



RESULTS FY 2021

Conference Call | 17 March 2022



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Executive summary

Portfolio highlights

Financial highlights

Executive Summary

REALize Potential

Asset Management

- » Leasing performance at new all-time high with 182,700sqm let
- » Portfolio appraisal: net revaluation gains amount to € 48.7m
- » Rental income in FY 2021 of € 82.3m, annualised rent as of 31 December 2021 lower due to disposals (€ 78.1m)
- » EPRA-Vacancy higher (11.0%), while WALT remains stable (4.7 years)

Acquisitions

- » Cielo transaction completed in July led to FFO accretion of over € 3m through interest and investment income
- » 11 disposals of non-strategic assets for € 104.0m (+ 4.8% premium to market value)
- » Average asset value increased to € 22.1 from € 19.2m
- » Well equipped for further growth with solid cash position of almost € 140m

Financials

- » EBIT at € 101.9m almost quadrupled and profit for the period c. 7 times higher than 2020
- » FFO⁽¹⁾ also improved to € 39.8m (+1.7%)
- » Two new secured loans raised at favourable interest rates reduce average cost of debt further to 1.66%⁽²⁾
- » Net-LTV fairly stable at 49.7%⁽³⁾

Processes

- » Various cost-saving measures reduce administrative costs further by over € 2m
- » Preparatory work for the first sustainability report of DEMIRE in 2022
- » Streamlining and partial insourcing of property and investment management at Fair Value REIT-AG level
- » Prolongation of board members contracts ensures continuity

Guidance

- » Guidance for FY 2021 for rental income exceeded: € 82.3m vs. € 80.0 – 82.0m
- » Guidance for FY 2021 for FFO⁽¹⁾ exceeded: € 39.8m vs. > € 39.2m
- » Guidance for FY 2022 for rental income: € 78.0 – 80.0m
- » Guidance for FY 2022 for FFO⁽¹⁾: € 38.5 – 40.5m

(1) After taxes, before minorities

(2) Nominal

(3) Bond 19/24 covenant definition



Executive summary

Portfolio highlights

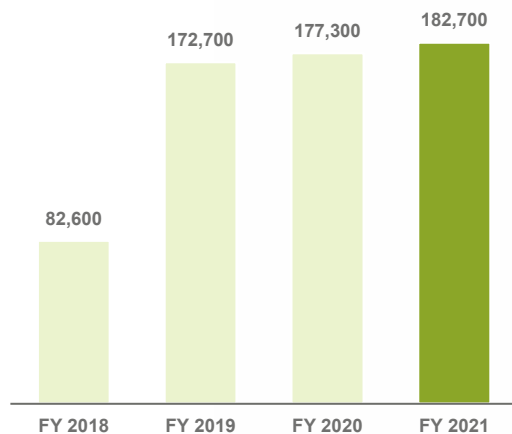
Financial highlights

Portfolio highlights

Superb letting result: new all-time high

Letting result

sqm



- » Record level leasing performance for third consecutive year
- » Letting activities in FY 2021 secure € 14.6m rental income per year with a WALT of 6.4 years
- » New lettings account for 46% of leased space, 54% renewals

Largest new lettings & renewals

| Location | Tenant | Lease area (sqm k) | Net cold rent p.a. (€ m) | Lease term (months) |
|------------------------|--------------------|--------------------|--------------------------|---------------------|
| Leipzig ⁽¹⁾ | Amazon | 26.1 | 2.2 | 180 |
| Quickborn | comdirect | 10.6 | 1.1 | 60 |
| Meckenheim | BWI | 7.7 | 1.1 | 48 |
| Dresden ⁽²⁾ | Twice Hotel | 11.6 | 0.9 | 300 |
| Essen | MDS | 3.0 | 0.5 | 60 |
| Stralsund | Intercity Hotel | 4.9 | 0.5 | 12 |
| Leipzig ⁽¹⁾ | Mobis | 10.1 | 0.4 | 12 |
| Leipzig ⁽¹⁾ | Rudolph Automotive | 10.8 | 0.4 | 6 |

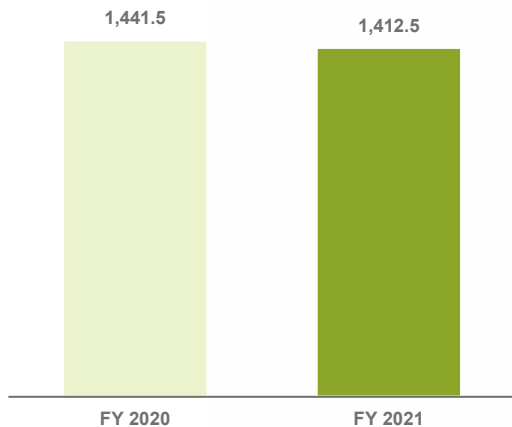
(1) LogPark
(2) Königsbrücker Straße

Portfolio highlights

Disposals of non-strategic assets reduce market value and annualised contractual rent of portfolio

Market value of Portfolio

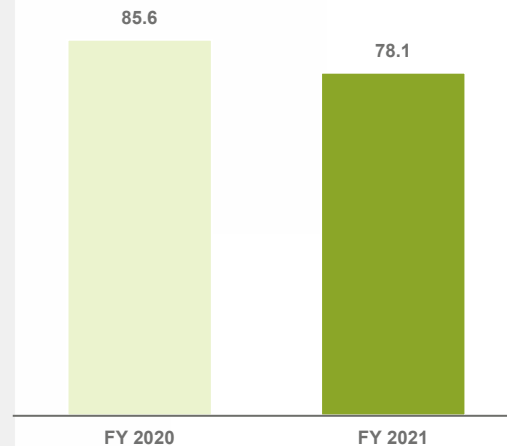
€ m



- » Despite disposals totalling almost € 100m, market value of portfolio only slightly lower due to material valuation gains
- » Largest valuation uplifts of assets in Leipzig⁽¹⁾ (+ € 65.5m), Dresden⁽²⁾ (+ € 3.5m) and Rostock (+ € 3.3m)
- » Average asset value further increased to € 22.1m (+ € 2.9m)

Annualised contractual rent

€ m



- » Reduction driven by disposals of 11 non-strategic assets and larger temporary vacancies (e.g. Essen, Kassel, Cologne Colonia-Allee)
- » Cielo acquisition does not increase annualised rent due to participation structure

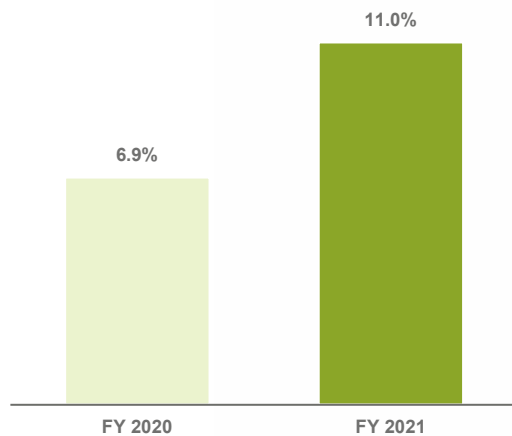
(1) LogPark
 (2) Königsbrücker Straße

Portfolio highlights

EPRA-Vacancy higher, WALT stable

EPRA-Vacancy⁽¹⁾

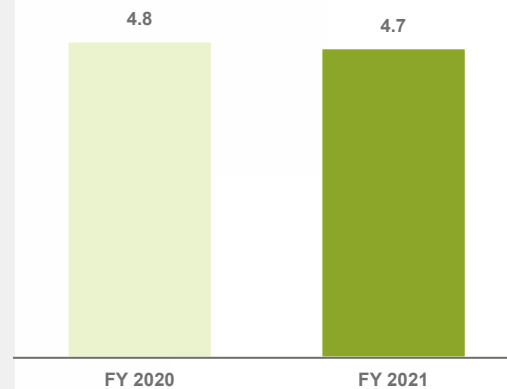
%



- » Increase due to temporary vacancies in larger assets (e.g. Essen, Kassel)
- » Pro-forma Cielo, EPRA-Vacancy below 10%

Weighted average lease term

years



- » WALT stable as a consequence of strong letting performance

(1) Adjusted for assets held for sale and project developments



Executive summary

Portfolio highlights

Financial highlights

Financial highlights

Shortened P&L statement and FFO-bridge: guidance of rental income and FFO exceeded

| | FY 2021 (€ m) | FY 2020 (€ m) | Change (%) |
|--|------------------|------------------|-------------------|
| Rental income | 82.3 | 87.5 | -5.9 |
| Income from utility and service charges | 20.2 | 21.3 | -5.3 |
| Operating expenses to generate rental income | -35.3 | -38.6 | -8.4 |
| Profit / loss from the rental of real estate | 67.2 | 70.2 | -4.3 |
| Profit / loss from fair value adjustments in investment properties | 48.8 | -22.1 | + > 100 |
| Profit / loss from the sale of real estate | 1.4 | -1.0 | + > 100 |
| Impairment of receivables | -3.5 | -6.2 | -43.5 |
| Other operating income / expenses (net) | -0.8 | 0.1 | - > 100 |
| General and administrative expenses | -11.2 | -13.4 | -16.4 |
| Earnings before interest and taxes (EBIT) | 101.9 | 27.7 | + > 100 |
| Financial income | 4.3 | 1.3 | + > 100 |
| Finance expenses | -18.3 | -19.1 | -4.0 |
| Earnings before taxes and minority interests (EBTM) | 87.8 | 9.9 | + > 100 |
| ± Profit / loss from the sale of real estate | -1.4 | 1.0 | - > 100 |
| ± Profit / loss from fair value adjustments in investment properties | -48.8 | 22.1 | + > 100 |
| ± Other adjustments | 6.0 | 8.1 | -25.1 |
| FFO I before taxes, before minorities | 43.6 | 41.1 | +6.1 |
| ± (Current) income taxes | -3.8 | -1.9 | - > 100,0 |
| FFO I after taxes, before minorities | 39.8 | 39.2 | +1.7 |

Guidance:
€ 80-82m

Guidance:
> € 39.2m

- 1 Disposals in 2020 and 2021 reduce profit from the rental of real estate, while NOI margin has improved by 150bp
- 2 Value uplifts of various properties
- 3 Premium to market value of disposals realised
- 4 Less corona-related impairments of rent receivables in 2021
- 5 Further reduction of general and administrative expenses driven by various cost-savings measures
- 6 Cielo transaction generates interest revenues and investment income
- 7 Full-year effect of refinancings 2020

Financial highlights

Shortened balance sheet: NAV stable despite dividend pay-out, comfortable cash position

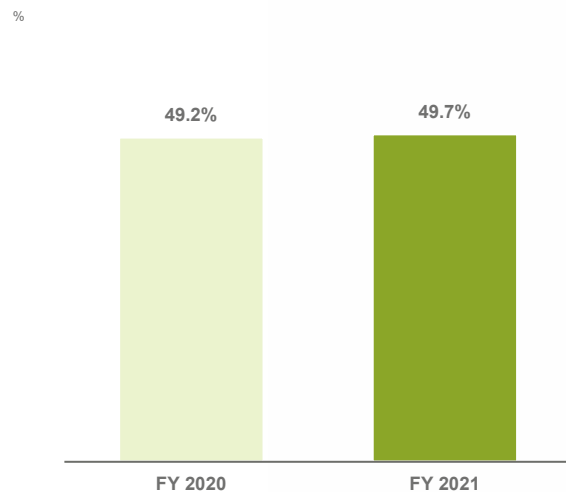
| | FY 2021 (€ m) | FY 2020 (€ m) | Change (%) |
|---|------------------|------------------|---------------|
| Investment properties | 1 433.1 | 1 426.3 | + 0.5 |
| Non-current assets held for sale | 0.0 | 31.0 | - > 100 |
| Lendings and financial assets | 90.8 | 7.6 | + > 100 |
| Other non-current assets | 20.0 | 17.3 | 15.6 |
| Total non-current assets | 1,543.8 | 1,451.1 | 6.4 |
| Other current assets | 22.2 | 41.6 | -46.6 |
| Cash and cash equivalents | 139.6 | 101.6 | 37.4 |
| Total current assets | 161.8 | 143.2 | 13.0 |
| TOTAL ASSETS | 1,705.6 | 1,625.3 | 4.9 |
| Subscribed capital | 105.5 | 105.8 | -0.3 |
| Reserves | 443.5 | 452.2 | -1.9 |
| Equity attributable to parent company shareholders | 549.0 | 558.0 | -1.6 |
| Non-controlling interests | 43.3 | 40.1 | 8.0 |
| TOTAL EQUITY | 592.4 | 598.0 | -0.9 |
| Long-term financial and lease liabilities | 898.7 | 835.7 | 7.5 |
| Other non-current liabilities | 167.9 | 151.5 | 10.8 |
| Total non-current liabilities | 1,066.6 | 987.2 | 8.0 |
| Short-term financial and lease liabilities | 16.3 | 12.7 | 28.3 |
| Other current liabilities | 30.4 | 27.3 | 11.4 |
| Total current liabilities | 46.7 | 40.0 | 16.8 |
| TOTAL LIABILITIES | 1,113.2 | 1,027.3 | 8.4 |
| TOTAL EQUITY AND LIABILITIES | 1,705.6 | 1,625.3 | 4.9 |

- 1 Despite 11 disposals in 2021, investment properties stable due to strong value uplift
- 2 Closing of the sales in 2021
- 3 Loans connected to Cielo transaction
- 4 Cash generation of operating business, additional financings and disposals overcompensate dividend pay-out
- 5 Two new mortgage loans raised

Financial highlights

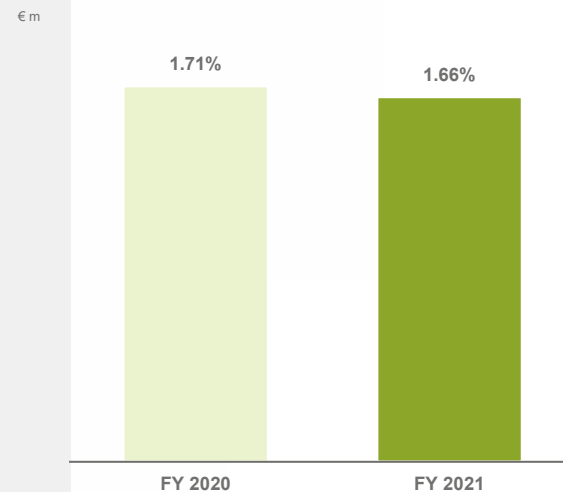
Net-LTV fairly stable, while average cost of debt further improved

Net-LTV⁽¹⁾



- » Net-LTV stable despite dividend pay-out
- » Comfortable headroom to bond covenant level of 60%

Average cost of debt⁽²⁾

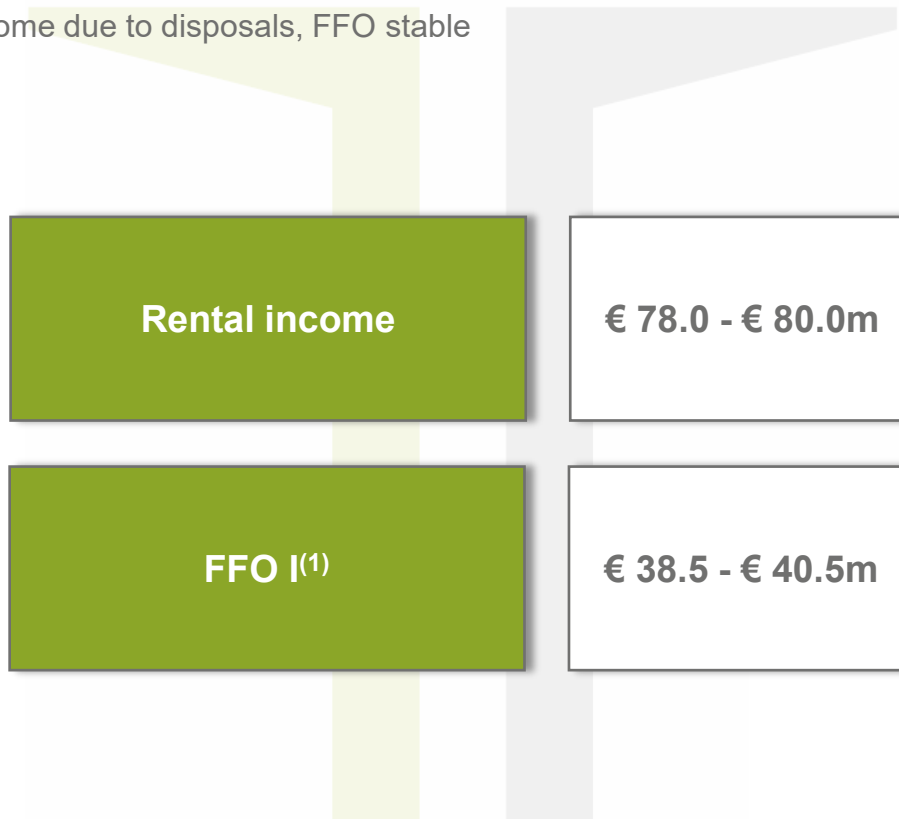


- » Further reduction of average cost of debt driven by two new secured loans at favourable interest rates

(1) Bond 19/24 covenant definition
 (2) Nominal

Guidance FY 2022

Lower rental income due to disposals, FFO stable



(1) After taxes, before minorities

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Share information

| | |
|---------------------------|-------------------------|
| Symbol / Ticker | DMRE |
| Share price (XETRA) | € 4.30 ⁽¹⁾ |
| Market segment | Prime Standard |
| ISIN | DE000A0XFSF0 |
| Market capitalisation | € 463.4m ⁽¹⁾ |
| Free float ⁽²⁾ | 7.15% |
| Number of shares | 107,777,324 |

(1) As of 30 December 2021

(2) Holdings < 3%



Appendix

Additional portfolio information



Additional portfolio information

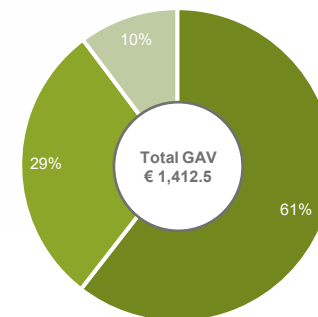
Split by region and asset class

Split by federal state

| | # of properties | GAV ⁽¹⁾ (€ m) | EPRA-Vacancy ⁽²⁾ (%) | Lettable area (k sqm) |
|-------------------------------|-----------------|-----------------------------|------------------------------------|--------------------------|
| Baden-Wuerttemberg | 5 | 164.8 | 4.8% | 93.6 |
| Bavaria | 6 | 81.4 | 12.0% | 58.1 |
| Bremen | 1 | 3.3 | 29.1% | 6.2 |
| Hamburg | 1 | 11.3 | 0.0% | 4.0 |
| Hesse | 7 | 208.0 | 16.5% | 97.3 |
| Mecklenburg-Western Pomerania | 6 | 122.6 | 5.5% | 58.0 |
| Lower Saxony | 5 | 47.3 | 0.8% | 39.1 |
| North Rhine-Westphalia | 15 | 399.0 | 15.2% | 223.8 |
| Rhineland Palatinate | 2 | 7.4 | 49.7% | 19.3 |
| Saxony | 9 | 257.2 | 8.9% | 228.0 |
| Saxony-Anhalt | 2 | 36.4 | 3.1% | 24.0 |
| Schleswig-Holstein | 4 | 72.1 | 5.4% | 55.7 |
| Thuringia | 1 | 1.5 | 56.3% | 5.6 |
| Germany | 64 | 1,412.5 | 11.0% | 912.7 |

Split by asset class

€ m



■ Office ■ Retail ■ Logistics & Others

(1) Excl. capitalised leases

(2) Excl. assets held for sale and assets classified as project developments

Additional portfolio information

Details top 20 assets

Top 20 assets

| | Asset class | GAV ⁽¹⁾ (€ m) | GRI ⁽²⁾ (€ m) | EPRA-Vacancy ⁽³⁾ (%) | Lettable area (k sqm) |
|-----------------------------|-------------|-----------------------------|-----------------------------|------------------------------------|--------------------------|
| Leipzig (LogPark) | Other | 141.6 | 5.2 | 11.6% | 147.1 |
| Essen | Office | 91.6 | 4.1 | 38.6% | 45.6 |
| Ulm | Office | 87.6 | 4.7 | 2.5% | 47.6 |
| Bonn | Office | 87.2 | 4.6 | 0.0% | 38.4 |
| Rostock | Retail | 74.9 | 3.9 | 0.7% | 19.3 |
| Neuss | Retail | 72.6 | 5.4 | 0.0% | 56.1 |
| Kassel | Retail | 54.1 | 2.9 | 34.8% | 21.5 |
| Bad Vilbel | Office | 47.5 | 2.9 | 16.1% | 26.5 |
| Frankfurt | Other | 44.5 | 1.9 | 0.0% | 6.1 |
| Freiburg | Office | 39.7 | 2.1 | 7.3% | 22.6 |
| Top 10 properties | | 741.3 | 37.7 | 12.3% | 430.6 |
| Düsseldorf | Office | 37.8 | 2.3 | 17.7% | 24.3 |
| Leipzig (Gutenberg Galerie) | Office | 37.4 | 2.0 | 5.1% | 23.4 |
| Eschborn | Office | 29.5 | 2.1 | 0.0% | 18.9 |
| Aschheim | Office | 29.1 | 1.2 | 25.7% | 12.2 |
| Flensburg | Office | 27.9 | 1.9 | 10.5% | 24.2 |
| Lutherstadt Wittenberg | Retail | 23.9 | 1.8 | 4.9% | 14.7 |
| Köln | Office | 23.5 | 1.3 | 0.5% | 5.2 |
| Zittau | Retail | 23.1 | 1.3 | 3.5% | 17.4 |
| Langen | Office | 19.1 | 1.1 | 26.2% | 13.7 |
| Kempten | Office | 18.8 | 1.2 | 0.8% | 16.8 |
| Top 20 properties | | 1,011.4 | 53.9 | 11.6% | 601.3 |
| Other properties | | 401.1 | 24.2 | 9.7% | 311.4 |
| Total properties | | 1,412.5 | 78.1 | 11.0% | 912.7 |

(1) Excl. capitalised leases

(2) Annual contractual rent

(3) Excl. assets held for sale and assets classified as project developments