DEMIRE

HALF-YEAR FINANCIAL REPORT
1 JANUARY TO 30 JUNE **2025**

HIGHLIGHTS H1 2025

KEY EARNINGS FIGURES

5.0
in EUR million
FFO I (after taxes, before minority interests and interest on shareholder loans), compared to EUR 15.5 million in H1 2024

27.8
in EUR million
RENTAL INCOME, compared to EUR 35.5 million in H1 2024

KEY FINANCIAL INDICATORS

42.4
in %
NET LOAN-TO-VALUE[1] (NET LTV), compared to 40.9% at the end of 2024

4.31
in % p. a.
AVERAGE NOMINAL INTEREST COSTS[2], compared to 4.35% p.a. as at year-end 2024

1.97
in EUR
NET ASSET VALUE (PER SHARE, BASIC) compared to EUR 2.45 as at year-end 2024

PORTFOLIO DEVELOPMENT

747.3
in EUR million
PORTFOLIO VALUE, compared to EUR 779.3 million as at year-end 2024

4.8
in years
WALT compared to 4.6 years as at year-end 2024

54.5
in EUR million
ANNUALISED RENTAL INCOME, compared to EUR 56.4 million as at year-end 2024

17.3
in %
EPRA VACANCY RATE[3], compared to 15.1% as at year-end 2024

–3.9
in %
LIKE-FOR-LIKE GROWTH in annualised contractual rent, compared to –5.5% in H1 2024

40,460
in m²
LETTING PERFORMANCE, compared to 25,000 m² in H1 2024

[1] According to the definition of the 2019/2027 bond
[2] Excluding shareholder loans
[3] Excluding project developments

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FOREWORD BY THE EXECUTIVE BOARD

Dear Shareholders, dear Readers,

The weak economic conditions seen in the previous year persisted in the first half of 2025 and continued to have a negative impact on the development of the real estate market. The subdued demand is reflected in the generally cautious market dynamics. Although declining inflation and falling key interest rates by the European Central Bank tended to lead to generally more favourable terms for new financing, the credit markets for high-yield bonds remained largely closed. Banks also acted with great caution, continuing to be extremely risk-averse when it came to new business and loan renewals. These factors contributed to continued weakness in the commercial real estate transaction markets. Although the first tentative signs of recovery are visible, a broad-based upturn is still a long way off.

In this challenging economic environment, DEMIRE succeeded in completing several real estate transactions. Income from these sales is expected to reach around EUR 40 million. These proceeds will enable us to further reduce our debt ratio significantly – a key objective of our strategic agenda. At the end of the first half of the year, the debt ratio stood at a net LTV of 42.4% and will improve further once the sales have been completed.

The sales completed and those currently planned not only strengthen our liquidity base but also support our consistent balance sheet optimisation. At the same time, the correspondingly smaller portfolio led to a decline in key figures for the Group. Rental income fell by 21.7% to EUR 27.8 million in the first half of 2025. FFO I after taxes and before minority interests and interest on shareholder loans declined by 67.9% to EUR 5.0 million compared with the same period of the previous year.

On a positive note, our newly structured and strengthened asset management team has already achieved measurable operational success. Letting performance increased significantly in the first six months of the year to around 40,460 m^2, representing growth of almost two-thirds compared with the first half of the previous year. At the same time, the average lease term (WALT) improved to 4.8 years. In the coming quarters, we will continue to work diligently to leverage the existing potential of our portfolio and increase its value.

An important milestone in the area of ESG was the publication of our fourth externally validated sustainability report in June. Since 2022, DEMIRE has been able to reduce its company-related CO_2 emissions by around 40% thanks to the systematic switch to green energy and low-emission mobility. This progress is the result of a strong, dedicated team – and a reflection of our commitment to acting responsibly. With the same team spirit, we are driving forward the sustainable development of our real estate portfolio and combining systematic operational action with strategic vision – as the key to successful transformation.

We thank you for your trust, hope you find this half-year report an inspiring read, and look forward to engaging in further dialogue with you.

Frankfurt am Main, 13 August 2025

Frank Nickel
(CEO)

Tim Brückner
(CFO)

Ralf Bongers
(Executive Board Member
for Transactions)


KEMPTEN

DEMIRE AT A GLANCE

KEY GROUP FIGURES

in EUR thousand	01/01/2025 – 30/06/2025	01/01/2024 – 30/06/2024
Key earnings figures		
Rental income	27,794	35,479
Profit/loss from the rental of real estate	18,646	23,540
EBIT	**–24,912**	**–14,076**
Financial result	–24,131	–6,997
EBT	**–49,043**	**–21,073**
Net profit/loss for the period	**–45,819**	**–27,629**
Net profit/loss for the period attributable to parent company shareholders	**–45,667**	**–28,054**
Net profit/loss for the period per share (basic/diluted) (in EUR)	**–0.43/–0.43**	**–0.27/–0.27**
FFO I (after taxes, before interests on shareholder loans and minority interests)	**4,953**	**15,450**
FFO I per share (basic/diluted) (in EUR)	**0.05/0.05**	**0.15/0.15**

in EUR thousand	30/06/2025	31/12/2024
Key balance sheet figures		
Total assets	**889,794**	**951,190**
Investment property	624,102	724,706
Non-current assets held for sale	133,085	76,680
Total real estate portfolio	**757,187**	**801,386**
Financial and lease liabilities	509,128	513,295
Cash and cash equivalents	34,876	44,816
Net financial liabilities	**474,252**	**468,479**
Net loan-to-value[1] (Net-LTV) (in %)	**42.4**	**40.9**
Equity according to Group balance sheet	195,335	241,923
Equity ratio (in %)	22.0	25.4
Net Asset Value (NAV)	172,438	218,105
NAV (basic/diluted)	207,809/207,809	258,103/258,103
Number of shares (in units, basic/diluted)	105,513/105,513	105,513/105,513
EPRA NAV per share (basic/diluted)	**1.97/1.97**	**2.45/2.45**

[1] Excluding shareholder loans

	30/06/2025	31/12/2024
Key portfolio indicators		
Properties (number)	48	51
Market value (in EUR million)[2]	747.3	779.3
Annualised contractual rents (in EUR million)	54.5	56.4
Rental yield (in %)	7.3	7.2
EPRA vacancy rate[3] (in %)	17.3	15.1
WALT (in years)	4.8	4.6

[2] 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 total of the "Total portfolio", no leaseholds or operating facilities are recognised.

[3] Excluding project developments

PORTFOLIO HIGHLIGHTS

as at 30 June 2025

747.3
in EUR million
MARKET VALUE OF THE PROPERTY PORTFOLIO

9.70
in EUR/m²
AVERAGE RENT
across the portfolio

48
assets
at **40 LOCATIONS**
in 10 federal states

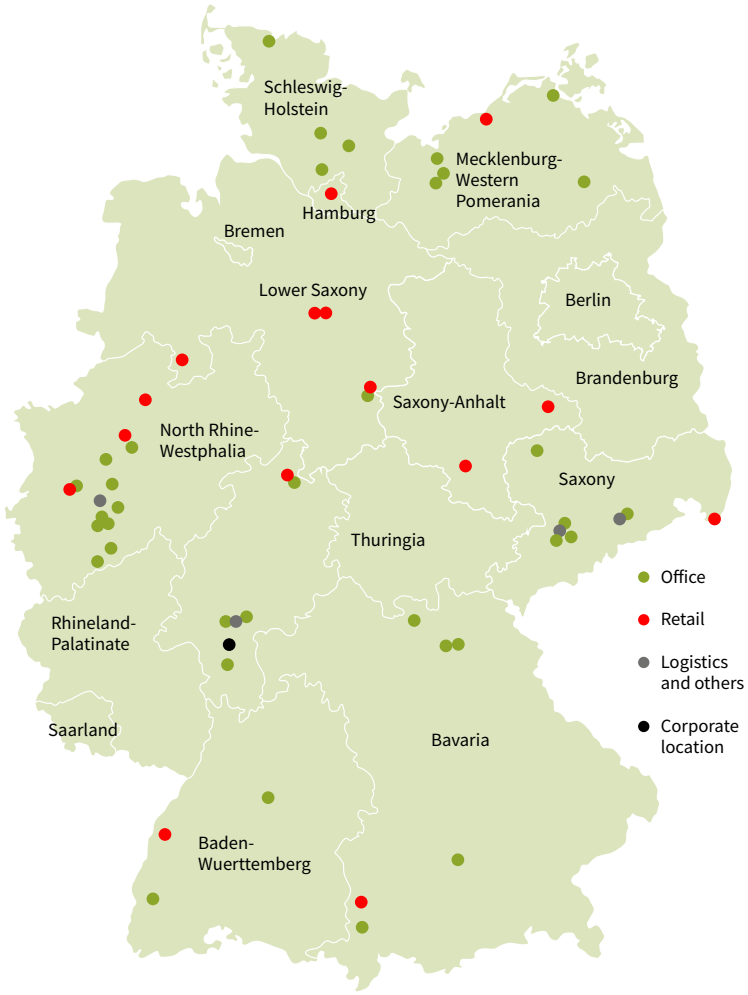
17.3
in %
EPRA VACANCY RATE[1]
across the portfolio

54.5
in EUR million
ANNUALISED CONTRACTUAL RENTS

7.3
in %
GROSS RENTAL RETURNS

–3.9
in %
LIKE-FOR-LIKE GROWTH
in annualised contractual rent

4.8
in years
WEIGHTED AVERAGE
residual lease term (WALT)



[1] Excluding project developments

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

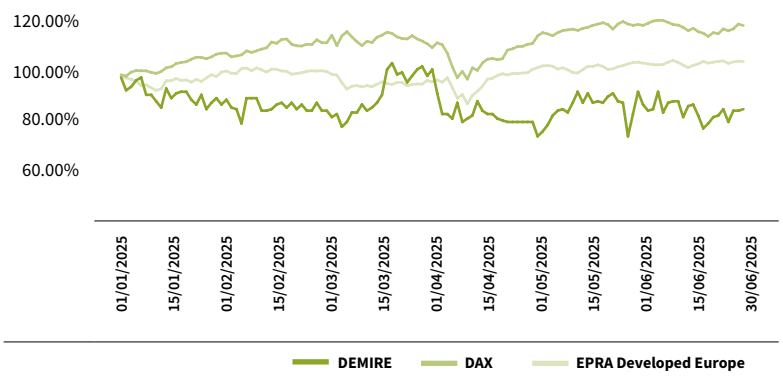
Share	30/06/2025	31/12/2024
ISIN	DE000A0XFSF0	DE000A0XFSF0
Symbol/ticker	DMRE	DMRE
Stock exchange	Frankfurt Stock Exchange (FSE); XETRA Open markets in Stuttgart, Berlin, Düsseldorf	Frankfurt Stock Exchange (FSE); XETRA Open markets in Stuttgart, Berlin, Düsseldorf
Market segment	Regulated Market (Prime Standard)	Regulated Market (Prime Standard)
Designated sponsors	Baader Bank	Baader Bank, Pareto Securities AS
Share capital	EUR 107,777	EUR 107,777
Number of shares	107,777,324	107,777,324
Closing (Xetra)	EUR 0.71	EUR 0.75
Avg. daily trading volume year-to-date (Xetra)	5,133	9,773
Market capitalisation	EUR 77 million	EUR 81 million
Free float < 3% (in %)	7.15	7.15

Development of the stock market and DEMIRE shares

The development of the stock market in Germany and Europe in 2025 has been marked by continuing uncertainty due to the war in Ukraine and the European Central Bank's policy of lowering interest rates in view of declining inflation rates. The economic environment continued to be characterised by weak growth, persistent recession concerns and subdued corporate outlooks. Nevertheless, the DAX rose significantly in the first half of 2025, recording an increase of around 19%, driven in particular by technology stocks and hopes of an economic recovery in the second half of the year.

DEMIRE shares, on the other hand, have fallen by 12.4% since the beginning of the year. At the same time, the prices of European property shares, as summarised in the EPRA Developed Europe Index, rose by 6.1%.

SHARE DEVELOPMENT IN THE FIRST HALF OF 2025



Dividend

DEMIRE did not pay out a dividend for the 2024 financial year (previous year: no dividend). As part of the extension of the 2019/2027 corporate bond until the end of 2027, the company will not pay any dividends until repayment.

Development of the DEMIRE bond

The bond market in the first half of 2025 was dominated by ongoing expectations of further key interest rate cuts after the European Central Bank lowered interest rates for the first time in June 2024. This course was continued with several interest rate cuts as the economic outlook deteriorated and inflation continued to decline. Yields on outstanding bonds rose for the most part in Germany in the first half of 2025. Yields on long-term government bonds in particular rose noticeably despite the ECB's interest rate cuts and remained at a historically high level.

The DEMIRE bond was being traded at a price of EUR 90.2 on 1 January 2025. On 30 June 2025, it was trading at EUR 93.41, remaining largely stable after slight gains in January in the first half of 2025.

2019/2027 CORPORATE BOND

Name	DEMIRE Senior Notes 2019/2027
Issuer	DEMIRE Deutsche Mittelstand Real Estate AG
Rating	B (Fitch), B (Scope)
Stock exchange listing/trading	Open market of the Luxembourg Stock Exchange (Euro MTF)
Applicable law	German law
ISIN	DE000A2YPAK1
WKN	A2YPA
Total outstanding capital amount	EUR 252.45 million[1]
Denomination	100,000
Coupon	5.000%
Interest payments	On 15 June and 15 December
Maturity date	31 December 2027
Repayment	Callable at nominal value plus accrued and unpaid interest
Distribution	Regulation S, excluding registration rights
Change of control	101% plus accrued and not yet paid interest
Closing price 30 June 2025	93.41%

[1] Reflects a pool factor of 0.9x

Rating

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

At DEMIRE's request, Moody's discontinued its monitoring of the corporate bond and the company's rating with effect from 27 June 2025. The company and the bond are now rated by Fitch Ratings and Scope Ratings.

Fitch assigned DEMIRE a CCC+ rating in June 2025. The 2019/2027 corporate bond is rated B. In the agency's view, the debt relief measures initiated and the support provided by the main shareholders will aid DEMIRE's future financial recovery.

The rating agency Scope has assigned a B rating to the 2019/2027 corporate bond. The rating agency views DEMIRE's corporate rating of B – with a positive outlook, which reflects the further stabilisation of the capital structure that Scope expects.

The rating reports are available on the DEMIRE Website and on the websites of the respective rating agencies.

DEMIRE RATING – AS AT 30 JUNE 2025

	Company		Bonds
Rating agency	Rating	Outlook	Rating
Fitch	CCC+	n/a	B
Scope	B –	positive	B

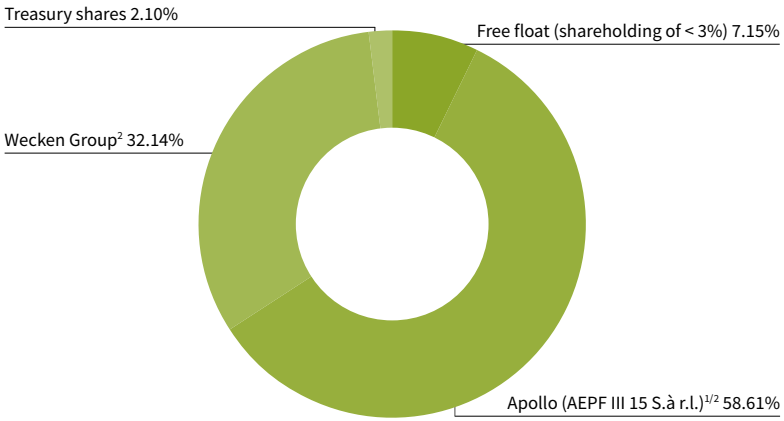
Annual General Meeting

The most recent DEMIRE Annual General Meeting was held online on 14 May 2025. All items on the agenda proposed by the management were approved by a large majority.

Shareholder structure

The DEMIRE shareholder structure remained largely unchanged in the first half of 2025. 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 2025



[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 participated in several international capital market conferences in the first half of 2025. It also regularly presented the Company's current development to existing and potential equity and bond investors and the rating agencies Fitch and Scope.

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, DEMIRE's visibility on the capital market is expected to continue to rise.

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

In July 2025, DEMIRE shares were monitored and evaluated by two financial analysts.

DEMIRE RATING – AS AT JULY 2025

Bank/broker	Analyst	Current rating	Current target price EUR
Hauck & Aufhäuser	Philipp Sennewald	Buy	1.30
Baader Bank	Andre Remke	Reduce	0.66

INTERIM GROUP MANAGEMENT REPORT

for the reporting period from 1 January to 30 June 2025

OVERVIEW

BUSINESS PERFORMANCE

Overall, DEMIRE's business performance developed modestly in the first half of 2025 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 2025, considering the market environment and the economic situation, as well as the property sales:

- Rental income totalled EUR 27.8 million (previous year: EUR 35.5 million).
- Profit from rental income amounted to EUR 18.6 million, compared to EUR 23.5 million in the same period of the previous year.
- Funds from operations (FFO I, after taxes, before minority interests and interest on the shareholder loan) amounted to EUR 4.9 million compared with EUR 15.5 million in the previous year.
- The rental performance remains below the long-term average, but rose sharply by 62% year-on-year to around 40,460 m^2.
- The like-for-like development in annualised contractual rents was –3.9% compared to 30 June 2024 (previous year: –5.5%). The increased vacancy rate in the reporting period had a negative impact here.
- The EPRA Vacancy Rate[1] rose to 17.3% (31 December 2024: 15.1%), while WALT increased slightly to 4.8 years.
- The NAV per share (basic) fell to EUR 1.97 compared to EUR 2.45 at the end of 2024.
- Net loan-to-value[2] (net LTV) rose slightly to 42.4%, with liquidity totalling EUR 34.9 million as at the reporting date.
- The average nominal financing costs (excluding shareholder loans) remained virtually unchanged compared with the end of 2024 at 4.31% per annum.

FORECAST FOR THE 2025 FINANCIAL YEAR

Against the backdrop of developments in the first half of 2025, the Executive Board is raising its forecast for the 2025 financial year: rental income will be between EUR 52.0 million and EUR 54.0 million(previous forecast EUR 51.0 million to EUR 53.0 million; 2024: EUR 65.3 million). FFO I (after taxes, before interest on the shareholder loan and minority interests) is expected to be between EUR 5.0 million and EUR 7.0 million (previous forecast EUR 3.5 million to EUR 5.5 million; 2024: EUR 26.2 million).

[1] Excluding properties classified as a project development
[2] According to the definition of bond 2019/2027

PROPERTY PORTFOLIO

Between the end of the previous year and the reporting date, the property portfolio decreased to 48 properties (31 December 2024: 51 properties). The lettable area of the buildings in the portfolio is 582,200 m² (31 December 2024: 603,500 m²) and the total market value is approximately EUR 747.3 million (31 December 2024: EUR 779.3 million). The last external property valuation of the portfolio, excluding the properties held for sale, was carried out on 31 December 2024.

The EPRA Vacancy Rate[2] increased as at the reporting date of 30 June 2025 to 17.3%, following 15.1% on 31 December 2024. WALT was 4.8 years as at 30 June 2025, compared to 4.6 years as at year-end 2024. In the period under review, DEMIRE achieved a rental performance of 40,460 m² (H1 2024: 25,000 m²), meaning that DEMIRE succeeded in significantly increasing its letting performance. 20% of the letting performance was attributable to new lettings and 80% to contract extensions. The rental performance was driven, inter alia, by an extension relating to around 10,000 m² in Celle and an extension of around 9,400 m² in Kempten. In addition, there was an extension of around 6,500 m² in Bad Segeberg and a new lease of around 3,200 m² in Langenfeld.

TOP TEN TENANTS (AS AT 30 JUNE 2025)

No.	Tenant	Type of use	Contractual rents p.a.[1] in EUR million	in % of total
1	IMOTEX	Retail	5.4	9.9
2	GMG/Dt. Telekom	Retail	4.5	8.2
3	Bima Bundesanstalt für Immobilienaufgaben	Office	3.2	5.9
4	Roomers	Hotel	2.2	4.0
5	Sparkasse Südholstein	Office	1.9	3.5
6	GALERIA Karstadt Kaufhof	Retail	1.7	3.2
7	comdirect bank AG	Office	1.4	2.5
8	BWI GmbH	Office	1.3	2.3
9	CFH Penta Rostock GmbH	Hotel	1.3	2.3
10	Stadt Freiburg	Office	1.2	2.3
Total			**24.0**	**44.1**
Other			30.5	55.9
Total			**54.5**	**100.0**

[1] Based on annualised contractual rents, excluding ancillary costs

PORTFOLIO BY ASSET CLASS

	Number of properties	Market value[1] in EUR million	Share by market value in %	Lettable space in thousand m²	Market value[1]/m²	Contractual rent in EUR million p.a.	Contractual rent per m²	Rental returns in %	EPRA vacancy rate[2] in %	WALT in years
Office	31	470.2	62.9	375.8	1,251	34.3	9.73	7.3	19.2	3.7
Retail	13	220.1	29.5	177.5	1,240	16.7	9.25	7.6	15.3	4.8
Other	4	57.0	7.6	28.8	1,977	3.5	11.96	6.1	9.2	14.6
Total 30 June 2025	**48**	**747.3**	**100.0**	**582.2**	**1,284**	**54.5**	**9.69**	**7.3**	**17.3**	**4.8**
Total 31 December 2024	**51**	**779.3**	**100.0**	**603.5**	**1,291**	**56.4**	**9.63**	**7.2**	**15.1**	**4.6**
Change (in %/pp)	–3	–4.1%	0	–3.5%	–0.6%	–3.4%	0.6%	0.1	2.2	0.2

[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

ECONOMIC REPORT

Results of operations, net assets and financial position

RESULTS OF OPERATIONS

In the first half of 2025, the DEMIRE Group generated rental income totalling EUR 27.8 million (previous year: EUR 35.5 million). The decline is mainly attributable to property sales. Earnings from the rental of real estate also fell significantly by 20.8% to EUR 18.6 million (previous year: EUR 23.5 million). Profit/loss from the sale of real estate totalled EUR 1.7 million (previous year: EUR –5.3 million). The properties in Bad Kreuznach, Dortmund and Trier were sold in the first half of 2025. The portfolio was last valued externally by Savills on 31 December 2024. In the previous year, the insolvency of the Limes portfolio resulted in a fair value adjustment of EUR –17.9 million for investment property. The adjustment to the assets held for sale – the properties in the sales portfolio – was EUR –27.9 million (previous year: EUR –8.0 million).

Impairments on financial and other receivables totalled EUR 12.5 million (previous year: EUR 0.7 million). This is particularly related to write-downs on loans granted to Limes companies. General administrative expenses in the first half of 2025 decreased slightly to EUR 5.4 million (previous year: EUR 5.9 million). Earnings before interest and taxes (EBIT) were significantly lower than the previous year's figure of EUR –14.1 million at EUR –24.9 million, mainly due to lower rental income following property sales and higher write-downs.

The financial result came to EUR –24.1 million in the first half of 2025 (previous year: EUR –7.0 million). The significant increase is mainly due to higher interest expenses for the shareholder loan, which was taken out only after the end of the reporting period. Following the extension of the corporate bond, the average nominal interest rate on borrowed capital (excluding shareholder loans) is 4.31% per annum (previous year: 1.78% per annum). The net loss attributable to minority shareholders amounted to EUR 1.3 million, compared with EUR 2.4 million in the previous year.

Current income taxes decreased to EUR 1.4 million (previous year: EUR 2.4 million), which is due, among other things, to lower capital gains taxes that were incurred in the previous period on financial investments due to high liquidity prior to the partial repayment of the corporate bond.

Income from the reversal of deferred tax liabilities amounted to EUR 4.6 million (previous year: EUR –4.2 million). The negative result from the property valuation of properties held for sale is the main driver of this development.

Earnings before taxes (EBT) decreased to EUR –49.0 million in the reporting period, compared to EUR –21.1 million in the previous year. This is due, in part, to lower rental income following property sales and, in part, to a significantly more negative financial result due to interest expenses for the shareholder loan. The net result for the first half of 2025 was EUR –45.8 million, compared to EUR –27.6 million in the same period of the previous year.

CONSOLIDATED INCOME STATEMENT

(selected information in EUR thousand)	01/01/2025 – 30/06/2025	01/01/2024 – 30/06/2024	Change	in %
Rental income	27,794	35,479	–7,685	–21.7
Income from utility and service charges	7,905	10,455	–2,550	–24.4
Operating expenses to generate rental income	–16,116	–20,785	4,669	–22.5
Impairment of trade receivables	–937	–1,609	672	–41.8
Profit/loss from the rental of real estate	**18,646**	**23,540**	**–4,894**	**–20.8**
Income from the sale of real estate and real estate companies	8,662	99,022	–90,360	–91.3
Expenses related to the sale of real estate and real estate companies	–6,963	–104,293	97,330	–93.3
Profit/loss from the sale of real estate and real estate companies	**1,699**	**–5,271**	**6,970**	**>100**
Profit/loss from fair value adjustments of investment properties	0	–17,923	17,923	–100.0
Result from the fair value adjustment of assets held for sale	–27,931	–7,973	–19,958	>100
Impairment of financial and other receivables	–12,516	–726	–11,790	>100
Other operating income	1,162	239	923	>100
General and administrative expenses	–5,383	–5,891	508	–8.6
Other operating expenses	–589	–71	–518	>100
Earnings before interest and taxes	**–24,912**	**–14,076**	**–10,836**	**77.0**
Financial result	–24,131	–6,997	–17,134	>100
Earnings before taxes	**–49,043**	**–21,073**	**–27,970**	**>100**
Current income taxes	–1,403	–2,395	992	–41.4
Deferred taxes	4,627	–4,161	8,788	>100
Net profit/loss for the period	**–45,819**	**–27,629**	**–18,190**	**65.8**
Thereof attributable to parent company shareholders	–45,667	–28,054	–17,613	62.8
Basic earnings per share (in EUR)	–0.43	–0.27	–0.17	62.8
Weighted average number of shares outstanding	105,513	105,513	0	0.0
Diluted earnings per share (in EUR)	–0.43	–0.27	–0.17	62.8
Weighted average number of shares outstanding (diluted)	105,513	105,513	0	0.0

NET ASSETS

As at 30 June 2025, the total assets decreased by EUR 61.4 million to EUR 889.8 million compared to year-end 2024. This can mainly be explained by the sale of real estate. The value of investment properties amounted to EUR 624.1 million as at 30 June 2025, compared to EUR 724.7 million as at 31 December 2024. As at the reporting date, the assets for sale totalled EUR 133.1 million (31 December 2024: EUR 76.7 million).

Group equity as at 30 June 2025 totalled EUR 195.3 million, compared with EUR 241.9 million as at 31 December 2024. The main reason for the decline is the negative result for the period. The equity ratio came to 22.0% (31 December 2024: 25.4%). It should be noted that non-controlling minority interests reported in the Group's borrowed capital of around EUR 69.6 million (31 December 2024: EUR 71.0 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-AG's fund participations as partnerships. The corresponding adjusted Group equity totalled approximately EUR 264.9 million (31 December 2024: EUR 312.9 million).

Total financial liabilities as at 30 June 2025 amounted to EUR 500.7 million. These decreased slightly by EUR 14.8 million compared to 31 December 2024. The capitalisation of interest on the shareholder loan was the main reason for the increase.

CONSOLIDATED BALANCE SHEET – ASSETS

(selected information in EUR thousand)	30/06/2025	31/12/2024	Change	in %
Assets				
Total non-current assets	692,642	793,115	–100,473	–12.7
Total current assets	64,067	81,395	–17,328	–21.3
Assets held for sale	133,085	76,680	56,405	73.6
Total assets	**889,794**	**951,190**	**–61,396**	**–6.5**

CONSOLIDATED BALANCE SHEET – EQUITY AND LIABILITIES

(selected information in EUR thousand)	30/06/2025	31/12/2024	Change	in %
Equity and liabilities				
Equity				
Equity attributable to parent company shareholders	172,439	218,105	–45,666	–20.9
Non-controlling interests	22,896	23,818	–922	–3.9
Total equity	**195,335**	**241,923**	**–46,588**	**–19.3**
Liabilities				
Total non-current liabilities	510,103	535,699	–25,596	–4.8
Total current liabilities	184,356	173,568	10,788	6.2
Total liabilities	**694,459**	**709,267**	**–14,808**	**–2.1**
Total equity and liabilities	**889,794**	**951,190**	**–61,396**	**–6.5**

FINANCIAL POSITION

Cash flow from operating activities in the first half of 2025 amounted to EUR 10.9 million (previous year: EUR 19.1 million). The decline is primarily attributable to a reduction in rental income of approximately EUR 5.5 million, mainly due to the sale of LogPark in Leipzig and the deconsolidation of the Limes portfolio. Interest income from cash holdings also fell by EUR 1.1 million compared to the previous period.

Cash flow from investing activities amounted to EUR 0.8 million in the reporting period, compared to EUR 90.3 million in the previous year. Cash inflows from the sale of real estate declined significantly compared with the previous year and are responsible for the lower result. In the previous year, the sale of LogPark in Leipzig generated considerable proceeds. At the same time, payments for modernisation measures decreased compared with the same period of the previous year.

Cash flow from financing activities came to EUR –21.7 million, compared to EUR –62.3 million in the same period of the previous year. The change is mainly driven by lower debt repayments, which were significantly higher in the previous year due to repayments in connection with the sale of LogPark in Leipzig.

Cash and cash equivalents amounted to EUR 34.9 million as of 30 June 2025 (31 December 2024: EUR 44.8 million; 30 June 2024: EUR 167.1 million).

CONSOLIDATED STATEMENT OF CASH FLOWS

(selected information in EUR thousand)	01/01/2025 – 30/06/2025	01/01/2024 – 30/06/2024	Change
Cash flow from operating activities	10,888	19,063	–8,175
Cash flow from investing activities	849	90,318	–89,469
Cash flow from financing activities	–21,677	–62,259	40,582
Net change in cash and cash equivalents	**–9,940**	**47,122**	**–57,062**
Cash and cash equivalents at the end of the period	**34,876**	**167,111**	**–132,235**

Funds from operations (FFO)

Funds from operations I (after taxes, before minority interests and interest on the shareholder loan), the key operating performance indicator, declined by 67.9% to EUR 5.0 million in the first six months of 2026, compared with EUR 15.5 million in the same period of the previous year. On a diluted basis, FFO I per share came to EUR 0.05, compared to EUR 0.15 in the same period of the previous year.

FFO CALCULATION

in EUR thousand	01/01/2025 – 30/06/2025	01/01/2024 – 30/06/2024	Change	in %
Earnings before taxes	–49,044	–21,073	–27,971	>100
Interests of minority shareholders	1,321	2,381	–1,061	–44.5
Earnings before taxes (EBT)	**–47,723**	**–18,692**	**–29,032**	**>100**
± Profit/loss from the sale of real estate	–1,700	5,271	–6,970	>100
± Profit/loss from the valuation of investment properties and the valuation of assets held for sale	27,931	25,895	2,035	7.9
± Other adjustments [1]	18,613	4,281	14,333	>100
FFO I before taxes and minorities	**–2,879**	**16,755**	**–19,634**	**>100**
± Current income taxes	–1,344	–1,305	–39	3.0
FFO I after taxes and before minorities	**–4,223**	**15,450**	**–19,673**	**>100**
of which attributable to parent company shareholders	–5,153	12,538	–17,691	>100
of which attributable to non-controlling interests	930	2,912	–1,982	–68.1
± Interest expenses from shareholder loans (including effect on current income taxes)	9,176	0	9,176	>100
FFO I after taxes, before minorities and interest on shareholder loans	**4,953**	**15,450**	**–10,497**	**–67.9**
Thereof attributable to parent company shareholders	4,023	12,538	–8,515	–67.9
Thereof attributable to non-controlling interests	930	2,912	–1,982	–68.1
FFO I after taxes and before minorities	**–4,223**	**15,450**	**–19,673**	**>100**
± Profit/loss from the sale of real estate and real estate companies (after taxes)	1,699	–5,271	6,970	>100
FFO II after taxes and before minorities	**–2,524**	**10,179**	**–12,703**	**>100**
of which attributable to parent company shareholders	–3,261	7,010	–10,271	>100
of which attributable to non-controlling interests	737	3,169	–2,432	–76.7
± Interest expenses from shareholder loans (including effect on current income taxes)	9,176	0	9,176	>100
FFO II after taxes, before minorities and interest on shareholder loans	**6,652**	**10,179**	**–3,527**	**–34.6**
Thereof attributable to parent company shareholders	5,915	7,010	–1,095	–15.6
Thereof attributable to non-controlling interests	737	3,169	–2,432	–76.7

FFO CALCULATION

in EUR thousand	01/01/2025 – 30/06/2025	01/01/2024 – 30/06/2024	Change	in %
FFO I after taxes and minority interests	**–5,153**	**12,538**	**–17,691**	**>100**
Basic earnings per share (in EUR)	–0.05	0.12	–0.17	>100
Weighted average number of shares outstanding (in thousands)	105,513	105,513	0	0.0
Diluted earnings per share (in EUR)	–0.05	0.12	–0.17	>100
Weighted average number of shares outstanding (diluted) (in thousands)	105,513	106,023	–510	–0.5
FFO II after taxes and minority interests	**–3,261**	**7,010**	**–10,271**	**>100**
Basic earnings per share (in EUR)	–0.03	0.07	–0.10	>100
Weighted average number of shares outstanding (in thousands)	105,513	105,513	0	0.0
Diluted earnings per share (in EUR)	–0.03	0.07	–0.10	>100
Weighted average number of shares outstanding (diluted) (in thousands)	105,513	106,023	–510	–0.5

[1] Other adjustments include:
- One-time refinancing costs (EUR 6.6 million, previous year: EUR 29.9 million)
- One-time legal and consultancy fees (EUR 0.3 million, previous year: EUR 1.0 million)
- One-time administrative costs (EUR 0.0 million, previous year: EUR 0.1 million)
- Non-period expenses (EUR 1.2 million, previous year: EUR 4.2 million)
- Expenses from impairment of loans and other extraordinary write-offs (EUR 10.5 million, previous year: EUR 61.5 million)
- Non-cash expenses (EUR 0.0 million, previous year: EUR 4.0 million)

Net asset value (NAV)

The basic net asset value decreased from EUR 258.1 million as at 31 December 2024 to EUR 207.8 million as at 30 June 2025 due to the write-downs of properties held for sale and write-downs relating to the Limes portfolio. On an undiluted basis, the NAV as at the reporting date was EUR 1.97 per share (31 December 2024: EUR 2.45 per share).

NET ASSET VALUE (NAV)

in EUR thousand	30/06/2025	31/12/2024	Change	in %
Net Asset Value (NAV)	172,438	218,105	–45,667	–20.9
Deferred taxes	35,371	39,999	–4,627	–11.6
Goodwill resulting from deferred taxes	0	0	0	0.0
NAV (basic)	**207,809**	**258,103**	**–50,294**	**–19.5**
Number of outstanding shares (basic) (in thousands)	105,513	105,513	0	0.0
NAV per share (basic) (in EUR)	**1.97**	**2.45**	**–0.48**	**–19.5**
Effect of the conversion of convertible bonds and other equity instruments	0	0	0	0.0
NAV (diluted)	**207,809**	**258,103**	**–50,294**	**–19.5**
Number of outstanding shares (diluted) (in thousands)	105,513	105,513	0	0.0
NAV per share (diluted) (in EUR)	**1.97**	**2.45**	**–0.48**	**–19.5**

NET LOAN-TO-VALUE RATIO

The DEMIRE Group's net loan-to-value ratio is defined in the 2019/2027 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 increased slightly to 42.4% (from 40.9% at the end of 2024). The increase was mainly due to the value adjustment of properties held for sale and write-downs relating to the Limes portfolio.

NET LOAN-TO VALUE (NET LTV)

in EUR thousand	30/06/2025	31/12/2024
Financial liabilities and lease liabilities	397,036	415,953
Cash and cash equivalents	34,876	44,816
Net financial debt	**362,160**	**371,137**
Total assets	889,794	951,190
Intangible assets	0	0
Cash and cash equivalents	–34,876	–44,816
Total assets less intangible assets and cash and cash equivalents	**854,918**	**906,374**
Net LTV (in %)	42.4	40.9

Covenants for the 2019/2027 corporate bond

Within the scope of extending the 2019/2027 corporate bond, DEMIRE undertook to comply with and regularly report on various covenants. The definitions of the covenants to be reported on are listed in the terms and conditions for the 2019/2027 corporate bond.

BOND COVENANTS 30/06/2025

	NET LTV	ICR
Covenant	max. 70%	min. 1.50
Value	42.4%	2.04

As at 30 June 2025, DEMIRE had complied with all covenants of the 2019/2027 corporate bond. The planning for the 2025 financial year and beyond assumes that all covenants will be complied with at all times.

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 2024 for information on the opportunities and risks of future business performance. In addition to the opportunities and risks identified as at 31 December 2024, the first half of 2025 was significantly influenced by the continuing reluctance of banks to provide financing and by a weak capital market for high-yield bonds. The transaction markets for real estate continue to record low sales with a noticeable trend towards stabilising prices. All these factors continue to cause a high degree of uncertainty in the real estate market. The continuing weak economic environment is causing subdued demand for rental space, which is having a negative impact on DEMIRE's operating figures. However, both rental payments and funds from operations are in line with our expectations.

DEMIRE's Executive Board is closely monitoring whether and how the economic environment is changing and whether this could have a further negative impact on the performance of the portfolio and rental income. The risks are reviewed continuously and in a structured process.

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, 13 August 2025

DEMIRE Deutsche Mittelstand Real Estate AG

Frank Nickel
(CEO)

Tim Brückner
(CFO)

Ralf Bongers
(Executive Board Member
for Transactions)

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF INCOME

for the reporting period from 1 January to 30 June 2025

in EUR thousand	NOTE	01/01/2025 – 30/06/2025	01/01/2024 – 30/06/2024	01/04/2025 – 30/06/2025	01/04/2024 – 30/06/2024
Rental income		27,794	35,479	13,780	16,863
Income from utility and service charges		7,905	10,455	3,179	3,133
Operating expenses to generate rental income		–16,116	–20,785	–6,884	–7,706
Impairment of trade receivables		–937	–1,609	–463	–911
Profit/loss from the rental of real estate		**18,646**	**23,540**	**9,612**	**11,379**
Income from the sale of real estate and real estate companies		8,662	99,022	3,882	0
Expenses related to the sale of real estate and real estate companies		–6,963	–104,293	–2,007	–765
Profit/loss from the sale of real estate and real estate companies		**1,699**	**–5,271**	**1,875**	**–765**
Profit/loss from fair value adjustments of investment properties		0	–17,923	–1,883	–17,923
Result from fair value adjustment of assets held for sale		–27,931	–7,973	–17,115	–7,973
Impairment of financial and other receivables		–12,516	–726	–11,519	–381
Other operating income		1,162	239	246	169
General and administrative expenses		–5,383	–5,891	–2,519	–3,267
Other operating expenses		–589	–71	–223	–66
Earnings before interest and taxes	**D 1**	**–24,912**	**–14,076**	**–21,526**	**–18,827**
Financial income		3,612	3,779	1,785	2,234
Financial expenses		–26,422	–8,395	–13,338	–4,149
Minority interests		–1,321	–2,381	–16	–1,218
Financial result	**D 2**	**–24,131**	**–6,997**	**–11,569**	**–3,133**
Earnings before taxes		**–49,043**	**–21,073**	**–33,095**	**–21,960**
Current income taxes		–1,403	–2,395	–449	–1,246
Deferred taxes		4,627	–4,161	3,221	–58
Net profit/loss for the period		**–45,819**	**–27,629**	**–30,323**	**–23,264**
Thereof attributable to:					
Non-controlling interests		**–153**	**425**	**–146**	**153**
Parent company shareholders		**–45,667**	**–28,054**	**–30,177**	**–23,417**
Basic/diluted earnings per share (in EUR)	D 3	–0.43	–0.27	–0.29	–0.22

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the reporting period from 1 January to 30 June 2025

in EUR thousand	01/01/2025 – 30/06/2025	01/01/2024 – 30/06/2024	01/04/2025 – 30/06/2025	01/04/2024 – 30/06/2024
Net profit/loss for the period	**–45,819**	**–27,629**	**–30,323**	**–23,264**
Other comprehensive income	**0**	**0**	**0**	**0**
Total comprehensive income	**–45,819**	**–27,629**	**–30,323**	**–23,264**
Thereof attributable to:				
Non-controlling interests	**–153**	**425**	**–146**	**153**
Parent company shareholders	**–45,667**	**–28,054**	**–30,177**	**–23,417**

CONSOLIDATED BALANCE SHEET

as at 30 June 2025

ASSETS

in EUR thousand	NOTE	30/06/2025	31/12/2024
Assets			
Non-current assets			
Property, plant and equipment		63	80
Investment property	E 1	624,102	724,706
Shares in companies accounted for using the equity method		344	406
Loans to companies accounted for using the equity method		25,150	25,150
Loans and financial assets		37,860	37,710
Other assets		5,123	5,063
Total non-current assets		**692,642**	**793,115**
Current assets			
Trade accounts receivable		12,459	11,983
Financial assets		9,029	19,464
Other assets		4,122	2,186
Tax refund claims		3,581	2,946
Cash and cash equivalents		34,876	44,816
Total current assets		**64,067**	**81,395**
Non-current assets held for sale		**133,085**	**76,680**
Total assets		**889,794**	**951,190**

CONSOLIDATED BALANCE SHEET

as at 30 June 2025

EQUITY AND LIABILITIES

in EUR thousand	NOTE	30/06/2025	31/12/2024
Equity and liabilities			
Equity			
Subscribed capital		105,513	105,513
Reserves	E 2	66,926	112,592
Equity attributable to parent company shareholders		**172,439**	**218,105**
Non-controlling interests		22,896	23,818
Total equity		**195,335**	**241,923**
Liabilities			
Non-current liabilities			
Deferred tax liabilities		35,371	39,999
Minority interests		69,576	71,018
Financial liabilities	E 3	368,928	369,693
Lease liabilities		8,128	26,889
Market values of options		28,100	28,100
Total non-current liabilities		**510,103**	**535,699**
Current liabilities			
Provisions		1,323	2,077
Trade payables		15,837	23,848
Other liabilities		10,153	7,125
Tax liabilities		24,972	23,805
Financial liabilities	E 3	131,811	116,288
Lease liabilities		260	425
Total current liabilities		**184,356**	**173,568**
Total liabilities		**694,459**	**709,267**
Total equity and liabilities		**889,794**	**951,190**

CONSOLIDATED STATEMENT OF CASH FLOWS

for the reporting period from 1 January to 30 June 2025

in EUR thousand	01/01/2025 – 30/06/2025	01/01/2024 – 30/06/2024
Earnings before taxes	**–49,043**	**–21,073**
Financial expenses	26,422	8,395
Financial income	–3,612	–3,779
Minority interests	1,321	2,381
Change in trade accounts receivable	–1,413	–835
Change in other receivables and other assets	–1,792	–1,114
Change in provisions	–754	297
Change in trade payables and other liabilities	–21	1,341
Profit/loss from fair value adjustments of investment properties	27,931	25,895
Profit/loss from the sale of real estate and real estate companies	–1,700	5,271
	157	1,239
Interest received from loans to companies accounted for using the equity method	436	694
Income tax payments	–890	–2,438
Depreciation and amortisation and impairment	13,818	2,705
Distributions from companies accounted for using the equity method	64	0
Other non-cash items	–36	84
Cash flow from operating activities	**10,888**	**19,063**

CONSOLIDATED STATEMENT OF CASH FLOWS

for the reporting period from 1 January to 30 June 2025

in EUR thousand	01/01/2025 – 30/06/2025	01/01/2024 – 30/06/2024
Payments for the acquisition of/investments in investment properties, incl. prepayments, refurbishment measures and prepayments for property, plant and equipment	–4,411	–7,666
Proceeds from the sale of real estate	5,260	97,984
Cash flow from investing activities	**849**	**90,318**
Payments to obtain financial debts	–6,597	–6,908
Proceeds obtaining financial debts	3,727	0
Distributions to minority shareholders/dividends	–3,327	–5,737
Interest paid on financial liabilities	–9,604	–7,508
Payments for the purchase of additional shares in a subsidiary	0	–658
Payments for the redemption of financial liabilities	–5,772	–41,299
Payment for the redemption of lease liabilities	–104	–149
Cash flow from financing activities	**–21,677**	**–62,259**
Net change in cash and cash equivalents	**–9,940**	**47,122**
Cash and cash equivalents at the start of the period	44,816	119,989
Cash and cash equivalents at the end of the period	**34,876**	**167,111**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the reporting period from 1 January to 30 June 2025

	Share capital	Reserves				
in EUR thousand	Subscribed capital	Capital reserves	Retained earnings incl. Group profit/loss	Equity attributable to parent company shareholders	Non-controlling interests	Total equity
01/01/2025	**105,513**	**89,767**	**22,825**	**218,105**	**23,818**	**241,923**
Net profit/loss for the period	0	0	–45,667	–45,667	–153	–45,819
Other comprehensive income	0	0	0	0	0	0
Total comprehensive income	**0**	**0**	**–45,667**	**–45,667**	**–153**	**–45,819**
Dividend payments/distributions	0	0	0	0	–574	–574
Acquisition of treasury shares	0	0	0	0	0	0
Other changes	0	0	1	1	–195	–194
30/06/2025	**105,513**	**89,767**	**–22,841**	**172,439**	**22,896**	**195,335**

	Share capital	Reserves				
in EUR thousand	Subscribed capital	Capital reserves	Retained earnings incl. Group profit/loss	Equity attributable to parent company shareholders	Non-controlling interests	Total equity
01/01/2024	**105,513**	**89,767**	**108,309**	**303,589**	**29,696**	**333,285**
Net profit/loss for the period		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**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the reporting period from 1 January to 30 June 2025

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 2025 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 2025 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 2024 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 2025 should therefore be viewed in conjunction with the consolidated financial statements as at 31 December 2024.

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.

Reference is made to the information on DEMIRE's business performance in accordance with IAS 34. 16A(b) in the "Overview" section on page 11 of the interim Group management report.

B. Scope and principles of consolidation

There were no changes to the scope of consolidation in the 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 2024. There were no material changes in estimates compared to those in the consolidated financial statements as at 31 December 2024.

The amendments to IAS 21, which are applicable for the first time, have no impact on DEMIRE's consolidated financial statements.

D. Notes to the consolidated statement of income

1. Earnings before interest and taxes

in EUR thousand	01/01/2025 – 30/06/2025	01/01/2024 – 30/06/2024
Net rent	27,794	35,479
Income from utility and service charges	7,905	10,455
Rental revenue from real estate	**35,699**	**45,934**
Allocable operating expenses to generate rental income	–11,575	–15,860
Non-allocable operating expenses to generate rental income	–4,541	–4,925
Impairment of receivables	–937	–1,609
Operating expenses to generate rental income	**–17,053**	**–22,394**
Profit/loss from the rental of real estate	**18,646**	**23,540**

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

The result from the rental of real estate amounted to EUR 18,645 thousand (H1 2024: EUR 23,540 thousand), mainly due to the disposal of the properties sold in the previous period in Leipzig, Am alten Flughafen, Lohfelden, Am Fieseler Werk 23, Osnabrück, Hannoversche Straße 39, Bayreuth, Karl-Marx-Straße 7B, the deconsolidation of the Limes portfolio as of 22 July 2024 of the previous period and the disposal of the properties in Dortmund, Aldinghofer Straße 13 and Bad Kreuznach, Brückes 2-8, which were sold in the first quarter of the current financial year. This is also reflected in lower rental income in the amount of EUR 27,794 thousand (H1 2024: EUR 35,479 thousand). Another reason for the decline in rental income is an increase in vacancies compared with the previous period, caused in particular by the return of rental space by the tenant GMG and the departure of the tenant meinReal in Querfurt in the previous period as a result of insolvency.

Of the operating expenses, an amount of EUR –11,575 thousand (H1 2024: EUR –15,860 thousand) is generally allocable and can be charged to tenants. The decrease is due in particular to the disposal of properties sold in the previous period and the deconsolidation of the Limes portfolio. 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 decreased to EUR –4,541 thousand (H1 2024: EUR –4,925 thousand), mainly due to lower maintenance expenses.

The result from the sale of property and property companies amounted to EUR 1,699 thousand as at 30 June 2025 (H1 2024: EUR –5,271 thousand) and includes various income and expenses related to the real estate sold and held for sale.

No revaluation of investment properties was performed as at the 30 June 2025 reporting date. In the comparison period, the revaluation of existing properties resulted in a total valuation loss of EUR –17,923 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 sales portfolio of EUR –27,931 thousand (H1 2024: EUR –7,973 thousand).

A large proportion of the impairments in the previous period in the amount of EUR –305 thousand related to the tenant Galeria Karstadt Kaufhof, which was subject to insolvency proceedings. In addition, impairments in the amount of EUR –121 thousand related to the tenant of the food court in Rostock, who was likewise subject to insolvency proceedings, and EUR –115 thousand related 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 were distributed among different tenants in DEMIRE's entire property portfolio and predominantly resulted from the flat-rate individual value adjustments made on the basis of the age structure of the receivables.

Impairment losses on financial and other receivables amounted to EUR –12,516 thousand in the reporting period (H1 2024: EUR –726 thousand) and mainly related to former loans to Limes subsidiaries in the amount of EUR –10,517 thousand.

2. Financial result

in EUR thousand	01/01/2025 – 30/06/2025	01/01/2024 – 30/06/2024
Financial income	3,612	3,779
Financial expenses	–26,422	–8,395
Minority interests	–1,321	–2,381
Financial result	**–24,131**	**–6,997**

Financial income mainly results from the loan to RFR 5 Immobilien GmbH in the amount of EUR 1,523 thousand (H1 2024: EUR 1,604 thousand), to the Limes subsidiaries deconsolidated in the second half of 2024 in the amount of EUR 1,312 thousand, and to the joint venture JV Theodor-Heuss-Allee GmbH in the amount of EUR 523 thousand (H1 2024: EUR 526 thousand).

Significant components of financial expenses arise from interest on the 2019/2027 corporate bond in the amount of EUR –12,278 thousand (H1 2024: EUR –5,544 thousand) and from interest on the shareholder loan in the amount of EUR –11,024 thousand (H1 2024: EUR 0 thousand).

The interests of minority shareholders in the amount of EUR –1,321 thousand (H1 2024: EUR –2,381 thousand) relate to shares of profit of minority shareholders of Fair Value REIT-AG's subsidiaries, which are managed in the form of partnerships and must be recognised as liabilities in accordance with IAS 32.

3. Earnings per share

in EUR thousand	01/01/2025 – 30/06/2025	01/01/2024 – 30/06/2024
Net profit/loss for the period (in EUR thousand)	**–45,819**	**–27,629**
Profit/loss for the period less non-controlling interests	–45,667	–28,054
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 exercise under the 2015 Stock Option Programme	0	510
Weighted average number of shares (diluted)	105,513	106,023
Earnings per share (in EUR)		
Basic earnings per share	–0.43	–0.27
Diluted earnings per share	–0.43	–0.27

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 2025 financial year	**422,036**	**239,640**	**63,030**	**724,706**
Additions of properties	2,502	908	40	3,451
Disposals	0	–14,940	0	–14,940
Reclassifications to non-current assets held for sale	–40,109	–10,967	–38,039	–89,115
Fair value as at 30/06/2025	**384,430**	**214,641**	**25,031**	**624,102**

The additions to investment property totalling EUR 3,451 thousand consist entirely of capitalisation for current investments.

The disposals of investment property amounting to EUR –14,940 thousand relate to the disposal of the leasehold in Trier.

The fair value measurement of investment property is allocated to Level 3 of the valuation hierarchy in accordance with IFRS 13. DEMIRE determines the fair values within the framework of IAS 40 accounting. No revaluation of investment properties was performed as at the 30 June 2025 reporting date.

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 2024: EUR 107,777 thousand). This was EUR 105,513 thousand after the deduction of treasury shares (31 December 2024: EUR 105,513 thousand).

3. Financial liabilities

Financial liabilities consisted of the following:

FINANCIAL LIABILITIES

in EUR thousand	30/06/2025	31/12/2024
2019/2027 corporate bond	230,948	224,976
Shareholder loan	112,092	97,342
Other financial liabilities	157,699	163,663
Total	**500,739**	**485,981**

The following table shows the nominal value of financial liabilities:

FINANCIAL LIABILITIES

in EUR thousand	30/06/2025	31/12/2024
2019/2027 corporate bond	252,250	252,250
Shareholder loan	112,092	97,342
Other financial liabilities	157,733	162,883
Total	**522,075**	**512,475**

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.

With the exception of a loan from DEMIRE AN BN R PM FR FL GmbH, all of the Group's borrowings bear fixed interest. The nominal interest rate of the 2019/2027 corporate bond is 5% per annum. Other financial liabilities mainly include bank liabilities with a weighted average nominal interest rate of 3.21% per annum as at 30 June 2025 (31 December 2024: 3.34% per annum). The average nominal interest rate on debt across all financial liabilities was 7.81% per annum as at 30 June 2025 (31 December 2024: 7.59% per annum).

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

F. Condensed Group segment reporting

01/01/2025 – 30/06/2025

in EUR thousand	Core Portfolio	Fair Value REIT	Corporate functions/ others	Group
Total revenue	**32,102**	**12,258**	**0**	**44,361**
Segment revenue	**32,450**	**12,934**	**139**	**45,523**
Segment expenses	**–44,242**	**–8,226**	**–17,967**	**–70,435**
EBIT	**–11,793**	**4,708**	**–17,828**	**–24,912**
Net profit/loss for the period	**–13,000**	**2,771**	**–35,590**	**–45,819**
Segment assets 30/06/2025	**533,295**	**280,526**	**75,973**	**889,794**
Thereof tax assets	1,284	166	2,131	3,581
Thereof additions to non-current assets	2,430	1,021	0	3,451
Thereof non-current assets held for sale	129,785	3,300	0	133,085
Segment liabilities 30/06/2025	**211,281**	**154,524**	**328,654**	**694,460**
Thereof non-current financial liabilities	38,178	29,599	301,151	368,928
Thereof lease liabilities	8,369	0	19	8,388
Thereof current financial liabilities	95,647	36,164	0	131,811
Thereof tax liabilities	5,925	0	19,047	24,972

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**
Thereof tax assets	850	115	0	965
Thereof additions to non-current assets	5,501	464	0	5,965
Thereof 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**
Thereof non-current financial liabilities	59,796	65,744	0	125,540
Thereof lease liabilities	25,723	0	51	25,773
Thereof current financial liabilities	622,841	2,563	0	625,404
Thereof tax liabilities	5,093	5	19,020	24,118

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.

More than 10% of total revenue was generated from one customer in the Core Portfolio segment. This amounted to a total of EUR 7,077 thousand in the reporting period.

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 amounted to EUR 523 thousand in the reporting period (H1 2024: EUR 526 thousand). In addition, DEMIRE AG and the purchasing company JV Theodor-Heuss-Allee GmbH have entered into an asset management agreement, an agency agreement and lease agreements for operating facilities, which generate income of EUR 38 thousand (H1 2024: EUR 38 thousand).

Following deconsolidation in the second half of 2024, business relationships with the Limes subsidiaries continue to exist in the form of investments, as neither control nor significant influence over their decision-making processes is exercised. There are (former inter-company) loan receivables from these companies amounting to EUR 91,267 thousand. Interest income generated from these loans amounted to EUR 1,348 thousand. In addition, income from agency agreements and lease agreements for operating facilities amounted to EUR 348 thousand.

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:

	30/06/2025		31/12/2024	
in EUR thousand	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	22,974	25,150	21,717
Loans and financial assets	46,889	43,046	57,174	56,546

	30/06/2025		31/12/2024	
in EUR thousand	Carrying amount under IFRS 9	Fair value	Carrying amount under IFRS 9	Fair value
Bonds	230,948	238,419	224,976	231,977
Shareholder loan	112,092	95,876	97,342	97,342
Other financial liabilities	157,699	161,239	163,664	155,898

3. Risk report

Please refer to the disclosures made in the opportunities and risks report included within the consolidated financial statements as at 31 December 2024 for information on the opportunities and risks of future business performance. In addition to the opportunities and risks identified as at 31 December 2024, the first half of 2025 continued to be significantly influenced by the ongoing reluctance of banks to provide financing and in the capital market for high-yield bonds. The transaction markets for real estate continue to record low sales with a noticeable trend towards stabilising prices. All these factors continue to cause a high degree of uncertainty in the real estate market. The continuing weak economic environment is causing subdued demand for rental space, which is having a negative impact on DEMIRE's operating figures. However, both rental payments and funds from operations (after taxes, before minority interests) are in line with our expectations.

DEMIRE's Executive Board is closely monitoring whether and how the economic environment is changing and whether this could have a further negative impact on the performance of the portfolio and rental income. The risks are reviewed continuously and in a structured process.

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 are financial obligations in the amount of EUR –3,252 thousand stemming from purchase agreements for properties and real estate companies which are not yet due. These are financial obligations in connection with the sale of the property in Leipzig (LogPark).

Contractual obligations for modification and expansion measures as well as maintenance and modernisation obligations for the properties totalled EUR 16,603 thousand as at 30 June 2025 (H1 2024: EUR 137,547 thousand). The decline is mainly attributable to the deconsolidation of the Limes portfolio and, in particular, to the discontinuation of contractual obligations in connection with the lease agreement with the State of North Rhine-Westphalia for the property in Essen.

Purchase order commitments for maintenance and modernisation, as well as modification and expansion measures, totalled EUR 7,450 thousand as at the interim reporting date (H1 2024: EUR 9,368 thousand).

As at 30 June 2025, unused credit lines in the amount of EUR 2,500 thousand (31 December 2024: EUR 2,500 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:

Mr Frank Nickel (CEO since 3 April 2024, contractual term until 31 March 2026)

Mr Tim Brückner (Chief Financial Officer since 1 February 2019, contractual term until 31 December 2026)

Mr Ralf Bongers (Executive Board Member for Transactions since 1 April 2023, contractual term until 31 March 2026)

For the interim reporting period, performance-based remuneration of EUR 229 thousand (H1 2024: EUR 215 thousand) and fixed remuneration of EUR 504 thousand (H1 2024: EUR 453 thousand) were recognised for DEMIRE AG's Executive Board. Share-based payments were added in the amount of EUR 1 thousand (H1 2024: EUR 17 thousand). Severance payments and settlements came to EUR 415 thousand (H1 2024: EUR 0 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.

6. Events after the interim reporting date of 30 June 2025

By taking out a property loan for the property in Leonberg, additional liquidity was created in July 2025 and the outstanding nominal volume of the 2019/2027 bond was reduced by EUR 5.4 million.

No further events of material significance for DEMIRE's net assets, financial position and results of operations occurred after the reporting date.

Frankfurt am Main, 13 August 2025

DEMIRE Deutsche Mittelstand Real Estate AG

Frank Nickel
(CEO)

Tim Brückner
(CFO)

Ralf Bongers
(Executive Board Member for Transactions)

FURTHER INFORMATION

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, 13 August 2025

DEMIRE Deutsche Mittelstand Real Estate AG

Frank Nickel
(CEO)

Tim Brückner
(CFO)

Ralf Bongers
(Executive Board Member for Transactions)

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	30/06/2025	31/12/2024
EPRA Net Asset Value (EPRA NAV)	207,809	258,103
EPRA Triple Net Asset Value (EPRA NNNAV)	167,022	213,012
EPRA Net Reinstatement Value (EPRA NRV)	275,199	325,913
EPRA Net Tangible Assets (EPRA NTA)	196,511	244,701
EPRA Net Disposal Value (EPRA NDV)	167,022	213,012
EPRA Net Initial Yield (in %)	5.8	5.7
EPRA "topped-up" Net Initial Yield (in %)	5.9	5.8
EPRA Vacancy Rate[1] (in %)	17.3	15.1
EPRA Loan-to-Value (EPRA LTV) (in %)	81.4	77.2

	H1 2025	H1 2024
EPRA Earnings	–11,919	7,043
EPRA Cost Ratio including direct vacancy costs (in %)	46.6	42.5
EPRA Cost Ratio excluding direct vacancy costs (in %)	40.4	33.1

[1] Excluding properties held for sale and project developments

EPRA NAV and EPRA NNNAV

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	30/06/2025	Less treasury shares 31/12/2024	Change	in %
Net asset value (NAV) in the reporting period	172,438	218,105	–45,667	–0.2
Market value of derivative financial instruments	0	0	0	0.0
Deferred taxes	35,371	39,999	–4,627	–0.1
Goodwill resulting from deferred taxes	0	0	0	0.0
Basic EPRA NAV	207,809	258,103	–50,294	–0.2
Number of outstanding shares (basic) (in thousands)	105,513	105,513	0	0.0
Basic EPRA NAV per share	1.97	2.45	–0.48	–0.2
Effect of the conversion of convertible bonds and other equity instruments	0	0	0	0.0
Diluted EPRA NAV	207,809	258,103	–50,294	–0.2
Number of shares outstanding (diluted) (in thousands)	105,513	105,513	0	0.0
Diluted EPRA NAV per share	1.97	2.45	–0.48	–0.2

EPRA NET ASSET VALUE (NAV/EPRA NNNAV)

in EUR thousand	30/06/2025	31/12/2024	Change	in %
Net Asset Value (NAV)	172,438	218,105	–45,667	–20.9
Market value of derivative financial instruments	0	0	0	0.0
Deferred taxes	35,371	39,999	–4,627	–11.6
Goodwill resulting from deferred taxes	0	0	0	0
EPRA NAV (basic)	**207,809**	**258,103**	**–50,294**	**–19.5**
Number of outstanding shares (basic) (in thousands)	105,513	105,513	0	0
EPRA NAV per share (basic) (in EUR)	1.97	2.45	–0.48	–19.5
Effect of the conversion of convertible bonds and other equity instruments	0	0	0	0.0
EPRA NAV (diluted)	207,809	258,103	–50,294	–19.5
Number of outstanding shares (diluted) (in thousands)	105,513	105,513	0	0
EPRA NAV per share (basic) (in EUR)	**1.97**	**2.45**	**–0.48**	**–19.5**
Market value adjustments in liabilities (bonds)	–7,660	–7,185	–475	>100
Deferred taxes	–33,127	–37,906	4,779	–12.6
EPRA NNNAV (diluted)	**167,022**	**213,012**	**–45,990**	**–21.6**
EPRA NNNAV per share (diluted) (in EUR)	**1.58**	**2.02**	**–0.44**	**–21.6**

EPRA NRV, EPRA NTA, EPRA NDV

The **EPRA Net Tangible Assets** (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)

	30/06/2025			31/12/2024		
in EUR thousand	**EPRA NRV**	**EPRA NTA**	**EPRA NDV**	**EPRA NRV**	**EPRA NTA**	**EPRA NDV**
IFRS shareholders' equity	172,438	172,438	172,438	218,105	218,105	218,105
plus:						
I. Hybrid financial instruments	0	0	0	0	0	0
Diluted NAV	**172,438**	**172,438**	**172,438**	**218,105**	**218,105**	**218,105**
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

NEW REPORTING STANDARD (EPRA NAV)

	30/06/2025			31/12/2024		
in EUR thousand	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
Diluted NAV at market value	**172,438**	**172,438**	**172,438**	**218,105**	**218,105**	**218,105**
less:[1]						
V. Deferred taxes on valuation gains from investment properties	48,145	24,072	x	53,192	26,596	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
VIII. a) Goodwill 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	–5,416	x	x	–5,092
X. Revaluation of intangible assets at fair value (optional)	0	x	x	0	x	x
XI. Land transfer tax/ acquisition costs	54,616	0	x	54,616	0	x
NAV	**275,199**	**196,511**	**167,022**	**325,913**	**244,701**	**213,012**
Number of shares (fully diluted)	105,513	105,513	105,513	105,513	105,513	105,513
NAV per share	**2.61**	**1.86**	**1.58**	**3.09**	**2.32**	**2.02**

[1] Plus = assets (+) liabilities (–), whether on or off the balance sheet
[2] Less = assets (–); liabilities (+) (part of balance sheet)

EPRA Net Initial Yield

The **EPRA Net Initial Yield** (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	30/06/2025	31/12/2024	Change	in %
Investment property	624,102	724,706	–100,604	–13.9
Shares in companies accounted for using the equity method	344	406	–62	–15.3
Real estate held for sale	133,085	76,680	56,405	–
Real estate portfolio (net)	**757,531**	**801,792**	**–44,261**	**–5.5**
Estimated ancillary acquisition costs	37,877	40,090	–2,213	–5.5
Real estate portfolio (gross)	**795,408**	**841,882**	**–46,474**	**–5.5**
Annualised cash rental income	53,874	55,562	–1,688	–3.0
Non-allocable real estate operating costs	–7,493	–7,660	166	–2.2
Annualised net cash rental income	**46,381**	**47,903**	**–1,522**	**–3.2**
Rent-free periods	600	848	–248	–29.3
Annualised "topped-up" net rental income	**46,981**	**48,751**	**–1,770**	**–3.6**
EPRA Net Initial Yield (in %)	**5.8**	**5.7**	**10 bp**	**1.8**
EPRA "topped-up" Net Initial Yield (in %)	**5.9**	**5.8**	**10 bp**	**1.7**

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.

Adjustments were also made for one-off effects in the first half of 2025 and combined under adjustments related to non-operating and extraordinary items. This relates to impaired loan receivables and interest payments from Limes companies (see Notes to the consolidated financial statements, Section D. 1).

EPRA EARNINGS

in EUR thousand	H1 2025	H1 2024	Change	in %
Net profit/loss for the period	–45,819	–27,629	–18,190	65.8
Profit/loss from fair-value adjustments of investment properties	27,931	25,896	2,035	7.9
Profit/loss from the sale of real estate and real estate companies	–1,699	5,271	–6,970	>100
Profit/loss from companies accounted for using the equity method	0	0	0	0.0
Profit/loss from the sale of real estate inventory	0	0	0	0.0
Taxes on sales earnings	0	0	0	0.0
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
Adjustments related to funding structure	0	0	0	0.0
Adjustments related to non-operating and exceptional items	11,829	0	11,829	n/a
Deferred taxes on EPRA adjustments	–4,627	4,161	–8,788	–211.2
Non-controlling interests	466	–656	1,122	–171.0
EPRA Earnings	**–11,919**	**7,043**	**–18,962**	**–269.2**
Number of outstanding shares (basic)	105,513	105,513	0	0.0
EPRA earnings per share (EPS basic)	–0.11	0.07	–0.18	–269.2
Number of outstanding shares (diluted)	105,513	106,023	0	0.0
EPRA earnings per share (EPS diluted)	–0.11	0.07	–0.18	–270.1

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.

General administrative costs (overhead costs), maintenance costs and operating costs are generally not capitalised. In the reporting period, EUR 0.3 million in letting commissions and EUR 0.3 million in rent incentives were capitalised (previous year: EUR 0.8 million and EUR 1.0 million respectively).

EPRA COST RATIO

in EUR thousand	H1 2025	H1 2024	Change	in %
Administrative and operational costs according to IFRS	**14,235**	**16,224**	**–1,989**	**–12.3**
General and administrative expenses	5,387	5,873	–486	–8.3
Other operating expenses	587	62	524	840.5
Operating expenses to generate rental income	16,876	21,571	–4,695	–21.8
Income from utility and service charges	–8,615	–11,283	2,668	–23.6
Amortisation and depreciation	18	27	–8	–31.8
EPRA costs (including vacancy costs)	**14,253**	**16,250**	**–1,997**	**–12.3**
Direct vacancy costs	–1,889	–3,600	1,711	–47.5
EPRA costs (excluding vacancy costs)	**12,364**	**12,651**	**–287**	**–2.3**
Rental income	30,610	38,228	–7,618	–19.9
EPRA Cost Ratio (including vacancy costs) (in %)	**46.6**	**42.5**	**4.1**	**9.6**
EPRA Cost Ratio (excluding vacancy costs) (in %)	**40.4**	**33.1**	**7.3**	**22.1**

EPRA Capital Expenditure

There were no acquisitions in the Core Portfolio or the joint venture in the first half of 2024 or the first half of 2025.

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 ANALYSIS

			H1 2025
in EUR thousand	DEMIRE Portfolio	Joint venture	Total
Acquisitions	0	0	0
Development portfolio[1]	0	0	0
Core Portfolio[2]	3,451	0	3,451
Incremental letting space	0	0	0
No incremental letting space	3,451	0	3,451
Building cost subsidies	274	0	274

			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
Incremental letting space	3,285	0	3,285
No incremental letting space	2,680	0	2,680
Building cost subsidies	968	0	968

[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 RATE[1]

in EUR thousand	30/06/2025	31/12/2024	Change	in %
Estimated market rent for vacancies	11,249	9,925	1,324	13.3
Estimated market rent for total portfolio	65,055	65,666	–612	–0.9
EPRA Vacancy Rate (in %)	17.3	15.1	2.2	14.6

[1] Excluding properties held for sale and project developments

The increase in the EPRA vacancy rate as at 30 June 2025 compared to the end of 2024 is due in particular to higher vacancies at the properties in Bonn and Celle as well as Flensburg, Bad Segeberg and Cologne, Colonia-Allee.

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.

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 total of the "Total portfolio", no leaseholds or operating facilities are recognised.

LIKE-FOR-LIKE GROWTH 30/06/2025

	Total portfolio		Like-for-like portfolio				
			30/06/2025		30/06/2024	in EUR million	in %
in EUR thousand	Market value[1]	Annualised contractual rents	Market value	Annualised contractual rents	Annualised contractual rents	LFL growth	LFL growth
Office	470.2	34.3	470.2	34.3	36.4	–2.0	–5.6
Retail	220.1	16.7	220.1	16.7	17.2	–0.5	–2.8
Hotel & Other	57.0	3.5	57.0	3.5	3.2	0.3	9.7
Total	**747.3**	**54.5**	**747.3**	**54.5**	**56.7**	**–2.2**	**–3.9**

[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 total of the "Total portfolio", no leaseholds or operating facilities are recognised. As at the reporting date, the overall portfolio consisted of 48 properties which were part of the like-for-like analysis. Three properties were sold during the reporting year. Three properties were also sold in the second half of the previous year. Four further properties are no longer included in the like-for-like analysis due to the deconsolidation of the Limes portfolio. On the previous year's reporting date, the overall portfolio consisted of 58 properties.

LIKE-FOR-LIKE GROWTH 30/06/2024

	Total portfolio					Like-for-like portfolio	
			30/06/2024		30/06/2023	in EUR million	in %
in EUR thousand	Market value[1]	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%
Logistics & 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%**

[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 total of the "Total portfolio", no leaseholds or operating facilities are recognised.

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) 30/06/2025

		Proportionate consolidation			
in EUR thousand	Group EPRA LTV before proportionate consolidation	Share of joint ventures	Share of material associates	Non-controlling interests (NCI)	Combined
Net debt					
Including:					
Borrowings from financial institutions	157,699	77,607	0	–29,332	205,974
Commercial papers	0	0	0	0	0
Hybrids (including convertibles, preference shares, debt, options, perpetuals)	112,092	0	0	0	112,092
Bond loans	230,948	0	0	0	230,948
Foreign currency derivates (futures, swaps, options and forwards)	0	0	0	0	0
Net payables	89,830	60,317	0	0	150,147
Owner-occupied property (debt)	0	0	0	0	0
Current accounts (equity characteristics)	0	0	0	0	0
Excluding:					
Cash and cash equivalents	–34,876	–6,224	0	6,923	–34,176
Net debt (a)	**555,693**	**131,700**	**0**	**–22,409**	**664,985**

EPRA LOAN TO VALUE (EPRA LTV) 30/06/2025

		Proportionate consolidation			
in EUR thousand	Group EPRA LTV before proportionate consolidation	Share of joint ventures	Share of material associates	Non-controlling interests (NCI)	Combined
Investment property portfolio and other eligible assets					
Owner-occupied property	0	0	0	0	0
Investment properties at fair value	624,102	95,733	0	–98,751	621,084
Properties held for sale	133,085	0	0	0	133,085
Properties under development	0	0	0	0	0
Intangibles	0	0	0	0	0
Net receivables	0	0	0	–510	–510
Financial assets	63,010	0	0	0	63,010
Loans to companies accounted for using the equity method	25,150	0	0	0	0
Loans and financial assets	37,860	0	0	0	0
Total property portfolio and other eligible assets (b)	**820,197**	**95,733**	**0**	**–99,261**	**816,669**
Real estate transfer tax (RETT)	0	0	0	0	0
Total Property Value (incl. RETTs) (c)	**820,197**	**95,733**	**0**	**–99,261**	**816,669**
LTV (a/b) (in %)	**67.8**	**137.6**	**0.0**	**22.6**	**81.4**
LTV (a/c) (incl. RETT in %)	**67.8**	**137.6**	**0.0**	**22.6**	**81.4**

EPRA LOAN TO VALUE (EPRA LTV) 31/12/2024

		Proportionate consolidation			
in EUR thousand	Group EPRA LTV before proportionate consolidation	Share of joint ventures	Share of material associates	Non-controlling interests (NCI)	Combined
Net debt					
Including:					
Borrowings from financial institutions	163,663	77,304	0	–29,897	211,071
Commercial papers	0	0	0	0	0
Hybrids (including convertibles, preference shares, debt, options, perpetuals)	97,342	0	0	0	97,342
Bond loans	224,976	0	0	0	224,976
Foreign currency derivates (futures, swaps, options and forwards)	0	0	0	0	0
Net payables	110,626	61,367	0	0	171,993
Owner-occupied property (debt)	0	0	0	0	0
Current accounts (equity characteristics)	0	0	0	0	0
Excluding:					
Cash and cash equivalents	–44,816	–5,761	0	8,607	–41,969
Net debt (a)	**551,791**	**132,911**	**0**	**–21,289**	**663,413**

EPRA LOAN TO VALUE (EPRA LTV) 31/12/2024

		Proportionate consolidation			
in EUR thousand	Group EPRA LTV before proportionate consolidation	Share of joint ventures	Share of material associates	Non-controlling interests (NCI)	Combined
Investment property portfolio and other eligible assets					
Owner-occupied property	0	0	0	0	0
Investment properties at fair value	724,706	95,733	0	–100,650	719,789
Properties held for sale	76,680	0	0	0	76,680
Properties under development	0	0	0	0	0
Intangibles	0	0	0	0	0
Net receivables	0	0	0	–207	–207
Financial assets	62,860	0	0	0	62,860
Loans to companies accounted for using the equity method	25,150	0	0	0	0
Loans and financial assets	37,710	0	0	0	0
Total property portfolio and other eligible assets (b)	**864,246**	**95,733**	**0**	**–100,857**	**859,122**
Real estate transfer tax (RETT)	0	0	0	0	0
Total Property Value (incl. RETTs) (c)	**864,246**	**95,733**	**0**	**–100,857**	**859,122**
LTV (a/b) (in %)	**63.8**	**138.8**	**0.0**	**21.1**	**77.2**
LTV (a/c) (incl. RETT in %)	**63.8**	**138.8**	**0.0**	**21.1**	**77.2**

IMPRINT

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