

DEUTSCHE KONSUM REIT-AG

(Incorporated in the Federal Republic of Germany)

(Registration number HRB 13072)

FSE Share Code: A14KRD

JSE Share Code: DKR

ISIN: DE000A14KRD3

LEI: 529900QXC6TDASMCSU89

("DKR" or "the Company")



DKR REPORTS RESULTS FOR THE FIRST NINE MONTHS OF THE 2021/2022 FINANCIAL YEAR

Deutsche Konsum REIT-AG with robust growth in an inflationary environment - revaluation gains of the real estate portfolio by around EUR 65 million

Potsdam, 11 August 2022 - The Company has closed the first nine months of the financial year 2021/2022 ("**9M**") with robust growth and significant revaluation gains in its real estate portfolio.

- Rental income increased by 9% to EUR 55.4 million
- Rent increases in the inflation environment due to CPI-links of around 2.4% or EUR 1.7 million per annum in the first nine months of the financial year
- FFO increase by 3% to EUR 31.7 million / FFO per share increase by 3% to EUR 0.90 per share
- Property valuation as of 30 June 2022 leads to revaluation gains of EUR 64.5 million or around 7.5% compared to 30 September 2021
- EPRA NTA (fully diluted) increases by 15% to EUR 11.62 per share
- Net LTV decreases to 48.8%
- FFO-Forecast confirmed
- Acquisition of already 24 local retail properties in the current financial year for around EUR 98 million with an annual rent of EUR 8.0 million (average initial yield 8.2%), further acquisitions planned

Growth in rental income and FFO

Due to the further growth in the property portfolio, rental income increased noticeably by 9% from EUR 50.6 million to EUR 55.4 million compared to the same period of the previous financial year. The net rental income rose proportionally from EUR 33.7 million to EUR 36.5 million.

Funds from operations ("**FFO**") increased by 3% to EUR 31.7 million or EUR 0.90 per share. In contrast, aFFO (FFO after deduction of capitalised modernisation measures) rose considerably by 26% to EUR 20.6 million due to a lower investment rate in revitalisation measures.

Revaluation gains of the property portfolio due to inflation-related rent adjustments and high investor demand for food-anchored local retail properties

As of 30 June 2022, the annual revaluation of the real estate portfolio was carried out by the external and independent real estate appraiser CBRE. This resulted in a significant valuation increase of the existing portfolio by approx. 7.5%, which corresponds to a valuation gain of EUR 64.5 million compared to the end of the previous financial year (after offsetting CAPEX

investments of EUR 11.0 million). As a result, the properties recognised as at 30 June 2022 are now recognised with a multiplier of 14.7x the annual rent (previous year: 13.9x).

In addition to value-creating asset management and constant lease extensions, this result reflects in particular the rent increases that DKR can realise in the current highly inflationary environment due to the largely CPI-linked leases with commercial tenants.

In addition, strong investor demand for food-anchored local retail properties continues - even against the backdrop of macroeconomic distortions, the inflation-hedged and stable rental cash flows of food-anchored properties remain sought after due to their systemic relevance.

Real estate portfolio continues to grow / Balance sheet value exceeds EUR 1.1 billion

DKR's real estate portfolio recognised on 30 June 2022 comprises 180 retail properties with a balance sheet value of around EUR 1.08 billion (30 September 2021: EUR 1.01 billion) and a rental area of around 1,056,000 sqm. This includes properties sold whose transfer of benefits and encumbrances occurred after the balance sheet date or are expected in the coming months.

Since the beginning of the current financial year, DKR has so far acquired 24 retail properties with an investment volume of around EUR 98 million and an annual rent of EUR 8.0 million, which corresponds to an average acquisition yield of 8.2%. The transfer of benefits and encumbrances of ten properties has already taken place in the course of the first nine months of the current financial year, one property was transferred on 1 July 2022, and three other properties were transferred on 1 August 2022.

This is contrasted by the sale of a total of 13 properties for around EUR 55 million, which were sold at attractive conditions in the past and the current financial year. Thereof, eight properties have been transferred to the purchasers so far.

Thus, DKR's total portfolio (pro forma) currently comprises 184 retail properties with an annual rent of more than EUR 76.5 million and a balance sheet value of over EUR 1.13 billion. The acquisition yield of the total portfolio is currently around 10.1%.

In addition, DKR is in the process of further purchases and expects to be able to announce additional acquisitions in the near future.

EPRA NTA rises to EUR 11.62 per share / Net LTV amounts to 48.8%

EPRA NTA per share increased to EUR 11.62 as of the balance sheet date 30 June 2022 (30 September 2021: EUR 10.10 per share) due to the positive result for the period and the revaluation gains from the property valuation.

Net LTV amounts to 48.8 % as at 30 June 2022.

FFO forecast for the financial year confirmed

For the current financial year, the Management Board confirms an FFO of between EUR 40 million and EUR 44 million on the basis of current conditions.

Webcast and Conference Call

DKR will hold an analyst conference (webcast and conference call) on the results of the first nine months of 2021/2022 financial year today, 11 August 2022, at 10:00 a.m. CEST/SAST. The corresponding results presentation as well as further information on the webcast and the

conference call can be found at <https://www.deutsche-konsum.de/en/investor-relations>. The quarterly statement on the first nine months of the 2021/2022 financial year is available for download at <https://www.deutsche-konsum.de/en/investor-relations/financial-reports> and is also available on the JSE's website at: <https://senspdf.jse.co.za/documents/2022/jse/isse/dkre/Q322.pdf>.

About Deutsche Konsum

DKR is a listed real estate company focusing on German retail properties for everyday goods in established micro-locations. The focus of the Company's activities is on the acquisition, management and development of local retail properties with the aim of achieving a steady increase in value and the lifting of hidden reserves.

Due to its German REIT status ('Real Estate Investment Trust'), the Company is exempt from German corporation and trade tax. The shares of the Company are listed on the Prime Standard of Deutsche Börse (ISIN: DE 000A14KRD3) and on the JSE (JSE Limited) (South Africa) by way of a secondary listing.

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