

1 October 2022 to 31 March 2023

Half-yearly financial report

of 2022 / 2023 financial year

Contents

Letter to our shareholders	3
Corporate key figures	5
Interim Management Report for the first half of the 2022/2023 financial year	7
1. Deutsche Konsum REIT-AG	7
2. Economic development, share and business development	7
3. Development of net assets, financial and earnings position	12
4. Supplementary Report	16
5. Risk position	16
6. Outlook and forecast	17
7. Key figures according to EPRA	18
8. Headline Earnings per share (HEPS)	21
Half-yearly financial report for the period from 1 October 2022 to 31 March 2023 of the 2022/2023 financial year	22
Appendix	28
Statement of the Company's legal representatives	41
About Deutsche Konsum REIT-AG, Deutsche Konsum REIT-AG share	42
Financial calendar	42
Publisher, Contact, JSE Sponsor, Disclaimer	43

Letter to our shareholders

Dear Shareholders,

Dear Sirs and Madams,

The first half of the 2022/2023 financial year was marked by a challenging overall economic situation with high inflation, sharply increased interest rates and volatile financial markets, signs of a looming banking crisis in the USA and Switzerland, and finally the upheavals with regard to the war in Ukraine and the resulting supply chain issues, raw material bottlenecks and high energy prices.

Largely unaffected by this, DKR's operating business with its non-cyclical local retail tenants and inflation-protected rental income continued to be robust. Nevertheless, the effects of the interest rate turnaround are directly noticeable in increased interest expenses, which are incurred for the variable-interest part of the debt as well as for newly raised loans. Furthermore, hardly any transactions took place on the real estate market due to the interest rate increases, as the new interest rate environment has not yet been sufficiently priced into the purchase price expectations. As a result, DKR has not yet made the acquisitions intended in the financial year planning, which has resulted in lower sales growth in the current financial year than previously expected. For this reason, DKR reduced its FFO target by around 10% to EUR 36 to 39 million for the current financial year 2022/2023 on 4 May 2023.

Nevertheless, DKR can look back on a solid and stable first half of the 2022/2023 financial year:

While rental income rose from EUR 36.2 million to EUR 38.7 million in a period comparison, and thus by around 7%, funds from operations ("FFO") fell by around 6% to EUR 19.9 million, which is primarily due to the increase in net interest expenses of around EUR 1.9 million. The increase in rental income is due to the larger property portfolio resulting from acquisitions in the previous year as well as rent increases: In the first half of the financial year, there were further significant rent increases – especially due to value protection clauses – amounting to an annualised 3.4% (like-for-like). This is also expected for the following financial quarters. The balance sheet also remains solid: while the leverage ratio ("LTV") is 51.6% on the reporting date, the EPRA NTA has risen to EUR 11.27 per share (31 March 2022: EUR 10.14).

In total, the real estate portfolio currently comprises 184 retail properties with an annualised total rent of around EUR 78 million and a balance sheet value of around EUR 1,110 million. On the debt side, DKR repaid and successfully refinanced an expiring secured loan of around EUR 35 million in the second financial quarter. In the second half of the financial year, DKR will continue to work on further refinancings for both the current and the coming financial year and is very confident that this will be successful.

With regard to the ongoing legal dispute with the tax authorities on the REIT status, we are now in the fiscal court and are also confident that we will obtain more clarity in the course of this financial year. Irrespective of this outcome, however, it is crucial from our point of view that DKR's business model is intact and that the asset class of local retail properties continues to function, as it has now shown several times.

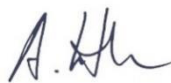
We look forward to meeting you in person at the upcoming Annual General Meeting, which we will be inviting you to in the foreseeable future.

Best regards,



Rolf Elgeti

Chairman of the
Management Board (CEO)



Alexander Kroth

Member of the
Management Board (CIO)



Christian Hellmuth

Member of the
Management Board (CFO)

Corporate key figures

Deutsche Konsum REIT-AG, Broderstorf

Key figures

	1 October 2022 – 31 March 2023	1 October 2021 – 31 March 2022	Difference	%
Income statement				
(TEUR)				
Rental income	38,710	36,245	2,465	6.8
Net rental income	26,458	24,668	1,790	7.3
EBIT	20,742	22,453	-1,710	-7.6
Financial result	-5,948	-4,075	-1,872	45.9
Net income	14,794	18,377	-3,583	-19.5
FFO	19,899	21,130	-1,231	-5.8
FFO per share (in EUR)	0.57	0.60	-0.04	-5.8
aFFO	8,577	14,702	-6,125	-41.7
aFFO per share (in EUR)	0.24	0.42	-0.17	-41.7
Earnings per share, undiluted (in EUR)	0.42	0.52	-0.10	-19.5
Earnings per share, diluted (in EUR)	0.30	0.37	-0.07	-19.2
Recurring costs ratio (in %)	4.4	4.5	-0.1	-2.3
	31 March 2023	30 September 2022	Difference	%
Balance sheet key figures (TEUR)				
Investment properties	1,097,614	1,030,959	66,655	6.5
Total assets	1,207,700	1,181,814	25,886	2.2
Equity	529,094	514,300	14,794	2.9
Total debt	642,567	636,667	5,900	0.9
Finance key figures				
(net) Loan-to-Value (LTV) (in %)	51.6	49.7	1.8	3.7
Average interest rate of loans (in %)	2.29	1.63	0.65	39.9
Average interest rate of loans, bonds and convertible bonds (in %)	2.64	1.98	0.66	33.3
Average remaining duration of loans (in years)	3.3	3.2	0.1	3.7
Interest coverage ratio (ICR), multiple	3.5	5.2	-1.7	-32.8
Net debt/operating EBITDA	15.1	13.3	1.9	14.0
Real estate key figures				
NAV	529,094	514,300	14,794	2.9
NAV per share (in EUR)	15.05	14.63	0.42	2.9
EPRA NTA per share (in EUR)	11.27	10.98	0.30	2.7
REIT equity ratio	47.7	48.9	-1.3	-2.6

Share information

Shares issued (pieces)	35,155,938	35,155,938	0	0.0
Average number of shares within the reporting period (pieces)	35,155,938	35,155,938	0	0.0
Market cap (in EUR)	242,575,972	298,825,473	-56,249,501	-18.8
Share price (in EUR)	6.90	8.50	-1.60	-18.8
Dividend per share in the reporting period (in EUR)	0.48 ¹	0.40	0.08	20.0

Portfolio key figures

Number of assets	184	175	9	5.1
Rental space (in sqm)	1,084,548	1,048,312	36,236	3.5
Annualised rent (in TEUR)	78,000	73,249	4,751	6.5
Initial yield (in %)	10.0	10.0	0.0	0.0
Vacancy rate (in %)	11.9	11.7	0.2	1.4
WALT (in years)	5.3	5.2	0.1	2.8

¹ Proposal.

Interim Management Report for the first half of the 2022/2023 financial year

1. Deutsche Konsum REIT-AG

Deutsche Konsum REIT-AG, Broderstorf ("Deutsche Konsum" or "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 management and development of the properties with the aim of steady value generation and the leveraging of hidden reserves. The constantly growing overall portfolio of Deutsche Konsum currently comprises 184 retail properties with an annualised rent of more than EUR 78 million (as of 10 May 2023) on a pro forma basis.

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

2. Economic development, share and business development

2.1. Economic development

Overall economic situation

According to the economic report of the Kiel Institute for the World Economy (IfW) published in March 2023, the recovery of the global economy from the effects of the corona pandemic has initially come to an end in 2022 under the impact of high energy prices and great uncertainty. Monetary policy has also had an increasingly braking effect.²

According to the Federal Statistical Office (Destatis), the momentum of the German economy weakened significantly at the end of the year and gross domestic product (GDP) fell by 0.4% in Q4 2022 compared with Q3 2022 - adjusted for price, seasonal and calendar effects. Here, too, the continued strong price increases and the ongoing energy crisis had a negative impact. For 2022 as a whole, Destatis calculates growth of 1.8% compared to the previous year (+1.9% adjusted for calendar effects).³

According to the IfW, the German economy is struggling to emerge from the energy crisis at the beginning of 2023. On the positive side, the economic outlook has brightened somewhat in recent months. According to the IfW, however, overall economic production will increase only moderately. The economic consequences of the war in Ukraine have halted the recovery from the pandemic and price inflation is likely to remain persistently high for some time. High inflation reduces the disposable income of private households and continues to lead to a decline in private consumption expenditure.⁴

In April 2023, the leading economic research institutes (Project Group Joint Economic Forecast)⁵ raised their forecast for the increase in economic output in the current year to 0.3%. The reason for this is that the economic setback in the winter half-year 2022/2023 is likely to have been less severe than initially assumed. For 2024, the institutes expect an increase in gross domestic product of 1.5%.⁶

² Kiel Institute Economic Outlook No. 99 (2023/Q1) of 15 March 2023: World Economy Spring 2023, page 3.

³ Press release of the Federal Statistical Office (Destatis) No. 070 of 24 February 2023.

⁴ Kiel Institute Economic Outlook No. 101 (2023/Q1) of 14 March 2023: German Economy Spring 2023, page 3.

⁵ Project Group Joint Economic Forecast: ifo Institute – Leibniz Institute for Economic Research at the University of Munich Incorporated Association in cooperation with Austrian Institute of Economic Research (WIFO), Kiel Institute for the World Economy (IfW Kiel), Halle Institute for Economic Research (IWH) and RWI – Leibniz Institute for Economic Research in cooperation with the Institute for Advanced Studies Vienna.

⁶ Press release of the Project Group Joint Economic Forecast of 5 April 2023.

As inflation had risen sharply in the wake of steadily increasing energy and food prices, the ECB raised the main lending rate several times since summer 2022. Since 4 May 2023, the key interest rate has now stood at 3.75%.⁷

For real estate companies, which by their very nature are financed to a considerable extent by borrowing, this leads to potentially sharp increases in interest costs when financing new acquisitions and refinancing the property portfolio. It may no longer be possible to fully cover the interest costs with rental income.

However, Deutsche Konsum REIT-AG is only affected by this trend to a limited extent, as the Company can partially compensate for the rise in interest rates through corresponding increases in existing rents (85% of DKR's rental income is inflation-indexed). In the existing portfolio, higher interest rates can have a negative impact on property valuations. On the other hand, the trend of rising interest rates leads to declining market prices, so that DKR can again acquire new properties at favourable conditions.

Real estate investments declined significantly - local supply properties in the focus of investors

The German real estate investment market slumped significantly in 2022. According to EY, the total investment volume in commercial and residential real estate was only EUR 67 billion (2021: EUR 113.8 billion).⁸ Jones Lang LaSalle ("JLL") also assumed a total transaction volume of only EUR 66.0 billion. Retail properties accounted for a share of 14%.⁹

According to JLL, in 2022, the German investment market for retail real estate outperformed the previous year by 9%, but the market also remained 9% percent below the average of the past five years and 11% below the average of the past ten years.¹⁰ The transaction volume in retail real estate in Germany amounted to EUR 9.43 billion. Retail parks accounted for 31% of the total transaction volume, shopping centres for 29%, commercial buildings for 13%, specialty markets for 11%, department stores for 9% and supermarkets for 7%.¹¹

According to JLL, the German investment market got off to an extremely weak start in 2023. The reason for this was the dominating topics around inflation and interest rate increases since mid-2022. At the end of the first quarter of 2023, the transaction volume was EUR 7.8 billion.¹²

In contrast, the German investment market for retail properties did well at the start of 2023. While some asset classes suffered significant losses compared to the previous year, according to JLL the decline was comparatively moderate at 9% in view of a transaction volume of EUR 1.7 billion. The long-term comparison with a minus of 24% compared to the ten-year average was also mild. However, similar to the other asset classes, there was a significant decline in the number of transactions from 65 to 42 deals. In total, around EUR 1.69 billion flowed into retail properties in the first quarter. This included department stores (49%, incl. large deals), shopping centres (20%), supermarkets (10%), commercial buildings (9%), retail parks (8%) and specialty markets (4%).¹³

According to BNP Paribas Real Estate, there is currently little sign of short-term relief on the investment mar-

⁷ <https://www.finanzen.net/zinsen/leitzins>, last reviewed on 4 May 2023.

⁸ Press release of EY of 12 January 2023.

⁹ Press release of JLL of 4 April 2023.

¹⁰ Press release of JLL of 13 January 2023.

¹¹ Press release of JLL of 14 April 2023.

¹² Press release of JLL of 4 April 2023.

¹³ Press release of JLL of 14 April 2023.

kets, as the issues are too complex and far-reaching. However, it is likely that first and reliable answers to many of the most pressing investor questions, especially regarding the ECB's further interest rate corridor, will be available by the middle of the year, so that the currently ongoing price discovery process, which will initially be coupled with further moderate yield increases, should then come to an end. As a consequence, BNP Paribas Real Estate expects investment activity to pick up across the board, although the year-end result is likely to be significantly below average.¹⁴

2.2. Share

DKR share cannot escape negative trend in the real estate sector

In the first half of the 2022/2023 financial year, the DKR share recorded further price losses in line with the broad real estate sector. Starting from the closing price on 30 September 2022 (EUR 8.50)¹⁵, the DKR share was unable to escape the price losses in the real estate sector and closed on the last trading day of the six-month period, 31 March 2023, with a closing price of EUR 6.90¹⁶, close to the multi-year low of EUR 6.46¹⁷.

Based on the share price as of 30 September 2022, the share price fell by EUR 1.60 or 18.8% during the reporting period. The closing price of the first half of the 2021/2022 financial year was EUR 12.70, which represents a share price decline of EUR 5.80 or 45.7% over the year. Since the IPO on 15 December 2015, the share price has risen by EUR 3.40 or 97.1%. The market capitalisation of the Company was approximately EUR 243 million as of the balance sheet date.

In contrast, the development of the average trading volume of the share on the Xetra stock exchange was very pleasing: Compared to the first half of the 2021/2022 financial year, the average daily trading volume increased by 179.8% to 22,743 shares, which significantly improves the tradability of the share.



Source share price data: ARIVA.DE AG/EQS Group AG

¹⁴ BNP Paribas, At a Glance Q1 2023: Investment Market Germany.

¹⁵ Closing price Xetra.

¹⁶ Closing price Xetra.

¹⁷ Variable price Xetra on 27 and 29 March 2023.

Analyst coverage

The analysts see significant upside potential for the DKR share:

Bank	Price target in EUR	Rating	Analyst	Date
Berenberg Bank	8.00	Buy	Kai Klose	9 May 2023
Warburg Research	8.60	Buy	Andreas Pläsier	5 May 2023
ODDO BHF	10.00	Outperform	Manuel Martin	15 February 2023

2.3. Business development

Transfer of benefits and encumbrances of eleven acquired properties / Targeted portfolio streamlining through the sale of selected properties

By the end of the first half of the 2022/2023 financial year, the transfer of benefits and encumbrances of a total of eleven acquired properties in Lohra (Hesse), Ensdorf (Saarland), Cottbus (Brandenburg), Schmiedeberg, Grünhain-Beierfeld and Olbernhau (each Saxony) as well as Coswig, Kemberg, Köthen, Staßfurt and Osterfeld (each Saxony-Anhalt) had taken place. In addition, revitalisation and modernisation measures amounting to EUR 11.3 million were carried out, which were capitalised and are mainly attributable to the revitalisation projects in Stralsund, Uecker-münde and Grimma.

In contrast, the properties in Scheyern and Chemnitz, which were sold at attractive conditions, were disposed of as planned in the reporting period.

As a result, DKR's real estate portfolio recognised on 31 March 2023 comprises 184 properties with a balance sheet value of around EUR 1,109.5 million and a rental area of around 1,085,000 sqm.

In the course of the financial year, DKR has acquired a further retail property in Suhl (Thuringia) for around EUR 0.5 million and with an annual rent of TEUR 54. The transfer of benefits and encumbrances for this property took place after the balance sheet date on 1 April 2023. This is offset by the notarised sale of a supermarket in Salzweg (Bavaria) in February 2023. The property was transferred to the buyer after full payment of the purchase price on 1 April 2023.

Thus, DKR's total portfolio (pro forma - including acquisitions, excluding property sales) currently comprises 184 retail properties with an annual rent of around EUR 78.0 million and a balance sheet value of approximately EUR 1,109.0 million.

Borrowings and refinancings of existing properties

DKR took out a secured loan with a total volume of EUR 24.0 million in October 2022 to finance the purchase of the retail park in Cottbus. In addition, an outstanding loan tranche of EUR 1.9 million, which was already taken out in the past financial year, was paid out. In December 2022, the Company also extended a loan that was due to expire at the end of the month for an initial period of six months.

At the end of January 2023, a further secured loan with a volume of EUR 3.6 million was disbursed. The loan bears variable interest, initially at an interest rate of 3.10 % p.a. In February and March 2023, a further secured loan with a volume of EUR 7.0 million and EUR 14.5 million respectively was taken out.

In January 2023, DKR prematurely redeemed a partial amount of the secured corporate bond 2018/2024 with a volume of EUR 4.1 million. This was done in connection with the sale of two properties mortgaged under the bond. Furthermore, a loan with a most recent volume of EUR 35.2 million was repaid in full in March 2023 from available cash and cash inflows from the aforementioned borrowings.

DKR is currently in the process of taking out further secured real estate loans for the most recent acquisition properties. In addition, the refinancing of expiring portfolio loans is a particular focus. The borrowings are being made in consideration of the target LTV of around 50%.

Dispute with the Potsdam tax authorities regarding the REIT status

Since the end of last year, the Company has been in a dispute with the Potsdam tax office, which, in the course of an audit for the tax years 2015 to 2019, came to the conclusion that the tax exemption should not be granted because the required free float ratio of 25% was not present when DKR was first listed on 15 December 2015. DKR disagrees with this view of the tax authorities and has mandated a renowned law firm, which assumes in an expert opinion that the REIT status of DKR can be maintained with overwhelming probability. Accordingly, appeals were lodged against all tax assessments received from the tax authorities and an application for suspension of enforcement was filed, which, as expected, was rejected by the tax authorities. DKR then filed an action for suspension of enforcement at the responsible Potsdam Fiscal Court, which will have to rule on the matter in the foreseeable future.

As of the reporting date, DKR has formed tax provisions of EUR 14.2 million and recognised a receivable from the tax office in the same amount.

Rating confirmed

The existing Scope rating was confirmed on 27 March 2023: The issuer rating remains "BB+ stable" and the rating for secured and unsecured debt capital at "BBB" and "BBB-" (investment grade). In spite of the challenging economic and financing environment, this underpins DKR's high credit rating.

3. Development of asset, financial and earnings position

Asset position

The balance sheet of Deutsche Konsum REIT-AG as at 31 March 2023 is as follows:

Assets	31/03/2023	30/09/2022	Equity and liabilities	31/03/2023	30/09/2022
	TEUR	TEUR		TEUR	TEUR
Non-current assets	1,098,368	1,035,933	Equity	529,094	514,300
Current assets	97,432	126,131	Non-current liabilities	577,910	557,427
			Current liabilities	99,696	107,795
Non-current assets held for sale	11,900	19,750	Financial liabilities regarding non-current assets held for sale	1,000	2,293
Total assets	1,207,700	1,181,814	Total equity and liabilities	1,207,700	1,181,814

As a result of the further expansion of the property portfolio and the profit for the period achieved in the first half of the 2022/2023 financial year, total assets increased by TEUR 25,886 to TEUR 1,207,700 (30.09.2022: TEUR 1,181,814). Investment properties, which are recognised at TEUR 1,097,614 as at 31 March 2023 (30.09.2022: TEUR 1,030,959), represent the major part of the assets. In addition, properties held for sale are reported with a value of TEUR 11,900 (30.09.2022: TEUR 19,750).

The Company's equity increased in the first half of the 2022/2023 financial year by the current net profit for the period of TEUR 14,794 to TEUR 529,094 (30.09.2022: TEUR 514,300).

The NAV per share (undiluted) and the EPRA NTA per share (diluted) as of 31 March 2023 are as follows:

TEUR	31/03/2023		30/09/2022	
	NAV (undiluted)	EPRA NTA (diluted)	NAV (undiluted)	EPRA NTA (diluted)
Equity (TEUR)	529,094	529,094	514,300	514,300
Effects from the conversion of the convertible bonds	-	36,686	-	36,609
Key figures, TEUR	529,094	565,780	514,300	550,909
Number of shares on the balance sheet date	35,155,938	35,155,938	35,155,938	35,155,938
Potential conversion shares	-	15,039,447	-	15,039,447
Key figures per share, EUR	15.05	11.27	14.63	10.98

Current assets and liabilities include receivables from the tax office in the amount of TEUR 14,616 and tax provisions in the amount of TEUR 14,168.

The shareholder loan to Obotritia Capital KGaA was reduced by a total of TEUR 37,386 to TEUR 61,443 in the reporting period (30.09.2022: TEUR 98,829).

Non-current and current financial liabilities to banks increased by TEUR 9,179 to TEUR 427,223 (30.09.2022: TEUR 418,044) due to additional loans taken out for acquisition financing. This resulted from the raising of secured bank loans with a total volume of TEUR 50,995, which were simultaneously offset by ongoing loan repayments and the redemption of outstanding liabilities. The borrowed funds were used to acquire new retail properties and to refinance existing liabilities.

In January 2023, DKR prematurely redeemed a partial amount of the secured corporate bond 2018/2024 with a nominal volume of EUR 4.1 million. This was done in connection with the sale of two properties mortgaged under the bond.

Accordingly, the Net-LTV as of 31 March 2023 is as follows:

TEUR	31/03/2023	30/09/2022
Financial liabilities to banks	427,223	418,044
Convertible bonds	36,686	36,609
Corporate bonds	178,658	182,013
Total liabilities	642,567	636,667
minus cash and cash equivalents	-5,449	-4,827
minus fiduciary funds of property management	-1,545	-2,072
minus loans	-61,443	-98,829
minus interest-bearing investments	-1,549	-5,764
Net debt	572,581	525,174
Investment properties	1,097,614	1,030,959
Properties held for sale	11,900	19,750
Prepayments for the acquisition of investment properties	536	4,921
Total investment properties	1,110,050	1,055,630
Net-LTV	51.6%	49.7%

Financial position

The cash flow statement is as follows:

TEUR	H1 2022/2023	H1 2021/2022
Cash flow from operating activities	17,175	21,325
Cash flow from investing activities	-11,336	-34,699
Cash flow from financing activities	-5,216	18,733
Changes in cash and cash equivalents	622	5,359
Financial funds at the beginning of the period	4,827	653
Financial funds at the end of the period	5,449	6,012

Cash flow from operating activities is lower than in the previous year due to negative working capital effects.

Cash flow from investing activities mainly includes payments for the acquisition of further retail properties of TEUR 63,415, which are offset by payments received from the sale of investment properties in the amount of TEUR 8,641. Furthermore, net returns from short-term investments of available cash and cash equivalents amounting to TEUR 42,105 are shown here.

Cash flow from financing activities mainly includes cash inflows from borrowings of TEUR 50,995. This is offset by outflows for repayments and interest (including ground rent) totalling TEUR 51,773.

The Company was always able to meet its payment obligations.

Earnings position

The Company's earnings position developed as follows in the first half of the 2022/2023 financial year:

TEUR	H1 2022/2023	H1 2021/2022
Rental income	38,710	36,245
Net rental income	26,458	24,668
Result from disposals	-209	6
Other operating income	249	1,418
Valuation result	0	0
Administrative expenses	-5,756	-3,639
EBIT	20,742	22,453
Financial result	-5,948	-4,075
EBT	14,795	18,377
Income taxes and other taxes	0	0
Net profit for the period	14,795	18,377

Rental income increased to around TEUR 38,710 (H1 2021/2022: TEUR 36,245) due to the increase in the property portfolio as a result of acquisitions and inflation-related index adjustments to the rental agreements. In line with this, the net rental income increased by TEUR 1,790 to TEUR 26,458 (H1 2021/2022: TEUR 24,668). This means that the costs of property management also increased in proportion to the growth in rents.

Administrative expenses, consisting of personnel expenses and other administrative expenses, increased overall and include one-time and special effects of TEUR 938 (H1 2021/2022: TEUR 276). This was particularly due to increased legal and consulting costs. Adjusted for these effects, administrative expenses increased by TEUR 80, mainly due to a slightly larger number of employees and moderately higher structural costs.

The administrative expense ratio is therefore as follows:

TEUR	H1 2022/2023	H1 2021/2022
Personnel expenses	-649	-610
Other administrative expenses	-2,003	-1,299
Adjustment of one-time and other non-recurring effects	938	276
Adjusted administrative expenses	-1,713	-1,633
Rental income	38,710	36,245
Administrative expense ratio	4.4%	4.5%

Impairments increased by TEUR 1,374 to TEUR 3,095 (H1 2021/2022: TEUR 1,721) due to an increase in receivables and current risk assessments.

In summary, EBIT decreased by TEUR 1,711 to TEUR 20,742 (H1 2021/2022: TEUR 22,453).

Interest expenses rose to a total of TEUR 8,799 (H1 2021/2022: TEUR 6,751) due to a higher level of borrowed capital and the increased interest rate level. Interest expenses include ground rent totalling TEUR 406 (H1 2021/2022: TEUR 330).

In the reporting period, interest income of TEUR 2,852 (H1 2021/2022: TEUR 2,675) was generated from the short-term investment of surplus liquidity on a financing platform and from the short-term callable loan of available funds to Obotritia Capital KGaA.

As a result, the financial result decreases by TEUR 1,873 to TEUR -5,948 (H1 2021/2022: TEUR -4,075), which directly leads to a corresponding reduction in FFO.

Overall, this results in a net profit for the period of TEUR 14,794 (H1 2021/2022: TEUR 18,377), from which FFO and aFFO are derived as follows:

TEUR	H1 2022/2023	H1 2021/2022
Net profit for the period	14,794	18,377
Adjustment of income taxes	0	0
Adjustment of depreciation	9	10
Adjustment of valuation result	0	0
Adjustment of result from disposals	209	-6
Adjustment for non-cash expenses	3,441	2,163
Adjustment for one-time effects	1,445	587
FFO	19,899	21,130
- Capex	-11,322	-6,428
aFFO	8,577	14,702

Non-cash expenses include interest accrued on debt instruments according to the effective interest method as well as impairments on rent receivables and on short-term investments of liquid funds. The one-off effects include non-recurring expenses and income. In the first half of the current financial year, these were, in particular, expenses relating to other periods for acquired properties as well as legal and consulting costs incurred in connection with the ongoing tax audit.

The capitalised maintenance costs (capex) mainly comprise value-enhancing modernisation and expansion measures at the properties in Stralsund, Ueckermünde, Grimma and Plauen.

This results in FFO per share of EUR 0.57 (H1 2021/2022: EUR 0.60) and aFFO of EUR 0.24 per share (H1 2021/2022: EUR 0.42).

Further detailed information on the composition and amount of expenses and income can be found in the notes.

Overall statement on the economic situation of the Company

The first half of the 2022/2023 financial year was operationally stable for DKR. The increased interest rate level did lead to higher financing costs, which had a slightly negative impact on the Company's profitability in the reporting period and which is why - also due to the uncertain market environment - major acquisitions were not made for the time being. However, the existing portfolio continues to be very stable: due to the non-cyclical tenant base, reliable rental income was achieved, which was used for value-creating management of the property portfolio.

At the same time, DKR continues to benefit from inflation-related rent increases: Since the beginning of the financial year, the annualised rent in the existing portfolio has been increased by more than EUR 1.2 million through value protection clauses. On an annualised basis, portfolio rents have increased by 3.4% since the beginning of the current financial year.

4. Supplementary Report

The transfer of benefits and encumbrances of the acquired property in Suhl (Thuringia) took place after the balance sheet date on 1 April 2023. At the same time, the supermarket in Salzweg (Bavaria), which was sold in February 2023 by notarised purchase agreement, was transferred to the buyer on 1 April 2023 after full payment of the purchase price.

5. Risk situation

Through its business activities, DKR is exposed to operational and economic opportunities and risks. Please refer to the detailed presentation in the Management Report of the Annual Report 2021/2022 in the section "Opportunity and Risk Report".

In the opinion of the Management Board, the risk position has not materially changed or worsened since 1 October 2022.

6. Outlook and forecast

Focus on value-creating property management and refinancing of expiring loans

The 2022/2023 financial year has been operationally very stable so far. The focus was placed in particular on efficient portfolio management, which is reflected in the value-creating revitalisation of several properties as well as the conclusion of substantial and long-term rental agreements.

On the debt side, the focus is increasingly on the maturity profile of existing financings. The first prolongations and refinancings have already been completed, which has flattened the maturity profile of the financial debt. As always, the aim is to achieve a loan-to-value ratio (LTV) of around 50 %.

Like the real estate market as a whole, the market for local retail properties was extremely weak in the first half of the financial year due to the sharp rise in interest rates. There are currently hardly any transactions taking place in the present interest rate environment due to a strong divergence of purchase price expectations on the buyers' and sellers' side, which is why DKR has not made any significant purchases here either. However, the Management Board anticipates that prices on the transaction market will be established in the course of the second half of calendar year 2023, which will also result in attractive acquisition opportunities for DKR again, which should, however, not have a significant impact on the current financial year.

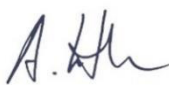
Reduction of FFO forecast due to lack of acquisitions and rising interest rates on debt capital

Based on the current planning, the Management Board has updated the FFO forecast for the 2022/2023 financial year and now expects FFO of between EUR 36 million and EUR 39 million (previously: EUR 40 million to EUR 44 million). The reason for the reduction in FFO expectations is, on the one hand, the lack of new acquisitions, which were still planned at the beginning of the financial year. On the other hand, the FFO is burdened by the increase in the interest rate level, which leads to rising interest expenses for variable financings and newly concluded loans.

Potsdam, 12 May 2023



Rolf Elgeti
Chairman of the
Management Board (CEO)



Alexander Kroth
Member of the
Management Board (CIO)



Christian Hellmuth
Member of the
Management Board (CFO)

7. Key figures according to EPRA

The European Public Real Estate Association EPRA

EPRA is a non-profit organisation based in Brussels that represents the interests of the European real estate industry and has developed standardised key figures that ensure a high degree of comparability between real estate companies. DKR has been a full member of EPRA since October 2017 and has been publishing the EPRA key figures in accordance with the Best Practice Recommendations (BPR) since the 2016/2017 financial year. For the 2020/2021 financial year, DKR was awarded the EPRA BPR Gold Award for the third time in a row for the EPRA reporting in its Annual Report.



For the first half of the 2022/2023 financial year, DKR's EPRA key figures are as follows:

EPRA Earnings

EPRA Earnings represent the result from ongoing property management. Valuation effects and proceeds from disposals are not taken into account.

TEUR	H1 2022/2023	H1 2021/2022
Period result	14,794.5	18,377.3
– Valuation result	0.0	0.0
– Proceeds from disposals	208.6	-6.5
EPRA Earnings	15,003.0	18,370.8
EPRA Earnings per share, EUR	0.43	0.52

EPRA net initial yield (EPRA NIY) and EPRA "Topped-up" NIY

The EPRA net initial yield is derived from the annualised rent less non-allocable management costs in relation to the current portfolio value and thus represents the current portfolio yield.

The EPRA "Topped-up" net initial yield includes temporary rent-free periods. However, DKR does currently not have any significant rent-free periods.

TEUR	31/03/2023	30/09/2022
Market value of investment properties (including portfolio held for sale according to IFRS 5)	1,109,514.2	1,050,709.1
+ Transaction costs	66,300.1	62,262.1
Gross market value of investment properties	1,175,814.3	1,112,971.2
Annualised rental income	78,000.2	73,249.5
- Non-recoverable management costs	-15,600.0	-14,649.9
Annualised net rental income	62,400.2	58,599.6
+ Rent-free periods	0.0	0.0
Annualised "Topped-up" net rental income	62,400.2	58,599.6
EPRA NIY	5.3%	5.3%
EPRA "Topped-up" NIY	5.3%	5.3%

EPRA cost ratio

The EPRA cost ratios show the ongoing property-specific operating expenses as well as the administrative and management expenses in relation to the rental income, and thus indicate the cost burden of the operating expenses in relation to the rental income.

TEUR	H1 2022/2023	H1 2021/2022
Net expenses from property management	11,754.0	11,266.7
+ Personnel expenses	649.0	610.0
+ Other recurring operating expenses	1,055.5	1,023.2
- Other income	-249.3	-1,417.6
EPRA costs incl. direct vacancy costs	13,209.3	11,482.3
- direct vacancy costs	-1,403.2	-1,282.6
EPRA costs excl. direct vacancy costs	11,806.0	10,199.7
Rental income less ground rent	38,303.7	35,915.3
EPRA cost ratio (incl. direct vacancy costs), %	34.5%	32.0%
EPRA cost ratio (excl. direct vacancy costs), %	30.8%	28.4%

EPRA vacancy rate

In contrast to the ordinary vacancy rate, the EPRA vacancy rate reflects the economic vacancy based on the market rent of the vacant space in relation to the total rent of the portfolio on the reporting date, increased by the potential rent of the vacant space. The estimated underlying market rents are derived from the property appraisals of the external and independent valuer CBRE GmbH, Berlin.

TEUR	31/03/2023	30/09/2022
Potential rent for vacant space	5,143.6	4,905.0
Estimated portfolio rent	82,905.2	77,520.8
EPRA vacancy rate	6.2%	6.3%

EPRA LTV

The EPRA LTV ("loan to value") is intended to create a uniform standard for calculating the balance sheet ratio LTV. In particular, according to the EPRA scheme, short-term callable loans to affiliated companies are not to be recognised as liquidity in the calculation of net debt, but are to be taken into account as assets.

According to this definition, the calculation of the EPRA LTV is as follows:

TEUR	31/03/2023	30/09/2022
Financial liabilities to banks	427,222.7	418,044.2
+ Convertible Bonds	36,686.1	36,609.3
+ Corporate Bonds	178,658.4	182,013.3
+ Trade payables after offsetting against trade receivables	871.2	5,042.0
- Cash and cash equivalents in trust accounts	-1,545.5	-2,072.1
- Cash and cash equivalents	-5,449.2	-4,827.0
(A) Net debt	636,443.8	634,809.8
Investment properties (IAS 40)	1,097,614.2	1,030,959.1
+ Investment properties held for sale (IFRS 5)	11,900.0	19,750.0
+ Prepayments on investment properties	535.5	4,920.5
+ Loans to shareholders	61,443.0	98,829.3
+ Short-term investments of cash and cash equivalents	1,549.1	5,764.0
(B) Assets	1,173,041.8	1,160,222.8
EPRA LTV (A/B)	54.3%	54.7%

Like-for-Like-Portfolio

On a like-for-like basis, which means without taking into account acquisitions and disposals in the financial year, the development of the key portfolio ratios is as follows:

	31/03/2023	30/09/2022	Difference	Difference annualised
Annual net rent like-for-like (EUR m)	72.3	71.0	1.7 %	3.4 %
Net rent/sqm/month	6.81	6.69	1.8 %	3.7 %
Vacancy (%)	9.8	9.7	0.7 %	-
WALT (years)	5.3	5.2	2.8 %	-

EPRA Net Asset Value (NAV)

The EPRA NAV must be disclosed in three different forms in accordance with the EPRA guidelines:

- EPRA Net Reinstatement Value (EPRA NRV): Essentially presentation of the reconstruction value of the real estate portfolio including transaction costs;
- EPRA Net Tangible Assets (EPRA NTA): Intangible assets including potential goodwill are excluded from consideration;
- EPRA Net Disposal Value (EPRA NDV): A sale of the real estate portfolio is assumed and thus, in principle, a fair value measurement of deferred taxes and derivative financial instruments is required. Due to the income tax exemption of REITs, the consideration of deferred taxes at DKR is not applicable.

All key figures must be calculated on a fully diluted basis, in the case of DKR taking into account the effects of outstanding convertible bonds. DKR considers the "EPRA NTA" as the relevant key figure.

TEUR	31/03/2023			30/09/2022		
	EPRA-NRV	EPRA-NTA	EPRA-NDV	EPRA-NRV	EPRA-NTA	EPRA-NDV
IFRS Equity	529,094.1	529,094.1	529,094.1	514,299.6	514,299.6	514,299.6
Effects of the conversion of convertible bonds	36,686.1	36,686.1	36,686.1	36,609.3	36,609.3	36,609.3
Intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Fair value of fixed-interest debt	0.0	0.0	-16,438.5	0.0	0.0	-15,693.7
Transaction costs (real estate transfer tax)	94,308.7	0.0	0.0	89,310.3	0.0	0.0
EPRA NAV	660,088.9	565,780.2	549,341.7	640,219.2	550,908.9	535,215.2
Number of shares outstanding (diluted, thousands)	50,195.4	50,195.4	50,195.4	50,195.4	50,195.4	50,195.4
EPRA NAV per share in EUR (diluted)	13.15	11.27	10.94	12.75	10.98	10.66

8. Headline Earnings per share (HEPS)

According to the rules of the Johannesburg Stock Exchange (JSE), the earnings figure "Headline Earnings per Share" (HEPS) is to be presented, which essentially represents the net income for the period adjusted for valuation results:

TEUR	H1 2022/2023	H1 2021/2022
Net income (undiluted)	14,794.5	18,377.3
Excluding valuation result according to IAS 40	0.0	0.0
Excluding valuation result according to IFRS 5	208.6	-6.5
Headline Earnings (undiluted)	15,003.0	18,370.8
Interest expenses on convertible bonds	314.3	313.0
Headline Earnings (diluted)	15,317.3	18,683.8
Average number of shares issued in the reporting period (undiluted), in thousands	35,155.9	35,155.9
Potential conversion shares, in thousands	15,039.5	15,039.5
Average number of shares issued in the reporting period (diluted), in thousands	50,195.4	50,195.4
Headline Earnings per share (EUR)		
Diluted	0.43	0.52
Undiluted	0.31	0.37

Half-yearly financial report for the period from 1 October 2022 to 31 March 2023 of the 2022/2023 financial year

Deutsche Konsum REIT-AG, Broderstorf

Balance sheet as at 31/03/2023

TEUR	Notes	31/03/2023	30/09/2022
Assets			
Non-current assets			
Investment properties	(2.1.)	1,097,614.2	1,030,959.1
Tangible assets		218.2	45.1
Other financial assets (loans)	(2.4.)	0.0	8.7
Other non-current assets	(2.4.)	535.5	4,920.5
		1,098,367.9	1,035,933.4
Current assets			
Trade and other receivables	(2.3.)	3,029.4	1,691.6
Income tax refund claims	(2.5.)	14,616.2	4,046.6
Other current assets	(2.4.)	74,336.9	115,565.4
Cash and cash equivalents		5,449.2	4,827.0
		97,431.8	126,130.6
Non-current assets held for sale	(2.6.)	11,900.0	19,750.0
TOTAL ASSETS		1,207,699.7	1,181,814.0
Equity and liabilities			
Equity			
	(2.7.)		
Issued share capital		35,155.9	35,155.9
Capital reserve		197,141.6	197,141.6
Other reserves		723.4	723.4
Retained earnings		296,073.1	281,278.7
		529,094.1	514,299.6
Non-current liabilities			
Financial liabilities	(2.8.)	352,490.4	328,761.6
Convertible bonds	(2.9.)	36,686.1	36,609.3
Corporate bonds	(2.10.)	178,658.4	182,013.3
Other provisions		3.5	3.5
Other non-current liabilities	(2.11.)	10,071.6	10,039.0
		577,909.9	557,426.7
Current liabilities			
Financial liabilities	(2.8.)	74,732.4	89,282.7
Tax provisions	(2.5.)	14,167.7	3,656.7
Other provisions		3,256.2	3,589.6
Trade payables		3,900.6	6,733.6
Other current liabilities	(2.11.)	3,638.8	4,532.6
		99,695.7	107,795.2
Financial liabilities regarding non-current assets held for sale	(2.6.)	1,000.0	2,292.5
TOTAL EQUITY AND LIABILITIES		1,207,699.7	1,181,814.0

Deutsche Konsum REIT-AG, Broderstorf
Statement of comprehensive income

TEUR	Notes	01/10/2022- 31/03/2023	01/01/2023- 31/03/2023	01/10/2021- 31/03/2022	01/01/2022- 31/03/2022
Rental income		38,710.2	20,028.7	36,245.3	17,959.2
Income from operating and ancillary costs		9,067.6	4,211.6	7,147.9	3,738.2
Operating expenses		-21,319.9	-10,786.5	-18,725.1	-9,987.2
Net rental income	(3.1.)	26,457.8	13,453.9	24,668.0	11,710.1
Proceeds from the disposal of properties		8,850.0	0.0	8.0	0.0
Expenses on the sale of properties		-9,058.6	-0.8	-1.5	0.0
Net proceeds from the disposal of properties		-208.6	-0.8	6.5	0.0
Other income	(3.2.)	249.3	-609.5	1,417.6	1,348.2
Subtotal		26,498.5	12,843.6	26,092.1	13,058.3
Personnel expenses	(3.3.)	-649.0	-311.7	-610.0	-323.3
Depreciation and amortisation of tangible and intangible assets		-9.4	-5.8	-9.5	-4.9
Impairment loss of inventories and receivables	(3.4.)	-3,095.0	-1,435.3	-1,720.6	-1,438.7
Other administrative expenses	(3.5.)	-2,002.6	-1,123.2	-1,299.4	-728.5
Administrative expenses		-5,756.1	-2,876.0	-3,639.5	-2,495.4
EBIT		20,742.4	9,967.6	22,452.6	10,562.9
Interest income		2,851.6	1,354.7	2,675.3	1,401.3
Interest expense		-8,799.1	-4,778.9	-6,750.7	-3,388.2
Financial result	(3.6.)	-5,947.5	-3,424.3	-4,075.3	-1,986.9
EBT		14,794.9	6,543.3	18,377.3	8,576.0
Income tax		0.0	0.0	0.0	0.0
Other tax		-0.4	-0.4	0.0	0.0
Net income		14,794.5	6,542.9	18,377.3	8,576.0
Earnings per share (in EUR)	(3.7.)				
Undiluted earnings per share		0.42	0.19	0.52	0.24
Diluted earnings per share		0.30	0.13	0.37	0.17

Net income	14,794.5	6,542.9	18,377.3	8,576.0
Other comprehensive income				
Items reclassified to profit or loss				
Impairment of acquired loans	1,829.9	1,683.0	663.8	13.7
Change in fair value of acquired loans	-1,639.9	-1,568.0	-663.8	-13.7
Change in fair value of acquired loans reclassified to profit or loss	-190.0	-115.0	0.0	0.0
Total other comprehensive income	0.0	0.0	0.0	0.0
Total comprehensive income	14,794.5	6,542.9	18,377.3	8,576.0

Deutsche Konsum REIT-AG, Broderstorf
Statement of changes in equity

TEUR	Notes	Issued share capital	Capital reserve	Other reserves	Retained earnings	Total equity
As at 01/10/2021		35,155.9	197,141.6	723.4	234,954.4	467,975.3
Period result					18,377.3	18,377.3
Dividend distribution					-14,062.4	-14,062.4
As at 31/03/2022	(2.6.)	35,155.9	197,141.6	723.4	239,269.3	472,290.3
As at 01/10/2022		35,155.9	197,141.6	723.4	281,278.7	514,299.6
Period result					14,794.5	14,794.5
As at 31/03/2023	(2.6.)	35,155.9	197,141.6	723.4	296,073.1	529,094.1

Deutsche Konsum REIT-AG, Broderstorf

Cash flow statement

Information in TEUR	Notes	01/10/2022- 31/03/2023	01/10/2021- 31/03/2022
Period result		14,794.5	18,377.3
+/- Interest expense/interest income	(3.6.)	5,947.5	4,075.3
+/- Depreciation, amortisation and write-down/reversals of intangible assets, tangible assets and financial assets		9.4	9.5
+ Impairments on inventories and receivables	(3.4.)	3,095.0	1,720.6
-/+ Gain/loss on disposal of investment properties		208.6	-6.5
+/- Increase/decrease in provisions		-333.3	-522.5
- Income taxes paid		-194.1	-130.1
-/+ Increase/decrease in inventories, trade receivables and other assets not attributable to investing or financing activities	(2.3., 2.4.)	-2,626.0	-3,950.8
+/- Increase/decrease in trade payables and other liabilities not attributable to investing or financing activities	(2.11.)	-3,726.9	1,752.0
Cash flow from operating activities		17,174.6	21,324.9
+ Cash receipts relating to disposals of investment properties		8,641.4	8.0
- Cash payments related to property investments	(2.1.)	-63,415.2	-21,983.4
- Cash payments related to other investments in intangible and tangible assets		0.0	-30.7
+ Cash receipts from the investment of cash funds for short-term cash management	(2.4.)	65,522.3	5,849.9
- Cash payments related to short-term cash investments	(2.4.)	-23,416.9	-19,037.9
+ Cash receipts from disposals of other non-current assets held for sale		1,000.0	0.0
+ Interest received		332.0	495.4
Cash flow from investing activities		-11,336.3	-34,698.8
+ Proceeds related to the issue of corporate bonds		0.0	10,000.0
- Costs related to the issue of corporate bonds		0.0	-175.0
- Cash payments for the repurchase of corporate bonds	(2.10.)	-4,100.0	0.0
- Costs related to the repurchase of corporate bonds		-59.4	0.0
+ Proceeds from borrowings	(2.8.)	50,995.0	74,605.0
- Cash payments related to the issue of borrowings		-278.7	-118.8
- Amortisation of loans	(2.8.)	-44,263.9	-46,491.2
- Interest paid	(3.6.)	-7,509.1	-5,024.8
- Dividend distribution	(2.7.)	0.0	-14,062.4
Cash flow from financing activities		-5,216.0	18,732.8
Change in cash and cash equivalents		622.2	5,359.0
Cash and cash equivalents at the beginning of the period		4,827.0	652.7
Cash and cash equivalents at the end of the period		5,449.2	6,011.7

Appendix

Selected explanatory notes to the half-yearly financial report as of 31 March 2023

1. Accounting principles

1.1. General information

Deutsche Konsum REIT-AG (hereinafter referred to as "DKR", "Deutsche Konsum" or the "Company") is a German-based and nationally active real estate corporation with its registered office in Broderstorf, registered in the Commercial Register of the Rostock Local Court, HRB 13072. The business address is August-Bebel-Str. 68 in 14482 Potsdam. Since 1 January 2016, the Company has the status of a REIT ("Real Estate Investment Trust") and is therefore exempt from income tax. The main business field is the management of commercial real estate in Germany. The focus is on activities that are geared towards the long-term and sustainable increase in value of the real estate portfolio. If there are lucrative bids, the sale of properties is examined and, where appropriate, carried out. Compliance with the REIT criteria has to be ensured at all times.

1.2. Fundamentals and methods of the separate interim financial statements

This half-yearly financial report of Deutsche Konsum REIT-AG as at 31 March 2023 has been prepared in accordance with the provisions of § 115 WpHG (German Securities Trading Act).

The condensed separate interim financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS), as applicable in the EU, as well as the regulations of IAS 34 ("Interim Financial Reporting"). In addition, the regulations of German Accounting Standard 16 (DRS 16 - Interim Reporting) were taken into account.

The reporting period covers the first six months ("H1") of the 2022/2023 financial year. The balance sheet as of 30 September 2022 and the income statement for the period from 1 October 2021 to 31 March 2022 serve as comparative figures.

The accounting policies, notes and disclosures in the separate interim financial statements have been prepared using the same accounting policies that were used in the separate financial statements as of 30 September 2022.

These interim financial statements do not include all the information required for annual financial statements and should, therefore, be read in conjunction with the separate financial statements as of 30 September 2022. The separate interim financial statements were prepared under the assumption of going concern and were neither audited nor subjected to an audit review.

The interim financial statements are prepared in Euros (EUR). Unless otherwise indicated, all values are presented in thousands of Euros (TEUR). This can result in rounding differences. The profit and loss account is prepared according to the total cost method.

2. Selected notes to the balance sheet

2.1. Investment properties

An appraisal of real estate holdings is usually done annually by an external and independent expert on 30 June. If there are significant changes in the input factors up to the reporting date, corresponding adjustments are made. Fair value is measured using internationally recognised valuation techniques and is based on information provided by the Company, e.g. current rents, maintenance and administrative costs or the current vacancy, as well as assumptions of the appraiser based on market data and judged on the basis of his professional qualifications, e.g. future market rents, typical maintenance and administration costs, structural vacancy rates or discount and capitalisation rates (level 3 of the fair value hierarchy). For the valuation as of 31 March 2023, the principles were applied as they were on 30 September 2022. In the valuation of the first-time recognition, the acquisition or production costs as well as the transaction costs are included. In the subsequent valuation, value-increasing measures are considered when measuring the fair value.

The information provided to the appraiser and the assumptions made as well as the results of the real estate valuation are analysed by the Management Board.

In the period from 1 October 2022 to 31 March 2023, the transfer of benefits and encumbrances in favour of the Company took place for eleven properties with a volume of TEUR 56,333.3 (H1 2021/2022: TEUR 6,880.8). This was offset by the sale and disposal of two properties. Furthermore, value-enhancing measures were carried out, which were capitalised in the amount of TEUR 11,321.8 (H1 2021/2022: TEUR 6,427.7).

The following overview shows the development of investment properties:

TEUR	31/03/2023	30/09/2022
Initial holding at 01/10	1,030,959.1	944,019.7
+ Real estate acquisitions	56,333.3	49,820.1
+ Capitalisation of leaseholds and rights of use	0.0	365.8
- Disposal of rights of use	0.0	-389.8
- Book value disposal through sale of real estate	0.0	6,726.7
- Reclassification of IFRS 5	-1,000.0	-19,750.0
+ Subsequent acquisition and production costs (Capex)	11,321.8	18,568.9
+ Valuation result of properties sold	0.0	3,159.5
+ Unrealised valuation result from fair value valuation (change in market value)	0.0	28,438.2
Closing balance on the reporting date	1,097,614.2	1,030,959.1

Of the investment properties and the properties held for sale, real estate with a carrying amount of TEUR 965,343.0 (30/09/2022: TEUR 957,123.0) was secured by mortgages or by the assignment of rental income as collateral for financial liabilities as at the reporting date.

There are leasehold contracts for which the associated land is occupied by commercial real estate. Rights of use and leasing liabilities are recognised for the leasehold contracts. The capitalised amount as at 31 March 2023 is TEUR 9,144.8 (30 September 2022: TEUR 9,144.8). The liability recognised as at 31 March 2023 amounts to TEUR 9,836.0 (30.09.2022: TEUR 9,836.0). The investment properties will be revalued by an external appraiser as at 30 June 2023. No adjustments will be made here due to the immaterial effects of leasehold contracts during the first half of 2022/2023.

The income statement includes the following significant amounts for investment property:

Investment properties in TEUR	H1 2022/2023	H1 2021/2022
Rental income	38,710.2	36,245.3
Income from operating and ancillary costs	9,067.6	7,147.9
Operating expenses (maintenance expenses, property management, property taxes, etc.)	-21,319.9	-18,725.1
Total	26,457.8	24,668.0

2.2. Deferred taxes

Deferred tax assets and liabilities are formed on temporary differences between the valuations in the balance sheet and the tax balance sheet and the resulting future taxes. Due to the Company's REIT status since 1 January 2016, the Company is exempt from both corporation tax and trade tax. In this respect, no deferred taxes are currently recognised.

2.3. Trade receivables

Trade receivables mainly result from letting and amount to TEUR 3,029.4 as at 31 March 2023 (30.09.2022: TEUR 1,691.6). This includes value adjustments of TEUR 3,867.2 (30.09.2022: TEUR 3,479.1).

2.4. Other non-current and current assets

Other non-current assets include prepayments on investment properties for which the transfer of benefits and encumbrances has not yet taken place in the amount of TEUR 535.5 (30/09/2022: TEUR 4,920.5) as well as long-term investments in acquired loans via creditshelf in the amount of TEUR 0.0 (30/09/2022: TEUR 8.7).

Other current assets are made up as follows:

TEUR	31/03/2023	30/09/2022
Receivables from shareholders including accrued interest	61,443.0	98,829.3
Short-term investment in acquired loan shares via creditshelf	1,549.1	5,755.3
Maintenance reserves	3,891.0	4,234.9
Unfinished services after offsetting with advance payments received	2,431.9	1,398.1
Prepaid expenses	2,273.0	1,194.7
Tenant deposits	1,204.7	1,067.3
VAT claims	566.5	1,224.1
Property management accounts	340.8	1,004.7
Receivables from purchase price retentions	0.0	410.0
Purchaser settlement	239.4	49.0
Others	397.6	398.1
Total	74,336.9	115,565.4

The receivable from the creditshelf loans is measured at fair value through other comprehensive income on level three of the valuation hierarchy. For this purpose, the invested amount less repayments to date is used, taking into account expected default rates. In the reporting period, value adjustments of TEUR 1,829.9 (H1 2021/2022: TEUR 801.4) on the creditshelf loans were recognised in profit or loss, of which TEUR 3,490.0 were individual value adjustments (H1 2021/2022: TEUR 307.8).

The development of the creditshelf loans during the reporting period is as shown below:

TEUR	H1 2022/2023	H1 2021/2022
Opening balance at 01/10	5,764.0	8,385.1
Prolongations/Acquisition of new loans	1,935.0	9,330.0
Repayments	-4,125.4	-5,849.9
Change in fair value through other comprehensive income	-1,829.9	-801.4
Interest and fee accruals	-194.6	-147.3
Closing balance on the balance sheet date	1,549.1	10,916.5
-thereof non-current	0.0	30.5
-thereof current	1,549.1	8,688.6
-thereof held for sale	0.0	2,197.4

The receivable from Obotritia Capital KGaA was reduced by a total of TEUR 37,386.3 in the reporting period. As of the balance sheet date, the receivable including accrued interest after value adjustment amounted to TEUR 61,443.0 (30.09.2022: TEUR 98,829.3).

No impairments were made to other financial assets.

2.5. Income tax refund claims

Since 1 January 2021, creditshelf solutions GmbH has been obliged to withhold and deduct the capital gains tax, including the solidarity surcharge, on the interest income. Due to the REIT status and the associated tax exemption of the Company, these taxes in the amount of TEUR 389.9 were offset against the tax provisions (30.09.2022: receivable from the tax office of TEUR 389.8).

The tax provisions resulting from the current tax audit and other tax assessments issued in the meantime are offset by receivables from tax refund claims in the same amount, as Deutsche Konsum REIT-AG assumes here that the legal opinion of the tax authorities is substantively incorrect. After offsetting the taxes on interest income from acquired loans, the tax refund claims amount to TEUR 14,616.2 (30.09.2022: TEUR 3,656.7).

2.6. Assets and liabilities held for sale

Assets held for sale of TEUR 11,900.0 (30.09.2022: TEUR 19,750) relate to two investment properties (30.09.2022: three investment properties). Related advance payments received of TEUR 1,000.0 (30.09.2022: TEUR 2,292.5) were reclassified to liabilities associated with assets held for sale.

2.7. Equity

The issued share capital did not change in the first half of the 2022/2023 financial year and amounted to TEUR 35,155.9 as of 31 March 2023 (30/09/2022: TEUR 35,155.9). The capital reserve also showed no changes and amounted to TEUR 197,141.6 on the reporting date (30/09/2022: TEUR 197,141.6).

For further information on the development of equity, please refer to the statement of changes in equity.

2.8. Liabilities to banks

Liabilities to banks are as follows:

TEUR	31/03/2023	30/09/2022
Non-current	352,490.4	328,761.6
Current	74,732.4	89,282.7
Total	427,222.7	418,044.2
thereof secured	360,288.0	352,743.8

Liabilities to banks increased due to the taking out of new secured bank loans, which are used to expand the property portfolio. This was offset by ongoing repayments.

2.9. Liabilities from convertible bonds

The liabilities from convertible bonds, considering the issue costs, are composed as follows:

Liabilities from convertible bonds in TEUR	Maturity	31/03/2023		30/09/2022	
		Non-current	Current	Non-current	Current
Convertible bond I TEUR 30,000 (nominal), 1.35% coupon p.a.	30 January 2025	29,784.6	0.0	29,731.9	0.0
Convertible bond II TEUR 7,000 (nominal), 1.00% coupon p.a.	30 January 2025	6,901.5	0.0	6,877.4	0.0
Total		36,686.1	0.0	36,609.3	0.0

2.10. Liabilities from corporate bonds

Liabilities from the corporate bonds, considering the issuing costs, are composed as follows:

Liabilities from corporate bonds in TEUR	Maturity	31/03/2023		30/09/2022	
		Non-current	Current	Non-current	Current
Bond TEUR 70,000.0 (unse- cured), 2.35% coupon p.a.	5 April 2024	71,602.4	0.0	70,772.4	0.0
Bond TEUR 35,900.0 (secured), 1.80% coupon p.a.	31 May 2024	36,334.6	0.0	40,173.2	0.0
Step-up bond TEUR 40,000.0 (unse- cured), 4.00% coupon p.a.	10 March 2025	40,202.8	0.0	41,032.9	0.0
Bond TEUR 30,000.0 (unse- cured), 3.10% coupon p.a.	28 April 2031	30,518.6	0.0	30,034.9	0.0
Total		178,658.4	0.0	182,013.3	0.0

Of the secured bond with an original nominal value of TEUR 40,000.0 and a coupon of 1.80% p.a., a partial amount with a nominal value of TEUR 4,100.0 was repaid by the Company on 19 January 2023 in the course of the sale of two properties mortgaged by the bond.

2.11. Other non-current and current liabilities

The development of other non-current and current liabilities is as follows:

TEUR	31/03/2023	30/09/2022
Non-current lease liabilities	10,071.6	10,038.9
Total non-current other liabilities	10,071.6	10,038.9
Liabilities to other creditors	430.0	1,340.0
Liabilities to tenants	945.9	1,345.3
Rent deposits	1,342.0	1,198.5
Liabilities from purchaser settlement	411.7	170.4
Current lease liabilities	104.5	104.5
Other	404.6	373.8
Total current other liabilities	3,638.8	4,532.7
Total	13,710.3	14,571.6

2.12. Leases

The Company acts as a lessee of leasehold contracts, which are reported under investment properties or other current and non-current liabilities. Furthermore, rights of use and leasing liabilities for rented parking spaces and access roads are recognised in the balance sheet. The Company also leases two motor vehicles, for which corresponding rights of use and leasing liabilities are recognised.

The capitalised rights of use relate to the following classes of assets:

TEUR	31/03/2023	30/09/2022
Tangible assets	44.3	12.4
Investment properties	9,424.4	9,424.4
Total rights of use	9,468.7	9,436.8

The leasing liabilities are broken down as follows as of the balance sheet date:

TEUR	31/03/2023	30/09/2022
Non-current leasing liabilities	10,071.6	10,038.9
Current leasing liabilities	104.5	104.5
Total leasing liabilities	10,176.1	10,143.4

Amortisation of rights of use amounted to TEUR 5.5 (H1 2021/2022: TEUR 7.8). Interest expenses from the compounding of lease liabilities amount to TEUR 406.6 (H1 2021/2022: TEUR 330.5).

3. Selected notes to the statement of comprehensive income

3.1. Net rental income

The net rental income is the result of rental income and income from operating and ancillary costs, reduced by operating expenses and is as follows:

TEUR	H1 2022/2023	H1 2021/2022
Rental income	38,710.2	36,245.3
Income from operating and ancillary costs	9,067.6	7,147.9
Total proceeds	47,777.7	43,393.2
Maintenance	-3,962.9	-3,830.0
Allocatable ancillary costs	-12,307.7	-10,615.1
Non-recoverable ancillary costs	-4,912.4	-4,222.5
Reductions in sales	-136.9	-57.6
Total operating expenses	-21,319.9	-18,725.1
Net rental income	26,457.8	24,668.0

The revenue consists almost exclusively of commercial rents from properties in Germany. Income from operating and ancillary costs does not include any of the Company's own services. Maintenance expenses relate to repairs and maintenance work. In the first half of the 2022/2023 financial year, value-enhancing modernisation measures amounting to TEUR 11,321.8 (H1 2021/2022: TEUR 6,427.7) were capitalised.

The non-allocable ancillary costs include, among other things, expenses for property management in the amount of TEUR 3,075.5 (H1 2021/2022: TEUR 2,964.7).

3.2. Other operating income

Other operating income amounts to TEUR 249.3 in the reporting period (H1 2021/2022: TEUR 1,417.6) and mainly includes income from settlement payments.

3.3. Personnel expenses

The Company's personnel expenses in H1 2022/2023 amounted to approximately TEUR 649.0 (H1 2021/2022: TEUR 610.0). The average number of employees was 20.5 (H1 2021/2022: 22), including two members of the Management Board (H1 2021/2022: two), 12.0 salaried employees (H1 2021/2022: 12.5) and 6.5 part-time employees (H1 2021/2022: 7.5). Other services for the Company are provided by employees of Obotritia Capital KGaA. A cost allocation is charged for this, which is recognised in other administrative expenses. The increase in personnel expenses results primarily from the increase in personnel provisions due to the inclusion of long-term compensation components.

3.4. Impairments on inventories and receivables

Impairments break down as follows in the first half of the 2022/2023 financial year:

TEUR	H1 2022/2023	H1 2021/2022
Impairments on rental receivables	388.2	616.6
Write-down of rental receivables	209.1	260.0
Impairments on purchaser settlements	67.8	3.9
Impairments on receivables from purchase price retentions	410.0	0.0
Impairments on acquired loans	2,019.9	840.2
Total	3,095.0	1,720.6

Further explanations on impairments on acquired loans can be found in chapter 2.4.

3.5. Other administrative expenses

Other administrative expenses are as follows:

TEUR	H1 2022/2023	H1 2021/2022
Legal, consulting and auditing costs	1,003.0	399.5
Fees	223.1	260.2
Agency fees	209.3	214.1
Advertising costs	107.6	106.6
Mortgage costs	91.2	70.3
Compensation	83.2	0.0
Others	285.2	248.7
Total	2,002.6	1,299.4
thereof one-off expenses	947.1	276.2
Adjusted	1,055.5	1,023.2

The significantly increased legal, consulting and audit costs were incurred primarily in connection with the ongoing tax audit.

Adjusted for special effects and one-off expenses, other administrative expenses increased by TEUR 32.3 compared to the same period of the previous year.

3.6. Financial result

The financial result has the following structure:

TEUR	H1 2022/2023	H1 2021/2022
Interest income from shareholder loans	2,626.0	2,288.3
Interest income from creditshelf loans	206.8	384.7
Other interest income	18.8	2.3
Total interest income	2,851.6	2,675.3
Interest expenses for loans to banks	-5,599.3	-3,702.8
Interest on corporate bonds	-2,451.6	-2,396.8
Ground rent	-406.4	-330.3
Interest on convertible bonds	-314.3	-313.0
Other interest expense	-27.5	-7.8
Total interest expenses	-8,799.1	-6,750.7
Total	-5,947.5	-4,075.3

3.7. Earnings per share

Earnings per share are as follows:

TEUR	H1 2022/2023	H1 2021/2022
Period result (undiluted)	14,794.5	18,377.3
Interest expenses on convertible bonds	314.3	313.0
Period result (diluted)	15,108.8	18,690.3
Average number of shares issued in the reporting period (undiluted)	35,155,938	35,155,938
Potential conversion shares	15,039,447	15,039,447
Average number of shares issued in the reporting period (diluted)	50,195,385	50,195,385
Earnings per share (EUR)		
Undiluted	0.42	0.52
Diluted	0.30	0.37

4. Other information

4.1. Segment reporting

The Company is currently a single-segment company. Revenues are generated exclusively with customers based in Germany in the commercial real estate segment and, to a very small extent, in residential real estate. The largest tenant accounted for revenues of EUR 8.4 million in the first half of 2022/2023 financial year (H1 2021/2022: EUR 5.5 million).

4.2. Contingent liabilities and other financial obligations

The Company has the following financial obligations from long-term contracts:

TEUR	31/03/2023	30/09/2022
Asset and property management agreements	8,676.5	9,350.6
Contracts on management levy	314.0	523.3
Car leasing	45.3	10.7
Total	9,035.7	9,884.6
of which up to 1 year	4,782.9	5,337.2
of which one year to five years (undiscounted)	4,252.8	4,547.4
of which over five years (undiscounted)	0.0	0.0

As of the balance sheet date 31 March 2023, the Company has no purchase price obligations from notarised purchase agreements. The total purchase price obligation of TEUR 535.5 had already been paid as of the balance sheet date.

There are no other contingent liabilities.

Risks from tax audit by the tax office:

During the year 2022, the Company received a preliminary partial report on the tax audit for the years 2014 to 2017 from the Potsdam tax office/tax audit department of the Königs Wusterhausen tax office. In the opinion of the tax auditors, the required initial free float of 25% pursuant to § 16 REIT Act was not present at the time of DKR's IPO on 15 December 2015. Accordingly, DKR would not have become a REIT and would therefore not have acquired REIT status in the following years and could not do so in the future. DKR filed an objection against this and commissioned a renowned law firm with a legal opinion. According to the assessment of the Company's legal representatives and on the basis of the clear presentation of the situation in the expert opinion, there is an overwhelming probability that there are significant legal deficiencies in the view of the tax authorities and that DKR will undoubtedly have obtained REIT status at least in the following years.

In the reporting period, the tax authorities issued tax assessments for the assessment years up to and including 2021. The Company applied for a suspension of enforcement, which was rejected by the tax authorities as expected. As a result, DKR filed an action for the granting of a suspension of enforcement before the Berlin-Brandenburg Fiscal Court and expects a ruling before the end of the current financial year.

Should a decision on the preservation of the REIT status nevertheless be made to the disadvantage of DKR in a subsequent fiscal court case, this would have the following significant, quantitative effects on the Company: Due to the valuation difference, especially for investment properties, between the tax balance sheet and IFRS values of currently around EUR 270 million, there would be deferred tax assets and liabilities to be recognised in the IFRS financial statements with an excess liability of around EUR 86 million.

For further information, please refer to the Management Report.

4.3. Transactions with related companies and persons

The Company maintains business relationships with related companies and persons. Essentially, these relationships include group allocations, financial services through short-term provision of liquidity on the basis of concluded contracts and services for the property and asset management of the real estate portfolio.

The scope of transactions with related parties is shown below:

Obotritia Capital KGaA, Potsdam, has a substantial shareholding in Deutsche Konsum REIT-AG. For the use of business premises, the provision of office equipment and administrative staff, including the activities of the Chairman of the Management Board (CEO), Obotritia Capital KGaA invoiced TEUR 209.3 (H1 2021/2022: TEUR 214.1) in the reporting period under the concluded agreement.

By agreement dated 13 April 2013 and addendums dated 29 January 2015, 30 June 2016 and 1 December 2016, DKR was granted a credit line of TEUR 25,000 within the framework of an overdraft facility by Obotritia Capital KGaA. The loan is disbursed at the request of Deutsche Konsum REIT-AG and is repayable at any time, but no later than the end of the contractual term on 31 December 2023. Interest only accrues on the outstanding amount, commitment interest is not charged additionally. The interest rate is 8.0% and is calculated annually. The interest payments are deferred and are due at the latest upon termination of the loan. No collateral has been agreed. In the first half of 2022/2023, TEUR 0.0 of this amount was utilised (H1 2021/2022: TEUR 0.0).

On 30 April 2015, a loan facility agreement was concluded with Obotritia Capital KGaA, under which the Company can provide a loan to Obotritia Capital KGaA. With the last addendum dated 1 May 2020, the loan facility was increased to up to TEUR 95,000.0. The contract is valid until 31 December 2025. The interest rate is 8.0% per annum. The interest payments are deferred and are due at the latest upon termination of the loan. In the first half of 2022/2023, interest income of TEUR 2,626.0 (H1 2021/2022: TEUR 2,288.3) was generated from this. As of the reporting date of 31 March 2023, there was a receivable including interest of TEUR 61,443.0 (30 September 2022: TEUR 94,294.2) after value adjustment.

Both contracts can be terminated with three months' notice by registered letter, notwithstanding the possibility of extraordinary termination.

The purchase price receivable resulting from the sale of the acquired Edelopectics loans to Obotritia Capital on 22 June 2022 was repaid in full, including interest, in the reporting period. This resulted in interest income of TEUR 6.8 in the first half of 2022/2023 (H1 2021/2022: TEUR 0.0).

In addition, Obotritia Capital KGaA has provided a guarantee to DKR for a loan at risk of default equal to the current carrying amount. The loan is recognised at TEUR 4.1 as at the reporting date (30.09.2022: TEUR 10.8).

There is a management agreement with Elgeti Brothers GmbH, Rostock, on the property management of the main real estate portfolio. Depending on the asset, the agreed remuneration amounts to between 2 % and 3 % of the rental income received (plus value added tax) on a monthly basis. Expenses of TEUR 1,047.5 (H1 2021/2022: TEUR 966.0) were incurred in the reporting period.

In addition, there is a management and consulting agreement with Elgeti Brothers GmbH for the asset management. The agreed annual remuneration amounts to 0.5% of the gross asset value of the properties, calculated on the basis of the acquisition prices and transaction costs, and is paid in quarterly instalments. In the reporting period, the expenses amounted to TEUR 2,028.0 (H1 2021/2022: TEUR 1,998.7).

Furthermore, there is a concession agreement with Elgeti Brothers GmbH for the rental of parking facilities of the property Leipzig Löwenpark by Elgeti Brothers GmbH. The monthly flat fee to be paid to DKR is EUR 50.0 plus statutory VAT. The agreement runs from 1 September 2022 for an indefinite period and can be terminated by either party with one month's written notice. Another concession agreement exists for the rental of outdoor space at the property in Wernigerode. The agreement was initially concluded from 1 February 2022 until 31 December 2022, for which a one-time flat fee of TEUR 1.1 plus statutory VAT was charged. Since 18 January 2023, there has again been a concession agreement with Elgeti Brothers GmbH for the use of outdoor space in Wernigerode. The monthly flat fee to be paid to DKR is EUR 120.0 plus statutory VAT. The concession agreement runs from 18 January 2023 for an indefinite period and may be terminated by either party with one month's written notice.

Furthermore, there was a concession agreement dated 2 September 2022 with Elgeti Brothers GmbH for the rental of outdoor space at the Birkenfeld property. The agreement ran from 1 September 2022 to 31 October 2022. A one-time flat fee of EUR 400.0 plus statutory VAT was agreed for the rental of the space. A further concession agreement exists with Elgeti Brothers GmbH for the rental of public parking facilities at the Werdau property. The agreement is for an indefinite period of time. The monthly flat rate is EUR 500.0 plus statutory VAT. In the reporting period, revenue of TEUR 4.8 (previous year: TEUR 0.0) was generated from concession agreements with Elgeti Brothers GmbH.

By contract dated 6 December 2019, a lease agreement was concluded with Diana Contracting GmbH for the use of a roof area for the operation of a photovoltaic system. The term of the contract ends on 31 December 2030 and the annual lease amounts to TEUR 1.6.

Deutsche Konsum sold the photovoltaic system located on the roof of the property in Rennerod to Diana Contracting GmbH by contract dated 6 July 2022 and effective as of 1 April 2022. The plant has a nominal output of 36.0 kWp. The purchase price for the plant amounted to TEUR 120.0. The purchase price receivable was subject to statutory interest on arrears in accordance with § 247 BGB (German Civil Code) 9% above the base interest rate of the European Central Bank. The receivable from Diana Contracting GmbH, including interest, was settled in full during the reporting period. Interest income of TEUR 2.5 (H1 2021/2022: TEUR 0.0) was recognised.

Also on 6 July 2022, a roof utilisation agreement was concluded with Diana Contracting GmbH for the property in Rennerod. Deutsche Konsum REIT-AG leases parts of the roof of the property, on which the photovoltaic system is located, to Diana Contracting GmbH. The contract runs until 31 December 2030 and the annual rent amounts to 10% of the respective annual turnover of the installed PV system. In the reporting period, rental income of TEUR 0.8 (H1 2021/2022: TEUR 0.0) was generated from this.

Another roof utilisation agreement was concluded with Diana Contracting GmbH on 1 October 2022. Deutsche Konsum REIT-AG leases partial areas of the roof of the property in Lohra, on which a photovoltaic system is located, to Diana Contracting GmbH. The contract runs until 31 December 2024 and the annual rent is EUR 20.00 per kW plus VAT. In the reporting period, rental income of TEUR 0.6 (H1 2021/2022: TEUR 0.0) was generated from this. As of 31 March 2023, there are lease receivables from Diana Contracting GmbH in the amount of TEUR 1.3 (30 September 2023: TEUR 0.0).

The Company has short-term financial positions in the form of acquired SME loans purchased through the platform of creditshelf solutions GmbH, Frankfurt. Due to the size of Obotritia Capital KGaA's stake in creditshelf AG, the latter and its subsidiary, creditshelf solutions GmbH, are to be classified as related parties. In H1 2022/2023, creditshelf received TEUR 5.4 from DKR for ongoing loan processing and servicing (H1 2021/2022: TEUR 55.5).

The following receivables and liabilities to related companies and persons exist in the balance sheet:

TEUR	31/03/2023	30/09/2022
Other non-current and current assets		
against Obotritia Capital KGaA	61,443.0	98,829.3
against Diana Contracting GmbH	1.3	121.7
Other current liabilities		
against creditshelf solutions GmbH	14.6	35.6

Furthermore, Mr. Rolf Elgeti has assumed directly enforceable guarantees totalling TEUR 14,470.0 (30/09/2022: TEUR 5,970.0) for loans.

No loans and advances were granted to related persons. Close family members of the Management Board and the Supervisory Board have no influence on the Company's business decisions.

4.4. Supervisory Board

In the reporting period, the Supervisory Board consisted of the following members:

Name	Profession	Memberships in other supervisory bodies
<p>Hans-Ulrich Sutter Chairman of the Supervisory Board</p> <p>Member and Chairman since November 2014.</p> <p>Deputy Chairman of the Audit Committee since 1 January 2022.</p>	<p>Retired, Member of other supervisory boards.</p>	<ul style="list-style-type: none"> • TAG Colonia-Immobilien AG, Hamburg (Deputy Chairman of the Supervisory Board)
<p>Achim Betz First Deputy Chairman of the Supervisory Board</p> <p>Member and Deputy Chairman since November 2014. First Deputy Chairman since March 2020.</p> <p>Chairman of the Audit Committee since 1 January 2022.</p>	<p>German CPA and Tax Consultant, Master in Business Administration,</p> <p>ba audit gmbh Wirtschaftsprüfungs-gesellschaft, Berlin (Managing Partner).</p>	<ul style="list-style-type: none"> • Hevella Capital GmbH & Co. KGaA, Potsdam (Chairman of the Supervisory Board) • Deutsche Leibrenten Grundbesitz AG, Frankfurt am Main (Deputy Chairman of the Supervisory Board) • NeXR Technologies SE, Berlin (Deputy Chairman of the Administrative Board), listed company • Bankhaus Obotritia GmbH, Munich (Member of the Audit Committee)
<p>Kristian Schmidt-Garve Second Deputy Chairman of the Supervisory Board</p> <p>Member since March 2018. Second Deputy Chairman since March 2020.</p>	<p>Lawyer,</p> <p>MIG Verwaltungs AG (Member of the Executive Board/General Partner), Munich.</p>	<ul style="list-style-type: none"> • Linus Digital Finance AG, Berlin (Member of the Supervisory Board), listed company • Cynora GmbH, Munich (Chairman of the Advisory Board) • NavVis GmbH, Munich, (Member of the Advisory Board)
<p>Cathy Bell-Walker Member of the Supervisory Board</p> <p>Member from March 2020 until 11 November 2022.</p> <p>Member of the Audit Committee from 1 January 2022 to 11 November 2022.</p>	<p>Solicitor (England & Wales),</p> <p>Allen & Overy LLP, London.</p>	<ul style="list-style-type: none"> • None
<p>Johannes C.G. (Hank) Boot Member of the Supervisory Board</p> <p>Member since April 2016.</p>	<p>CIO,</p> <p>Lotus Family Office, London.</p>	<ul style="list-style-type: none"> • Gerlin NV, Maarsbergen, The Netherlands (Member of the Supervisory Board) • Orange Horizon Capital Group S.A., Leudelange, Luxembourg (Director/ Member of the Administrative Board), listed company
<p>Nicholas Cournoyer Member of the Supervisory Board</p> <p>Member from April 2016 until 5 May 2023.</p>	<p>Chairman,</p> <p>Montpelier Foundation Limited, London.</p>	<ul style="list-style-type: none"> • None

Ms Cathy Bell-Walker, member of the Supervisory Board as well as the Audit Committee, resigned from her office for personal reasons with immediate effect on 11 November 2022. The Supervisory Board members Mr Nicholas Cournoyer and Mr Kristian Schmidt-Garve informed the Company in January 2023 that they would resign from their offices for personal reasons with effect from the end of the Annual General Meeting 2023. Mr Cournoyer already did so for health reasons on 5 May 2023. Following these resignations, the Company will propose to the 2023 Annual General Meeting that the Supervisory Board be reduced to four members (previously six).

4.5. Management Board

During the reporting period, the Management Board consisted of the following members:

Name	Profession	Memberships in other supervisory bodies
Rolf Elgeti Chairman of the Management Board	Chief Executive Officer (CEO)	<ul style="list-style-type: none"> • TAG Immobilien AG, Hamburg (Chairman of the Supervisory Board, until 16 May 2023), listed company • Deutsche Leibrenten Grundbesitz AG, Frankfurt am Main (Chairman of the Supervisory Board) • creditsheff Aktiengesellschaft, Frankfurt am Main (Chairman of the Supervisory Board), listed company • NeXR Technologies SE, Berlin (Chairman of the Administrative Board), listed company • Obotritia Hotel SE, Potsdam (Chairman of the Administrative Board) • OboTech Acquisition SE, Bitbourg, Luxembourg (Chairman of the Administrative Board and CEO), listed company • HLEE (Highlight Event and Entertainment AG), Pratteln, Switzerland (Member of the Administrative Board, until 27 March 2023), listed company • Laurus Property Partners, Munich (Member of the Advisory Board) • Bankhaus Obotritia GmbH, Munich (Member of the Audit Committee)
Alexander Kroth Member of the Management Board	Chief Investment Officer (CIO)	<ul style="list-style-type: none"> • None
Christian Hellmuth Member of the Management Board	Chief Financial Officer (CFO)	<ul style="list-style-type: none"> • None

For details on Supervisory Board and Management Board compensation, please refer to the Compensation Report for the 2021/2022 financial year.

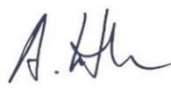
4.6. Significant events after the balance sheet date

The transfer of benefits and encumbrances of the acquired property in Suhl (Thuringia) took place after the balance sheet date on 1 April 2023. At the same time, the supermarket in Salzweg (Bavaria), which was sold in February 2023 by notarised purchase agreement, was transferred to the buyer on 1 April 2023 after full payment of the purchase price.

Potsdam, 12 May 2023



Rolf Elgeti
Chairman of the Management Board (CEO)



Alexander Kroth
Member of the Management Board (CIO)



Christian Hellmuth
Member of the Management Board (CFO)

Statement from the Company's legal representatives

"We assure to the best of our knowledge that, in accordance with the applicable accounting standards for half-yearly financial reporting, the half-yearly financial statements as of 31 March 2023 give a true and fair view of the asset, financial and earnings position of Deutsche Konsum REIT-AG and that the interim management report gives a true and fair view of the development of the business including the business result and the situation of the Company and describes the main opportunities and risks associated with the Company's expected development for the remaining months of the financial year."

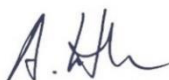
Potsdam, 12 May 2023

Deutsche Konsum REIT-AG



Rolf Elgeti

Chairman of the
Management Board (CEO)



Alexander Kroth

Member of the
Management Board (CIO)



Christian Hellmuth

Member of the
Management Board (CFO)

About Deutsche Konsum REIT-AG

Deutsche Konsum REIT-AG, Broderstorf, is a listed real estate company focusing on German retail properties for everyday consumer 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 lifting hidden reserves. The shares of the Company are traded on the Prime Standard of Deutsche Börse (ISIN: DE000A14KRD3) and by way of a secondary listing on the JSE (JSE Limited) (South Africa).

At the time of publication of this half-yearly financial report, Deutsche Konsum holds on a pro forma basis a retail portfolio with a lettable area of more than 1,085,000 sqm and an annualised annual rent of around EUR 78.0 million, spread over 184 properties. The balance sheet value of the pro forma portfolio is currently around EUR 1.1 billion.

Deutsche Konsum REIT-AG share

As at	10 May 2023
ISIN	DE000A14KRD3
WKN	A14KRD
Ticker symbol	DKG
Initial offering	15/12/2015
Number of shares	35,155,938
Share capital	EUR 35,155,938.00
Trading locations	XETRA, Frankfurt, Berlin and JSE (Johannesburg/South Africa; secondary listing)
Market segment	Prime Standard
Indices	CDAX, RX REIT, DIMAX
Share price (closing price Xetra on 10 May 2022)	EUR 6.98
Market capitalisation	EUR 245 million
52W – high/low (Xetra)	EUR 12.80/6.46

Financial calendar

12 May 2023	Publication of the half-yearly financial report of 2022/2023 financial year
14 August 2023	Publication of the quarterly statement for the third quarter of 2022/2023 financial year
18 September 2023	Berenberg and Goldman Sachs Twelfth German Corporate Conference, Munich
19 September 2023	Baader Investment Conference, Munich
28 November 2023	Deutsches Eigenkapitalforum, Frankfurt am Main
19 December 2023	Publication of the final annual statements/annual financial report for the financial year 2022/2023

Publisher

The Management Board of Deutsche Konsum REIT-AG.

Contact

Deutsche Konsum REIT-AG

Business address:

August-Bebel-Str. 68

14482 Potsdam

Germany

Phone +49 (0) 331 74 00 76 -50

Fax +49 (0) 331 74 00 76 -520

Email ir@deutsche-konsum.de

(Incorporated in the Federal Republic of Germany)

(Registration number HRB 13072)

FSE Share Code: A14KRD

JSE Share Code: DKR

ISIN: DE000A14KRD3

LEI: 529900QXC6TDASMCSU89

JSE Sponsor

PSG Capital

Disclaimer

This half-yearly financial report contains forward-looking statements. These are based on current estimates and are, therefore, subject to risks and uncertainties. In this respect, the events actually occurring may deviate from the statements formulated here.

The report is also available in English. In doubtful cases, the German version is authoritative.

Deutsche
Konsum
REIT-AG

