the previous period due to a legal dispute with a service provider.

Profit/loss from the sale of property and property companies amounted to EUR -5,271 thousand as at 30 June 2024 (H1 2023: EUR -18,787 thousand) and includes various costs connected with properties either sold or for sale.

A revaluation of investment properties was performed as at the 30 June 2024 reporting date. The revaluation of the portfolio properties resulted in a valuation loss totaling EUR -17,923 thousand (H1 2023: EUR -59,680 thousand). Several properties that were in an advanced stage of a sales process as at the balance sheet date were reclassified as held for sale and revalued in accordance with IFRS 5. This resulted in a valuation loss on the sale portfolio of EUR 7,973 thousand (H1 2023: EUR 9,448 thousand).

Impairments on receivables amounted to EUR -1,609 thousand in the reporting period (H1 2023: EUR -855 thousand). The higher impairments in the reporting period resulted from impairments on receivables from various tenants. A large proportion of the impairments in the reporting period in the amount of EUR -305 thousand relate to the tenant Galeria Karstadt Kaufhof, which was subject to insolvency proceedings. In addition, impairments in the amount of EUR -121 thousand relate to the tenant of the food court in Rostock, who was likewise subject to insolvency proceedings, and EUR -115 thousand relate to a food services tenant in Kassel. This tenant is also subject to insolvency proceedings. The remaining impairments on receivables in the amount of EUR -1,068 thousand are distributed among



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different tenants in DEMIRE's entire property portfolio and predominantly result from the flat-rate individual value adjustments made on the basis of the age structure of the receivables.

Impairments on financial and other receivables totalled EUR –726 thousand in the reporting period (H1: EUR –519 thousand) and include impairments for loans.

2. Financial result

in EUR thousand	01/01/2024 – 30/06/2024	01/01/2023 – 30/06/2023
Financial income	3,779	18,112
Financial expenses	–8,395	–8,588
Minority interests	–2,381	461
Financial result	–6,997	9,985

Significant components of the financial income result from the granting of loans to the joint venture JV Theodor-Heuss-Allee GmbH in the amount of EUR 526 thousand (H1 2023: EUR 516 thousand) and its shareholder RFR 5 Immobilien GmbH in the amount of EUR 1,604 thousand (H1 2023: EUR 1,609 thousand) as well as interest from fixed-term deposits totalling EUR 1,533 thousand (H1 2023: EUR 179 thousand) and profit from the buyback of the corporate bond at a price below the nominal value in the amount of EUR 62 thousand (H1 2023: EUR 15,683 thousand).

Financial expenses recorded a year-on-year decrease of EUR 193 thousand, due primarily to the early repayment of a loan in the course of the disposal of the logistics park in Leipzig.

Minority interests totalling EUR –2,381 thousand (H1 2023: EUR 461 thousand) relate to the share of profits of minority shareholders in Fair Value REIT-AG's subsidiaries, which are recognised as liabilities in accordance with IAS 32. The year-on-year decline in minority interests is primarily the result of pro rata valuation losses on the properties in the first half of 2023.

3. Earnings per share

in EUR thousand	01/01/2024 – 30/06/2024	01/01/2023 – 30/06/2023
Net profit/loss for the period (in EUR thousand)	–27,629	–46,688
Profit/loss for the period less non-controlling interests	–28,054	–44,039
Number of shares (in thousands)		
Number of shares outstanding as at the reporting date	105,513	105,513
Weighted average number of shares outstanding	105,513	105,513
Impact of conversion of convertible bonds and the subscription under the 2015 Stock Option Programme	510	510
Weighted average number of shares (diluted)	106,023	106,023
Earnings per share (in EUR)		
Basic earnings per share	–0.27	–0.42
Diluted earnings per share	–0.27	–0.42

As at 30 June 2024, 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 and non-current assets held for sale

Investment property is accounted for at fair value. This developed as follows during the interim reporting period:

in EUR thousand	Office	Retail	Other	Total
Fair value at the beginning of the 2024 financial year	592,816	292,640	61,820	947,276
Additions of properties	5,340	559	66	5,965
Reclassifications to non-current assets held for sale	-40,685	-4,013	0	-44,698
Unrealised losses from fair value measurement	-15,712	-2,211	0	-17,923
Fair value as at 30/06/2024	557,472	289,186	61,886	890,621

The additions to investment property totalling EUR 5,965 thousand consist of capitalisations for current investments.

The fair value measurement of investment property is allocated to Level 2 of the valuation hierarchy in accordance with IFRS 13. DEMIRE determines the fair values within the framework of IAS 40 accounting. A partial revaluation of investment properties was performed as at the 30 June 2024 reporting date and resulted in impairment losses of EUR -17,923 thousand (H1 2023: EUR -59,680 thousand). The revaluation affected four properties in Aschheim (Max-Planckstraße), Essen (Hatzper Str. Theodor-Althoff-Str.), Kassel (Kölnische Str. Mauerstr. Spohrstr.) and Cologne (Max-Glomsda-Straße 4).

The reclassification of properties held for sale relates to several properties for which it is assumed (in accordance with IFRS 5) that a sale will be completed within one year.

2. Equity

Subscribed capital amounted to EUR 107,777 thousand (31 December 2023: EUR 107,777 thousand). This was EUR 105,513 thousand after the deduction of treasury shares (31 December 2023: EUR 105,513 thousand).



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3. Financial liabilities

Financial liabilities consisted of the following:

FINANCIAL LIABILITIES

in EUR thousand	30/06/2024	31/12/2023
2019/24 corporate bond	498,200	497,564
Other financial liabilities	252,744	293,505
Total	750,944	791,069

The following table shows the nominal value of financial liabilities:

FINANCIAL LIABILITIES

in EUR thousand	30/06/2024	31/12/2023
2019/24 corporate bond	498,800	499,000
Other financial liabilities	251,976	290,853
Total	750,776	789,853

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 2019/24 corporate bond is 1.875% per annum. Other financial liabilities mainly include financial liabilities to banks at a weighted average nominal interest rate of 1.58% per annum as at 30 June 2024 (31 December 2023: 1.51% per annum). The average nominal interest rate on debt across all financial liabilities was 1.78% per annum as at 30 June 2024 (31 December 2023: 1.74% per annum).

The change in other financial liabilities during the interim period under review is due to current repayments and repayment of the loan to finance LogPark.



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F. Condensed Group segment reporting

01/01/2024 – 30/06/2024

in EUR thousand	Core Portfolio	Fair Value REIT	Corporate Functions/ Others	Group
Total revenue	132,563	12,393	0	144,956
Segment revenue	114,731	12,458	83	127,272
Segment expenses	-129,993	-5,430	-5,925	-141,349
EBIT	-15,261	7,028	-5,842	-14,076
Net profit/loss for the period	-19,017	4,278	-12,889	-27,629
Segment assets 30/06/2024	761,127	292,682	209,202	1,263,011
of which tax assets	850	115	0	965
of which additions to investment properties	5,501	464	0	5,965
of which non-current assets held for sale	78,780	3,795	0	82,575
Segment liabilities 30/06/2024	774,046	161,231	24,484	959,761
of which non-current financial liabilities	59,796	65,744	0	125,540
of which lease liabilities	25,723	0	51	25,773
of which current financial liabilities	622,841	2,563	0	625,404
of which tax liabilities	5,093	5	19,020	24,118

01/01/2023 – 30/06/2023

in EUR thousand	Core Portfolio	Fair Value REIT	Corporate Functions/ Others	Group
Total revenue	109,396	12,404	0	121,801
Segment revenue	50,337	2,841	58	53,237
Segment expenses	-109,541	-4,806	-3,861	-118,209
EBIT	-59,204	-1,965	-3,803	-64,972
Net profit/loss for the period	-50,769	-1,988	6,069	-46,688
Segment assets 30/06/2023	1,029,294	306,803	107,652	1,443,748
of which tax assets	579	64	3,616	4,258
of which additions to investment properties	4,140	279	0	4,419
of which non-current assets held for sale	281,628	0	0	281,628
Segment liabilities 30/06/2023	321,681	172,684	510,190	1,004,554
of which non-current financial liabilities	133,402	61,071	494,851	689,324
of which lease liabilities	25,541	0	89	25,630
of which current financial liabilities	95,956	11,035	0	106,991
of which tax liabilities	6,829	0	12,742	19,571



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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.

The joint venture JV Theodor-Heuss-Allee GmbH, Frankfurt am Main, accounted for using the equity method, and the fully consolidated company Cielo BVO GmbH, Frankfurt am Main, were allocated to the Core Portfolio operating segment due to their similar commercial characteristics.

No customer accounted for 10% or more of total revenue in the reporting period.

	
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G. Other disclosures

1. Related party disclosures


DEMIRE AG has a loan receivable in the amount of EUR 25,150 thousand from the joint venture JV Theodor-Heuss-Allee GmbH. Interest income from this loan came to EUR 526 thousand as at 30 June 2024. In addition, an asset management agreement and an agency agreement exist between DEMIRE AG and JV Theodor-Heuss-Allee GmbH, resulting in income of EUR 38 thousand as at 30 June 2024. 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	30/06/2024		31/12/2023	
	Carrying amount under IFRS 9	Fair value	Carrying amount under IFRS 9	Fair value
Loans to companies accounted for using the equity method	25,150	19,209	25,150	23,531
Loans and financial assets	57,216	39,518	58,100	53,291

in EUR thousand	30/06/2024		31/12/2023	
	Carrying amount under IFRS 9	Fair value	Carrying amount under IFRS 9	Fair value
Bonds	498,200	417,012	497,564	303,093
Other financial liabilities	252,744	221,528	293,505	269,799



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3. Risk report

Please refer to the disclosures made in the risk reporting included in the [🔗 annual report as at 31 December 2023](#) for information on the risks of future business performance. In addition to the opportunities and risks recorded as at 31 December 2023, the first half of 2024 was largely dominated by higher interest rates and reduced willingness to finance, both in the banking and capital markets. The transaction markets continue to record low transaction volumes and falling prices. All these factors continue to generate a high degree of uncertainty in the property market and a weak economic environment, having a negative impact on DEMIRE's key operating figures such as the vacancy rate and rental growth. However, both rental payments and funds from operations (after taxes, before minority interests) are in line with our expectations.

Nevertheless, DEMIRE's Executive Board is closely monitoring whether and how the economic environment is changing and may possibly have a negative impact on the performance of the portfolio. The risks are reviewed continuously and in a structured process. From today's perspective, no risks that could endanger the Company have been identified.

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

4. Further explanations

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 137,547 thousand as at 30 June 2024 (H1 2023: EUR 137,832 thousand).

Purchase order commitments for maintenance and modernisation, as well as modification and expansion measures, totalled EUR 9,368 thousand as at the interim reporting date (H1 2023: EUR 9,309 thousand).

As at 30 June 2024, unused credit lines in the amount of EUR 8,500 thousand (31 December 2023: EUR 6,000 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 reporting period:

Prof. Dr Alexander Goepfert (CEO from 1 January 2023 to 3 April 2024)

Mr Frank Nickel (CEO since 3 April 2024)

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

Mr Ralf Bongers (Member of the Executive Board since 1 April 2023)

For the interim reporting period, performance-based remuneration of EUR 215 thousand (Q1 2023: EUR 278 thousand) and fixed remuneration of EUR 453 thousand (Q1 2023: EUR 400 thousand) were recognised for DEMIRE AG's Executive Board. Share-based payment transactions were added in the amount of EUR 17 thousand (H1 2023: EUR -7 thousand).

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.



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6. Events after the interim reporting date of 30 June 2024

Changes to Executive Board

At its meeting on 3 April 2024, the Supervisory Board dismissed Prof. Dr Goepfert as a member of the Executive Board with immediate effect and appointed Mr Frank Nickel to the Executive Board as CEO. On 10 April 2024, Prof. Dr Hennig informed the Supervisory Board and the Executive Board that she would be resigning her mandate and stepping down from the Supervisory Board with effect from 15 May 2024. After shortening her resignation period, Prof. Dr Hennig then left the Supervisory Board at the end of 1 May 2024. The resulting vacancy on the Supervisory Board was filled by the appointment of Mr Ernö Theuer by court order with effect from 7 May 2024.

Refinancing the 2019/24 corporate bond

As part of a comprehensive transaction, DEMIRE plans to extend its 2019/24 corporate bond with an outstanding total nominal amount of EUR 499 million to the end of 2027 with revised conditions. The bond restructuring was approved by the bondholders at the beginning of September 2024, with more than 90% voting in favour of the restructuring in a vote without an assembly in accordance with Section 18 of the German Bond Act (SchVG). This was followed by the publication of the tender offer described below. The anticipated deadline for tenders is scheduled for 25 October 2024. Following this, the partial early repayment of the bond (see below) will be carried out, and the tender offer will then be settled. The technical implementation of the amendment to the bond conditions is expected to take place at the end of October/beginning of November 2024. Individual provisions of the new bond conditions, in particular new covenants (LTV <70% and interest coverage ratio (ICR) >1.5), will be effectively brought forward to the date of publication of the notice convening the bondholders' meeting due to the need to obtain advance approval from DEMIRE, which is a prerequisite for the amendment of the bond conditions to be implemented. There is no risk of insolvency as a result of the technical interim

maturity of the bond from 15 October 2024 until the expected entry into force of the new bond conditions, as bondholders with a volume of more than 90% of the total nominal amount of the bond have declared a non-serious demand. In addition, bondholders representing more than 90% of the total nominal amount of the bond have passed a resolution in accordance with the German Bond Act (SchVG), whereby a joint representative can declare a non-serious demand for repayment on behalf of all bondholders from 15 October 2024.

In addition to the extension of the 2019/24 bond, the transaction includes other elements. This includes a partial early repayment of the 2019/24 bond at total nominal value of EUR 49.9 million.

Subsequently, DEMIRE is offering to buy back bonds at a maximum price of 76.25% as part of a tender offer. Liquidity of up to EUR 159.6 million is available for the buyback. The Company's largest shareholder has agreed to grant DEMIRE a shareholder loan of up to EUR 100 million to support this. The shareholder loan is expected to bear interest of 22% per annum. Interest payments can be made at maturity, i.e. 31 December 2028, taking into account compound interest accrued in the meantime, or during the term. The shareholder loan is scheduled to run until the end of 2028. No dividends can be paid until the extended corporate bond has been repaid in full. The bond buyback is already secured by a backstop agreement or commitment from the largest bondholders at the above price for a nominal amount of EUR 194 million. Participation in the backstop will be remunerated by DEMIRE with a fee of 5% on the allocated backstop amount. Assuming a price of 76.25%, and taking into account the partial repayment of the bond at par that has already been carried out, if the amount available for acquisitions is used up in full, the remaining outstanding amount of the bond is expected to be around EUR 240 million.

The comprehensive amendments to the bond conditions include an extension of the term until 31 December 2027, a cash interest rate of 5.00% and an updated catalogue of credit obligations, in particular the collateralisation of the bond with



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DEMIRE's material assets. For this collateralisation, a large part of the DEMIRE real estate companies will be transferred to a LuxCo structure. Furthermore, the Company is expected to pay an additional fee of 3% to the bondholders if it fails to reduce the outstanding principal amount of the bond by EUR 50 million of the nominal amount by the end of 2025. An additional fee of 2% is provided for in the event that the Company does not succeed in reducing the outstanding principal amount of the bond by a further EUR 50 million of the nominal amount by the end of 2026. In addition, payment-in-kind interest (PIK) of 3% will be charged on the outstanding bond amount from 2027. All additional interest payments are to be made at maturity, i.e. at the end of 2028 at the latest, taking into account compound interest accrued in the meantime. If the refinancing cannot be carried out as planned, this will jeopardise the Company's ability to continue as a going concern.

Limes subsidiaries

The Executive Board and the management of the Limes subsidiaries were in very promising negotiations for a long time regarding the extension of the loan agreement between the four Limes subsidiaries (DEMIRE Aschheim Max-Planckstraße GmbH, DEMIRE Essen Hatzper Str. Theodor-Althoff-Str. GmbH, DEMIRE Kassel Kölnische Str. Mauerstr. Spohrstr. GmbH and DEMIRE Köln Max-Glomsda-Straße 4 GmbH) and DZ HYP AG for an outstanding loan amount of approximately EUR 83 million, which expired on 30 June 2024. However, the offers that had been exchanged in the past could not be accepted due to the outcome of the negotiations with the bondholders, resulting in the insolvency of the Limes subsidiaries at the end of 30 June 2024. After further unsuccessful negotiations, the management was forced to file for insolvency for these four companies on 22 July 2024. Since then, these companies have been under their own management. The opening of the insolvency proceedings is expected to take place in early October 2024. As a result, these

companies are no longer controlled in accordance with IAS 10.21 and were deconsolidated in the third quarter of 2024. This resulted in a deconsolidation loss of EUR 5.1 million. In addition, due to developments during the year in the leasing and contractual situation of the affected properties, a revaluation of the LIMES properties was carried out as at 30 June 2024 and a write-down of EUR 18 million was recognised.

Frankfurt am Main, 30 September 2024

DEMIRE Deutsche Mittelstand Real Estate AG

Frank Nickel
(CEO)

Tim Brückner
(CFO)

Ralf Bongers
(Member of the Executive Board)

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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, 30 September 2024

DEMIRE Deutsche Mittelstand Real Estate AG

Frank Nickel
(CEO)

Tim Brückner
(CFO)

Ralf Bongers
Member of the Executive Board)



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EPRA DISCLOSURES

General overview

DEMIRE AG supplements its reporting in accordance with International Financial Reporting Standards (IFRS) with the best practice recommendations of the European Public Real Estate Association (EPRA).

We report on the following key figures: EPRA Net Reinstatement Value (EPRA NRV), EPRA Net Tangible Assets (EPRA NTA), EPRA Net Disposals Value (EPRA NDV), EPRA Net Initial Yield (EPRA NIY or “Topped-Up” NIY), EPRA Loan-to-Value (EPRA LTV), EPRA Cost Ratios and EPRA Earnings. We also supplement the key figures with a breakdown of capital expenditure and a detailed overview of like-for-like rental growth in the DEMIRE portfolio.

OVERVIEW OF EPRA KEY FIGURES

in EUR thousand	30/06/2024	31/12/2023
EPRA Net Asset Value (EPRA NAV)	319,604	342,014
EPRA Triple Net Asset Value (EPRA-NNNAV)	335,349	442,601
EPRA Net Reinstatement Value (EPRA-NRV)	418,177	443,561
EPRA Net Tangible Assets (EPRA-NTA)	305,431	331,409
EPRA Net Disposal Value (EPRA-NDV)	334,839	442,091
EPRA Net Initial Yield (in %)	5.7	5.9
EPRA “topped-up” Net Initial Yield (in %)	5.8	5.9
EPRA Vacancy Rate ¹ (in %)	15.5	13.1
EPRA Loan-to-Value (EPRA LTV) (in %)	69.8	70.7
	H1 2024	H1 2023
EPRA Earnings	7,043	18,902
EPRA Cost Ratio including direct vacancy costs (in %)	42.5	37.7
EPRA Cost Ratio excluding direct vacancy costs (in %)	33.1	32.8

¹ Excluding properties held for sale and project developments



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EPRA NAV and EPRA NNAV

The **EPRA Net Asset Value** (EPRA NAV) indicates the intrinsic value of a property company. The value is calculated on the basis of the Group equity (before minority interests) adjusted for effects from the exercise of options, convertible bonds and other rights to equity as well as the market values of derivative financial instruments and deferred taxes, i.e. adjusted for items that have no influence on the long-term development of the Group.

EPRA NET ASSET VALUE (EPRA NAV)

in EUR thousand	30/06/2024	Less treasury shares		Change	in %
		31/12/2023			
Net asset value (NAV) in the reporting period	277,017	303,589		-26,572	-8.8
Market value of derivative financial instruments	0	0		0	0.0
Deferred taxes	42,076	37,915		4,161	11.0
Goodwill resulting from deferred taxes	0	0		0	0.0
Basic EPRA NAV	319,094	341,504		-22,410	-6.6
Number of outstanding shares (basic) (in thousands)	105,513	105,513		0	0.0
Basic EPRA NAV per share	3.02	3.24		-0.21	-6.6
Effect of the conversion of convertible bonds and other equity instruments	510	510		0	0.0
Diluted EPRA NAV	319,604	342,014		-22,410	-6.6
Number of shares outstanding (diluted) (in thousands)	106,023	106,023		0	0.0
Diluted EPRA NAV per share	3.01	3.23		-0.21	-6.6

EPRA NET ASSET VALUE (NAV/EPRA NNAV)

in EUR thousand	30/06/2024	31/12/2023	Change	in %
Net Asset Value (NAV)	277,017	303,589	-26,572	-8.8
Market value of derivative financial instruments	0	0	0	0.0
Deferred taxes	42,076	37,915	4,161	11.0
Goodwill resulting from deferred taxes	0	0	0	0.0
EPRA NAV (basic)	319,094	341,504	-22,410	-6.6
Number of outstanding shares (basic) (in thousands)	105,513	105,513	0	0.0
EPRA NAV per share (basic) (in EUR)	3.02	3.24	-0.21	-6.6
Effect of the conversion of convertible bonds and other equity instruments	510	510	0	0.0
EPRA NAV (diluted)	319,604	342,014	-22,410	-6.6
Number of outstanding shares (diluted) (in thousands)	106,023	106,023	0	0.0
EPRA NAV per share (basic) (in EUR)	3.01	3.23	-0.21	-6.6
Market value adjustments in liabilities (bonds)	81,188	194,471	-113,283	>100%
Deferred taxes	-65,442	-93,884	28,442	-30.3
EPRA NNAV (diluted)	335,349	442,601	-107,252	-24.2
EPRA NNAV per share (basic) (in EUR)	3.16	4.17	-1.01	-24.2



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EPRA NRV, EPRA NTA, EPRA NDV

The **EPRA Net Tangible Assets** (EPRA NTA) (EPRA NTA) indicator represents the intrinsic value of a company adjusted by the pro-rata deferred taxes on fair value adjustments of investment properties, the fair value of financial instruments and all intangible assets.

The **EPRA Net Disposal Value** (EPRA NDV) indicator represents the intrinsic value of a company adjusted by the full deferred taxes on fair value adjustments, the recognised goodwill and the market value adjustment of fixed-interest liabilities.

The **EPRA Net Reinstatement Value** (EPRA NRV) indicator represents the intrinsic value of a company adjusted for fair value adjustments and the fair value of financial instruments.

NEW REPORTING STANDARD (EPRA NAV)

in EUR thousand	30/06/2024			31/12/2023		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
IFRS shareholders' equity	277,017	277,017	277,017	303,589	303,589	303,589
Plus:						
I. Hybrid financial instruments	0	0	0	0	0	0
Diluted NAV	277,017	277,017	277,017	303,589	303,589	303,589
Plus:¹						
II. a) Revaluation of IP (when applying the IAS 40 cost option)	0	0	0	0	0	0
II. b) Revaluation of IPUC (when applying the IAS 40 cost option)	0	0	0	0	0	0
II. c) Revaluation of other assets	0	0	0	0	0	0
III. Revaluation of leases held as finance leases	0	0	0	0	0	0
IV. Revaluation of real estate inventory	0	0	0	0	0	0



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NEW REPORTING STANDARD (EPRA NAV)

in EUR thousand	30/06/2024			31/12/2023		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
Diluted NAV at market value	277,017	277,017	277,017	303,589	303,589	303,589
Less: ¹						
V. Deferred taxes on valuation gains from investment properties	56,828	28,414	x	55,640	27,820	x
VI. Market value of derivative financial instruments	0	0	x	0	0	x
VII. Goodwill as a result of deferred taxes	0	0	0	0	0	0
Goodwill						
VIII. a) according to IFRS balance sheet	x	0	0	x	0	0
VIII. b) Intangible assets according to IFRS balance sheet	x	-0	x	x	-0	x
Plus: ²						
IX. Market value of fixed-interest liabilities (bonds)	x	x	57,822	x	x	138,502
X. Revaluation of intangible assets at fair value (optional)	0	x	x	0	x	x
XI. Land transfer tax/ acquisition costs	84,332	0	x	84,332	0	x
NAV	418,177	305,431	334,839	443,561	331,409	442,091
Number of shares (fully diluted)	106,023	106,023	106,023	106,023	106,023	106,023
NAV per share	3.94	2.88	3.16	4.18	3.13	4.17

¹ Plus = assets (+) liabilities (-), whether on or off the balance sheet

² Less = assets (-); liabilities (+) (part of balance sheet)



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EPRA Net Initial Yield

The **EPRA-Nettoanfangsrendite** (EPRA NIY) indicator is the annualised contractual rent in relation to the fair value of the completed real estate portfolio plus an investor's estimated ancillary acquisition costs.

The EPRA Net Initial Yield compares the annualised rental income (excluding non-allocable property expenses) with the market value of the real estate portfolio as at the reporting date. The "topped-up" calculation includes hypothetical rents for expiring rent-free periods.

EPRA NET INITIAL YIELD/TOPPED-UP (EPRA NIY)

in EUR thousand	30/06/2024	31/12/2023	Change	in %
Investment properties	890,621	947,276	-56,655	-6.0
Shares in companies accounted for using the equity method	351	351	0	0.0
Properties held for sale	82,575	149,100	-66,525	-
Real estate portfolio (net)	973,547	1,096,727	-123,180	-11.2
Estimated ancillary acquisition costs	48,677	54,836	-6,159	-11.2
Real estate portfolio (gross)	1,022,224	1,151,563	-129,339	-11.2
Annualised cash rental income	66,374	76,142	-9,768	-12.8
Non-allocable real estate operating costs	-7,846	-8,342	495	-5.9
Annualised net cash rental income	58,528	67,800	-9,272	-13.7
Rent-free periods	562	567	-5	-0.9
Annualised "topped-up" net rental income	59,090	68,367	-9,277	-13.6
EPRA Net Initial Yield (in %)	5.7	5.9	20 bp	-3.4
EPRA "topped-up" Net Initial Yield (in %)	5.8	5.9	10 bp	-1.7



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EPRA Earnings

The **EPRA Earnings** indicator reflects the recurring earnings from the core operating business. The EPRA Earnings indicator is adjusted in particular for valuation effects, deferred taxes and the sales earnings from the consolidated result.

EPRA EARNINGS

in EUR thousand	H1 2024	H1 2023	Change	in %
Net profit/loss for the period	-27,629	-46,688	19,059	<100
Profit/loss from fair-value adjustments of investment properties	25,896	69,128	-43,232	<100
Profit/loss from the sale of real estate and real estate companies	5,271	18,787	-13,516	<100
Profit/loss from companies accounted for using the equity method	0	0	0	<100
Profit/loss from the sale of real estate inventory	0	0	0	0.0
Taxes on sales earnings	0	-4,620	4,620	<100
Goodwill impairment	0	0	0	0.0
Valuation result of financial instruments	0	0	0	0.0
Acquisition costs for share deals and for shares in non-controlling joint ventures	0	0	0	0.0
Deferred taxes on EPRA adjustments	4,161	-15,008	19,169	<100
Non-controlling interests	-656	-2,696	2,040	<100
EPRA Earnings	7,043	18,902	-11,860	-62.7
Number of outstanding shares (basic)	105,513	105,513	-0	0.0
EPRA earnings per share (EPS basic)	0.07	0.18	-0.11	-62.7
Number of outstanding shares (diluted)	106,023	106,023	-0	0.0
EPRA earnings per share (EPS diluted)	0.07	0.18	-0.11	-62.7



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EPRA Cost Ratio

As a ratio of EPRA costs to gross rental income, the **EPRA Cost Ratio** provides a statement on the cost efficiency of a real estate company – once including and once excluding direct vacancy costs.

EPRA COST RATIO

in EUR thousand	H1 2024	H1 2023	Change	in %
Administrative and operational costs according to IFRS	16,224	15,285	939	6.1
General and administrative expenses	5,873	6,259	-386	-6.2
Other operating expenses	62	-140	202	>100
Operating expenses to generate rental income	21,571	21,760	-189	-0.9
Income from utility and service charges	-11,283	-12,594	1,311	-10.4
Amortisation and depreciation	27	36	-9	-25.6
EPRA costs (including vacancy costs)	16,250	15,320	930	6.1
Direct vacancy costs	-3,600	-2,363	-1,237	52.4
EPRA costs (excluding vacancy costs)	12,651	12,958	-307	-2.4
Rental income	38,228	43,526	-5,298	-12.2
EPRA Cost Ratio (including vacancy costs) (in %)	42.5	35.2	7.3	20.7
EPRA Cost Ratio (excluding vacancy costs) (in %)	33.1	29.8	3.3	11.1



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EPRA Capital Expenditure

There were no acquisitions in the Core Portfolio or the joint venture in the first half of 2022 or the first half of 2023.

The investments under “Core Portfolio” and “Other” mainly relate to value-enhancing conversion and expansion measures at various properties in our portfolio.

EPRA CAPITAL EXPENDITURE ANALYSE

	H1 2024		
in EUR thousand	DEMIRE Portfolio	Joint Venture	Total
Acquisitions	0	0	0
Development portfolio ¹	0	0	0
Core Portfolio ²	5,965	0	5,965
Additional lettable space	3,285	0	3,285
Without additional lettable space	2,680	0	2,680
Building lease incentives / construction cost subsidies	968	0	968

	H1 2023		
in EUR thousand	DEMIRE Portfolio	Joint Venture	Total
Acquisitions	0	0	0
Development portfolio ¹	0	0	0
Core Portfolio ²	5,307	0	5,307
Additional lettable space	1,032	0	1,032
Without additional lettable space	4,275	0	4,275
Building lease incentives / construction cost subsidies	1,325	0	1,325

¹ DEMIRE AG does not engage in real estate development.

² No capitalised interest.

EPRA Vacancy Rate

The **EPRA Vacancy Rate** is the ratio of market rent for vacant space to the market rent for the total space in the portfolio (as at the reporting date).

EPRA VACANCY RATE¹

in EUR thousand	30/06/2024	31/12/2023	Change	in %
Estimated market rent for vacancies	11,239	10,470	769	7.3
Estimated market rent for total portfolio	72,440	79,697	-7,257	-9.1
EPRA Vacancy Rate (in %)	15.5	13.1	2.4	18.3

¹ Excluding properties held for sale and project developments



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EPRA Like-for-Like Rental Growth

Like-for-like rental income is rental income from properties in a portfolio that have been held continuously within two comparison periods. Changes from portfolio additions and disposals are therefore not included. In a comparison of the periods, the organic component of the change in rental income from letting activities becomes particularly clear.

LIKE-FOR-LIKE GROWTH 30/06/2024

in EUR thousand	Total portfolio				Like-for-Like portfolio			
	30/06/2024		30/06/2023		in EUR million		in %	
	Market value	Annualised contractual rents	Market value	Annualised contractual rents	Annualised contractual rents	LFL growth	LFL growth	
Office	609.0	43.3	609.0	43.3	44.6	-1.3	-2.9	
Retail	278.9	20.5	278.9	20.5	23.3	-2.8	-12.2	
Hotel & Other	61.8	3.2	61.8	3.2	2.9	0.2	7.4	
Total	949.8	66.9	949.8	66.9	70.9	-3.9	-5.5	

LIKE-FOR-LIKE GROWTH 30/06/2023

in EUR thousand	Total portfolio				Like-for-Like portfolio			
	30/06/2021		30/06/2023		in EUR million		in %	
	Market value	Annualised contractual rents	Market value	Annualised contractual rents	Annualised contractual rents	LFL growth	LFL growth	
Office	682.1	44.8	682.1	44.8	43.2	1.6	3.7%	
Retail	307.7	23.3	307.7	23.3	23.4	-0.1	-0.4%	
Logistics & Other	186.5	10.9	186.5	10.9	8.2	2.7	32.6%	
Total	1,176.2	79.0	1,176.2	79.0	74.8	4.2	5.6%	



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EPRA Loan-to-Value

The **EPRA-Loan-to-Value** (EPRA LTV) is the ratio of net financial liabilities to the value of the assets, as defined by EPRA.

EPRA LOAN TO VALUE (EPRA LTV) 30/06/2024

in EUR thousand	Proportionate consolidation				Combined
	Group EPRA LTV before proportionate consolidation	Share of joint ventures	Share of material associated companies	Non-controlling interests (NCI)	
Net debt					
Include:					
Borrowings from financial institutions	252,744	34,245	0	-11,485	275,504
Commercial paper	0	0	0	0	0
Hybrids (including convertibles, preference shares, debt, options, perpetuals)	0	0	0	0	0
Bond loans	498,200	0	0	0	498,200
Foreign currency derivatives (futures, swaps, options and forwards)	0	0	0	0	0
Net payables	83,515	77,504	0	0	161,019
Owner-occupied property (debt)	0	0	0	0	0
Current accounts (Equity characteristic)	0	0	0	0	0
Exclude:					
Cash and cash equivalents	-167,111	-3,765	0	3,606	-167,270
Net debt (a)	667,348	107,984	0	-7,879	767,453
Investment property portfolio and other eligible assets					



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Owner-occupied property	0	0	0	0	0
Investment properties at fair value	890,621	102,861	0	-45,036	948,446
Properties held for sale	82,575	0	0	0	82,575
Properties under development	0	0	0	0	0
Intangibles	0	0	0	0	0
Net receivables	0	0	0	-54	-54
Financial assets	69,098	0	0	0	69,098
Loans to companies accounted for using the equity method	25,150	0	0	0	0
Loans and financial assets	43,948	0	0	0	0
Total property portfolio and other eligible assets (b)	1,042,294	102,861	0	-45,090	1,100,065
LTV (a/b) (in %)	64.0	105.0	0.0	17.5	69.8



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EPRA LOAN TO VALUE (EPRA LTV) 31/12/2023

in EUR thousand	Group EPRA LTV before proportionate consolidation	Proportionate consolidation			Combined
		Share of joint ventures	Share of material associates	Non-controlling interests (NCI)	
Net debt					
Include:					
Borrowings from financial institutions	293,506	78,971	0	0	372,477
Commercial paper	0	0	0	0	0
Hybrids (including convertibles, preference shares, debt, options, perpetuals)	0	0	0	0	0
Bond loans	497,564	0	0	0	497,564
Foreign currency derivatives (futures, swaps, options and forwards)	0	0	0	0	0
Net payables	91,003	59,298	0	0	150,301
Owner-occupied property (debt)	0	0	0	0	0
Current accounts (Equity characteristic)	0	0	0	0	0
Exclude:					
Cash and cash equivalents	-119,989	-2,419	0	0	-122,408
Net debt (a)	762,084	135,850	0	0	897,934



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Investment property portfolio and other eligible assets

Owner-occupied property	0	0	0	0	0
Investment properties at fair value	947,276	102,861	0	0	1,050,137
Properties held for sale	149,100	0	0	0	149,100
Properties under development	0	0	0	0	0
Intangibles	0	0	0	0	0
Net receivables	0	0	0	-54	-54
Financial assets	70,510	0	0	0	70,510
Loans to companies accounted for using the equity method	25,150	0	0	0	0
Loans and financial assets	45,360	0	0	0	0
Total property portfolio and other eligible assets (b)	1,166,886	102,861	0	0	1,269,747
LTV (a/b) (in %)	65.3	132.1	0.0	0.0	70.7



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COMPANY CONTACT

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