


COMPANY AND SHAREHOLDERS	2
ON THE RIGHT TRACK	28
COMBINED MANAGEMENT REPORT	43
Group principles	44
Economic report	53
Further legal information	74
Opportunities and risks	96
Forecast	107
CONSOLIDATED FINANCIAL STATEMENTS	109
FURTHER DISCLOSURES	205

MATERIAL AGREEMENTS OF THE COMPANY THAT ARE CONDITIONAL UPON A CHANGE OF CONTROL FOLLOWING A TAKEOVER BID AND THE RESULTING EFFECTS

The majority of the existing debt financing agreements (including the 2019/2024 corporate bond) provide for an extraordinary termination right for the creditors of Group companies concerned in the event of a change of control.

COMPANY COMPENSATION AGREEMENTS WITH THE EXECUTIVE BOARD AND EMPLOYEES IN THE EVENT OF A TAKEOVER BID

None of the Executive Board members or employees have an extraordinary special right of termination in the event of the direct or indirect acquisition of control of the voting rights of the Company of at least 50% of the voting rights or a comparable situation that restricts the power of management of the Executive Board of the Company.

Corporate Governance Statement

On 17 February 2023, the Executive Board of the Company issued its Corporate Governance Statement in accordance with Sections 315d and 289f of the German Commercial Code (HGB) and made it generally and permanently accessible on the Company's website at www.demire.ag in the "Company" section under the heading "Corporate Governance".

Remuneration Report 2022

The Remuneration Report, pursuant to Section 162 of the German Stock Corporation Act (AktG), provides details regarding the individual remuneration of current and former Executive Board and Supervisory Board members of DEMIRE Deutsche Mittelstand Real Estate AG ("DEMIRE AG") during the 2022 financial year.

The Remuneration Report contains detailed information on the remuneration system, which is necessary for providing clarity with regard to the disclosures, on the remuneration of benefits provided to members of the Executive Board and the remuneration paid to the members of the Supervisory Board, as well as details of how the remuneration promotes the long-term development of DEMIRE AG. Pursuant to Section 162 AktG, the Executive Board and Supervisory Board are responsible for preparing the Remuneration Report.

Overview of the 2022 financial year

RESOLUTION ON THE APPROVAL OF THE REMUNERATION REPORT FOR THE PREVIOUS FINANCIAL YEAR 2021

The Remuneration Report prepared by DEMIRE in accordance with the requirements of Section 162 AktG regarding the remuneration granted and owed to the current and former members of the Executive Board and Supervisory Board of DEMIRE Deutsche Mittelstand Real Estate AG in the previous financial year 2021 was approved by the Annual General Meeting on 18 May 2022 with a majority of 98.87% of the capital represented pursuant to Section 120a (4) AktG. Due to the approval, there was therefore no reason to adjust the reporting.

REMUNERATION SYSTEM FOR THE EXECUTIVE BOARD MEMBERS IN THE 2022 FINANCIAL YEAR

At the Annual General Meeting held on 28 April 2021, approval was given for a new remuneration system ("**New remuneration system**") for the Executive Board members of DEMIRE AG. This was passed with a majority of 99.71% of the capital represented (www.demire.ag/en/annual-general-meeting).

☰

COMPANY AND SHAREHOLDERS	2
ON THE RIGHT TRACK	28
COMBINED MANAGEMENT REPORT	43
Group principles	44
Economic report	53
Further legal information	74
Opportunities and risks	96
Forecast	107
CONSOLIDATED FINANCIAL STATEMENTS	109
FURTHER DISCLOSURES	205

The contracts of employment for the Executive Board members Ingo Hartlief and Tim Brückner were extended until 31 December 2024 by way of extension agreements concluded on 26 May 2021.

Given that the agreed changes to the remuneration of the Executive Board in accordance with the extension agreements dated 26 May 2021, as well as the agreements themselves, came into effect as of **1 January 2022**, the Executive Board members were granted remuneration as of the 2022 financial year in accordance with the requirements of the new remuneration system (“**New remuneration system**”). Accordingly, this “New remuneration system” is presented below.

In contrast, components of the remuneration that relate to the performance period prior to 1 January 2022 – such as the “Short-Term Incentive” earned in the 2021 financial year – are based on the previous remuneration system (referred to here as the “**Old remuneration system**”). The relevant, important key points of the “Old remuneration system” are therefore presented at the appropriate place in this Remuneration Report (see below).

The remuneration of the Executive Board is reviewed on a regular basis by the Supervisory Board.

In the 2022 financial year, the basic remuneration, the annual allocation amount of the LTI and the contractually defined target amount of the STI of the Executive Board members Ingo Hartlief and Tim Brückner were increased on the basis of the extension agreements of 26 May 2021. The basic remuneration of Mr Ingo Hartlief was increased from EUR 400,000.00 gross (in FY 2021) to EUR 420,000.00 gross (in FY 2022). The basic remuneration of Mr Tim Brückner was increased from EUR 240,000.00 gross (in FY 2021) to EUR 252,000.00 gross (in FY 2022). The annual allotment for the LTI was increased from EUR 310,000.00 gross (in FY 2021) to EUR 325,000.00 gross (in FY 2022) for Mr Ingo Hartlief at the beginning of 2022. An increase in the annual allocation for the LTI was also made for Mr Tim Brückner in FY 2022. The annual allocation for the LTI was increased for Mr Brückner at the beginning of 2022 from EUR 185,000.00 gross (in FY 2021) to EUR 192,000.00 gross (in FY 2022). There was also an increase in the contractual target amount for the STI

for both Mr Hartlief and Mr Brückner in FY 2022 compared to FY 2021. However, as this Remuneration Report only refers to the bonus earned in the 2021 financial year and consequently paid out in the 2022 financial year, the corresponding presentation is reserved for the 2023 remuneration report.

Furthermore, the Supervisory Board laid down the performance criteria with regard to performance-related variable remuneration elements for the 2022 financial year. Details on the Executive Board members’ bonuses which were vested in the 2022 financial year are reserved for the remuneration report for the 2023 financial year. They are therefore not presented in this remuneration report.

The Chairman of the Executive Board Mr Ingo Hartlief left the Company with effect from the end of 31 December 2022. More details on the amount of his severance payment are given below.

REMUNERATION SYSTEM OF THE SUPERVISORY BOARD MEMBERS IN THE 2022 FINANCIAL YEAR

The remuneration system for the Supervisory Board, as laid down in Section 16 of the Articles of Association, was also approved at the Annual General Meeting held on 28 April 2021. This was passed with a majority of 99.99% of the capital represented. A resolution was passed at the Annual General Meeting held on 28 April 2021 to increase the remuneration of Supervisory Board members from EUR 30,000 to EUR 40,000.00 for each regular Supervisory Board member, with effect from the start of the 2021 financial year. The Chairman of the Supervisory Board receives triple the aforementioned amount and the Vice Chairman receives double the aforementioned amount. Any VAT accruing on these amounts, where applicable, shall also be remunerated.

The remuneration system for the Supervisory Board – as laid down in Section 16 of the Articles of Association (version dated 22 September 2020) – was applied in full.



COMPANY AND SHAREHOLDERS 2

ON THE RIGHT TRACK 28

COMBINED
MANAGEMENT REPORT 43

Group principles 44

Economic report 53

Further legal information 74

Opportunities and risks 96

Forecast 107

CONSOLIDATED
FINANCIAL STATEMENTS 109

FURTHER DISCLOSURES 205

Detailed breakdown of Executive Board remuneration during the 2022 financial year

OVERVIEW OF “NEW REMUNERATION SYSTEM”

The “New remuneration system” for Executive Board members is aligned with the Company’s sustainable corporate performance in the long term and is therefore set up as a relevant element for implementing DEMIRE AG’s corporate strategy.

With this in mind, the new remuneration system is divided into variable and fixed remuneration elements. The remuneration for the Executive Board consists of the basic remuneration, pension expenses, fringe benefits, a one-year variable remuneration amount (short-term incentive [STI] = bonus) and a multi-year variable remuneration amount (long-term incentive [LTI] = virtual stock option programme).

The amount of variable remuneration is therefore based on the achievement of specific targets laid down in advance.

In order to provide better insight, there is a corresponding table on the right that summarises the key features of the “New remuneration system”.

Key elements of the remuneration system from 1 January 2022 (“New remuneration system”)

REMUNERATION ELEMENT

Fixed remuneration	Basis for calculation/parameter
Basic remuneration	Contractually agreed fixed remuneration paid in twelve monthly instalments.
Fringe benefits	Provision of a company car, continued cover under the existing directors’ and officers’ liability insurance policy (D&O insurance), taking out of accident and disability insurance within the framework of a Group accident insurance policy, and continued remuneration in the event of illness or accident and payment of death benefits.
Pension expenses	Payment of contributions to statutory or appropriate private health insurance and nursing care insurance schemes subject to corresponding application of Section 257 of Volume V of the German Social Code (SGB V) and Section 61 of Volume XI of the German Social Code (SGB XI).



COMPANY AND SHAREHOLDERS 2

ON THE RIGHT TRACK 28

**COMBINED
MANAGEMENT REPORT 43**

Group principles 44

Economic report 53

Further legal information 74

Opportunities and risks 96

Forecast 107

**CONSOLIDATED
FINANCIAL STATEMENTS 109**

FURTHER DISCLOSURES 205

REMUNERATION ELEMENT

Variable remuneration	Basis for calculation/parameter
	Cap: Double the target amount
	Performance criteria: – 25%-50% Key performance indicators for the Company – 25%-50% Operational performance criteria – 10%-30% Non-financial performance criteria (Strategic targets for the Company, environmental, social and governance policy targets)
	Payment: At the end of the month in which the Company's annual financial statements for the previous year are adopted.
Bonus (short-term incentive)	Cap: Capped by way of an annual allotment defined in the contract. There is no provision for vesting of more than 100% of the granted PSUs. Regardless of the target achievement or number of vested PSUs, the maximum payment per PSU is capped at 250% of the price when granted. The maximum value and the threshold for the share price increase are determined in advance by the Supervisory Board. Likewise, the maximum value and the threshold for the Relative Total Shareholder Return performance are also defined in advance by the Supervisory Board.
	Performance criteria: – 50% Annual share price increase – 50% Relative Total Shareholder Return
	Payment: On 31 March of the year following vesting (vesting takes place four years after the grant date, depending on the achievement of pre-defined performance targets)
Virtual stock option programme (Long-Term Incentive)	

REMUNERATION ELEMENT

Other remuneration provisions	Basis for calculation/parameter
	Capping of total remuneration granted for a given financial year in accordance with Section 87a(1)(2) No. 1 AktG: – CEO: EUR 1,580,000.00 gross p.a. – Regular Executive Board members: EUR 960,000.00 gross p.a.
Maximum remuneration	The severance payment must not exceed an amount equating to two years' annual salary and must not provide remuneration for more than the remaining term of the contract ("severance payment cap"). The severance payment cap is calculated based on the total remuneration for the past financial year and, where applicable, the expected total remuneration for the current financial year.
Severance payment cap	Possible to partially or fully reduce or claw back variable remuneration.
Malus and clawback provision	Any remuneration benefits paid to undertake intra-Group Supervisory Board mandates are accounted for against the remuneration in accordance with this remuneration system. The same applies to the assumption of intra-Group Executive Board mandates. With regard to the assumption of Supervisory Board mandates external to the Group, the Supervisory Board is responsible for deciding whether and to what extent remuneration paid for these mandates is to be accounted for.
Remuneration for other mandates both within and external to the DEMIRE Group	

☰

COMPANY AND SHAREHOLDERS	2
ON THE RIGHT TRACK	28
COMBINED MANAGEMENT REPORT	43
Group principles	44
Economic report	53
Further legal information	74
Opportunities and risks	96
Forecast	107
CONSOLIDATED FINANCIAL STATEMENTS	109
FURTHER DISCLOSURES	205

DETAILED BREAKDOWN OF FIXED REMUNERATION ELEMENTS IN THE 2022 FINANCIAL YEAR

Basic remuneration in 2022 financial year

The basic remuneration for the Executive Board members is paid in twelve equal partial amounts at the end of each calendar month, representing a fixed income for Executive Board members. The annual basic remuneration for 2022 amounted to EUR 420,000.00 gross p.a. for CEO Ingo Hartlief (in FY 2021 = EUR 400,000.00 gross p.a.) and EUR 252,000.00 gross p.a. for CFO Tim Brückner (in FY 2021 = EUR 240,000.00 gross p.a.).

Fringe benefits in 2022 financial year

In addition to the basic remuneration, Executive Board members are also entitled to fringe benefits. Notable items in this context are the provision of a company car, continued cover under the existing directors' and officers' liability insurance policy (D&O insurance), accident and disability insurance within the framework of a Group accident insurance policy, continued remuneration in the event of illness or accident and payment of death benefits.


The D&O insurance includes the minimum deductible, as stipulated by law, of 10% of the loss up to the annual amount of one-and-a-half times the fixed annual remuneration pursuant to Section 93(2)(3) AktG.

The Company also has an accident insurance policy in place as part of a Group accident insurance policy, including payment of insured benefits in the amount of EUR 500,000 in the event of death and EUR 500,000 in the event of disability. The insurance premiums are paid by the Company. In the event of death, the insured benefits under the terms and conditions of insurance shall be due to a person nominated by the Executive Board or to the heirs.

In addition, the Company made a contractual commitment to Executive Board member Tim Brückner for costs of a private pension plan up to the value of the maximum voluntary monthly contribution to the statutory pension insurance scheme. Furthermore, Executive Board member Tim Brückner was granted the right to waive the provision of a company car and instead receive a car allowance as an additional salary component totalling EUR 1,500 gross per month. This salary component also covers all travel expenses of the Executive Board member (e.g. business trips with a private car, taxi rides, trips with a rental car or on public transport) to the extent that a company car would have been used, had it been provided.

In more detailed formulation of the regulations of the remuneration system, it is regulated in the Executive Board employment contracts that in the case of a temporary incapacity to work owing to illness, accident or other reason for which the Executive Board member is not responsible, the fixed annual salary shall continue to be paid for a period of up to six months from the date said incapacity to work commenced, but not beyond the termination of the Executive Board employment contract in question. The Executive Board member must offset any sickness allowance, daily sickness allowance or pensions they received from health insurance funds, pension funds or other insurers or pension funds against these payments, unless the benefits are based exclusively on the contributions made by the Executive Board member in question.

If the Executive Board member dies during the term of the Executive Board employment contract, their spouse or civil partner within the meaning of Section 1 of the German Act on Registered Life Partnerships (Lebenspartnerschaftsgesetz, LPartG), or dependent children as joint creditors, shall be entitled to receive the full fixed annual salary for the month in which the Executive Board members dies and for the following three months, though no longer than until the end of the regular term of the Executive Board employment contract.



COMPANY AND SHAREHOLDERS	2
ON THE RIGHT TRACK	28
COMBINED MANAGEMENT REPORT	43
Group principles	44
Economic report	53
Further legal information	74
Opportunities and risks	96
Forecast	107
CONSOLIDATED FINANCIAL STATEMENTS	109
FURTHER DISCLOSURES	205

Pension expenses in 2022 financial year

Pension expenses consist of payment of contributions to voluntary statutory or private health insurance and nursing care insurance schemes subject to corresponding application of Section 257 of Volume V of the German Social Code (SGB V) and Section 61 of Volume XI of the German Social Code (SGB XI).

DETAILED BREAKDOWN OF VARIABLE REMUNERATION ELEMENTS IN THE 2022 FINANCIAL YEAR

The variable remuneration is composed of a one-year performance-based bonus (short-term incentive) and a multi-year performance-based bonus (long-term incentive).

One-year performance-based remuneration paid out in the 2022 financial year (2021 bonus in accordance with the “Old remuneration system”) Basic structure (“Old remuneration system” to be applied here)

The bonus (short-term incentive) is used as a variable remuneration element with an incentivising effect in the short term. The term is therefore limited to one year. As stated above, this Remuneration Report focuses exclusively on the bonus vested in the 2021 financial year, which was paid out in the 2022 financial year. As the performance period from 1 January 2021 to 31 December 2021 still relates to a period for which the “Old remuneration system” applies, the following presentations refer to the “Old remuneration system”.

Accordingly, the contractually agreed target bonus, i.e. the bonus for 100% target achievement, was EUR 190,000 gross for Mr Hartlief and EUR 115,000 gross for Mr Brückner. If the target is exceeded or not reached, the bonus increases or decreases accordingly. It is capped at 200% of the target value. The targets are set by the Supervisory Board at its reasonable discretion for the current financial year.

Performance criteria

The announcement of a bonus, linked to the targets laid down for the respective financial year, aims to foster sustainable corporate performance in the long term.

These are in line with the interests of DEMIRE AG stakeholders. In order to promote sustainable, long-term corporate performance, the Company set itself targets that were both financial and non-financial in nature. The performance criteria for the variable remuneration are selected on the basis of the Company’s strategic objectives.

For the Executive Board member Ingo Hartlief, a gross payment amount of EUR 285,000.00 was determined in the 2022 financial year for the 2021 performance period. For the Executive Board member Ingo Hartlief, a gross payment amount of EUR 172,000.00 was determined in the 2022 financial year for the 2021 performance period.

The bonus vested in the 2021 financial year was paid to the Executive Board members at the end of the month in which the Company’s annual financial statements for the 2021 financial year were adopted, i.e. at the end of March 2022. This payment must therefore be attributed to remuneration granted for the 2022 financial year pursuant to Section 162(1) AktG.

The 2021 bonus is based on the Old remuneration system. The following performance criteria and other criteria were used in the 2021 financial year to assess the achievement of targets:

☰

COMPANY AND SHAREHOLDERS	2
ON THE RIGHT TRACK	28
COMBINED MANAGEMENT REPORT	43
Group principles	44
Economic report	53
Further legal information	74
Opportunities and risks	96
Forecast	107
CONSOLIDATED FINANCIAL STATEMENTS	109
FURTHER DISCLOSURES	205

FOR MR TIM BRÜCKNER:

1. Qualitative targets

The qualitative objectives related in particular to internal and external reporting, compliance and risk management, the ESG system and the sustainability report, the service provider structure and the shareholder structures of the subsidiaries, as well as the improvement of the activities of the fund participations.

2. Quantitative targets

The quantitative targets related to the achievement of the corporate goals communicated to the capital market, the level of rental income and funds from operations (FFO) and dividend payments.

FOR MR INGO HARTLIEF:

1. Qualitative targets

The qualitative targets included, in particular, targets related to COVID-19 crisis management, the ESG system and the sustainability report, service provider relations, cost management, as well as targets related to repositioning certain real estate properties.

2. Quantitative targets

The quantitative targets related to dividend payments, FFO, optimisation of the real estate portfolio and new lettings.

In terms of target achievement for Mr Hartlief, the Supervisory Board came to the unanimous conclusion that the qualitative targets were fully achieved, in fact in some cases there was even a slight over-achievement, particularly with regard to cost management. In terms of quantitative targets, the Supervisory Board was of the opinion that there was a significant and pleasing increase compared to the agreed targets, particularly with regard to letting performance and FFO, although difficult market conditions continued to be observed due to the pandemic situation. In the opinion of the Supervisory Board, all this justified granting Mr Hartlief a bonus of 150% of the basic bonus.

With regard to Mr Brückner, the Supervisory Board unanimously came to the conclusion that the targets had been partly achieved, but also partly clearly exceeded. This relates in particular to the optimisation of the service structures as well as the company structures in the subsidiaries. A considerable reduction in complexities was achieved here, which is also reflected in a corresponding reduction in administrative expenses. The quantitative targets were also exceeded to a not inconsiderable extent, leading the Supervisory Board to conclude that Mr Tim Brückner should be granted a bonus amounting to 150% of the basic bonus.

The bonus granted corresponds to the applicable “Old remuneration system”, which provides both short-term and long-term incentives for the Executive Board. The mix of financial targets as well as targets related to structural issues helps to promote the long-term development of the Company, generating growth, improving operational and financial key figures and increasing the Company’s value over the long term.

VIRTUAL STOCK OPTION PROGRAMME (LONG-TERM INCENTIVE) IN THE 2022 FINANCIAL YEAR

Basic structure (2022/2026 tranche)

Executive Board members of DEMIRE AG are to be granted annual virtual stock options (otherwise known as “performance share units” or “PSUs”) as part of a long-term, share-based variable remuneration package in the form of a virtual stock plan (performance share plan). Provision is made here for the tranches of the virtual stock options to be granted on 1 January of a given year. The number of PSUs granted each year is calculated using an annual allotment contractually agreed in advance that is divided by the average share price of DEMIRE AG 60 trading days prior to 1 January of a given year (“grant date”).

The number of granted PSUs is shared by the Supervisory Board in a grant letter written to the Executive Board members within four weeks of the grant date.



COMPANY AND SHAREHOLDERS	2
ON THE RIGHT TRACK	28
COMBINED MANAGEMENT REPORT	43
Group principles	44
Economic report	53
Further legal information	74
Opportunities and risks	96
Forecast	107
CONSOLIDATED FINANCIAL STATEMENTS	109
FURTHER DISCLOSURES	205

The granted PSUs are also vested after a performance period of four years after the grant date (“**date of any vesting**”, also referred to as “**vesting**”), depending on the achievement of performance targets laid down in advance. As a result, the number of PSUs originally granted may fit within a range of between 0% and 100% depending on the performance level achieved. If the performance level is below a defined threshold in the respective targets as described, 0% of the granted PSUs will be vested. Upon reaching the respective threshold, 50–100% of the granted PSUs will then be vested.

The vested PSUs are paid out in cash in euro on 31 March of the year after vesting. The payment amount is calculated by multiplying the number of vested PSUs by the average share price of DEMIRE AG 60 trading days prior to vesting. This long-term variable remuneration in the form of the performance share plan aims to align the interests of the Executive Board members and the shareholders even more closely with each other so as to achieve sustainable growth in the Company’s value. The performance share plan also ensures that the Executive Board is committed to the Company in the long term and increases its motivation level.

Performance criteria for performance share plan for the 2022/2026 tranche

The performance targets for the virtual stock option programme comprise 50% for the annual share price increase and 50% for the relative total shareholder return (relative TSR), each measured over the four-year performance period.

Once the four-year performance period has ended, the Supervisory Board shall then review the extent to which the targets have been achieved. The individual target achievement is then measured in terms of whether and indeed how many virtual shares were actually vested. The maximum possible number of PSUs (100% of granted PSUs) are vested if the maximum value of the share price increase target and the maximum value of the relative TSR target, as defined in advance by the Supervisory Board for each tranche, are achieved. At least 50% of granted PSUs are vested if the share price increase threshold and the relative TSR threshold, as defined in advance by the Supervisory Board for each tranche, are achieved.

Each plan tranche is subject to a performance period of four years. The annual share price increase is calculated as a compound annual growth rate over the four-year performance period. The relative TSR compares the development of DEMIRE’s total shareholder return with the performance of the return of the EPRA/NAREIT Developed Europe ex UK Index over the four-year period.

At the start of a given year, i.e. the grant date (see above), the maximum value and the threshold for the annual DEMIRE AG share price increase are defined by the Supervisory Board. With regard to the 2022 tranche, the maximum value is 14% per annum and the corresponding threshold is 7% per annum.

Likewise, the maximum value and the threshold for the relative TSR performance are also defined in advance by the Supervisory Board. With regard to the 2022 tranche, the maximum value for the relative TSR is 10 percentage points and the corresponding threshold is minus 10 percentage points.

Achievement of the maximum value of both the share price increase target and the TSR target will result in 100% of the granted PSUs being vested. Achievement of the threshold for both the share price increase target and the TSR target will result in 50% of the granted PSUs being vested.

Within the range between the threshold and maximum value within the respective target, 50–100% of the granted PSUs will be vested in a linear manner. If the performance level falls below the threshold in the respective targets, the respective granted PSUs will lapse.

There is no provision for vesting of more than 100% of the granted PSUs.

Regardless of the target achievement or number of vested PSUs, the maximum payment per PSU is capped at 250% of the price when granted.



COMPANY AND SHAREHOLDERS 2

ON THE RIGHT TRACK 28

**COMBINED
MANAGEMENT REPORT 43**

Group principles 44

Economic report 53

Further legal information 74

Opportunities and risks 96

Forecast 107

**CONSOLIDATED
FINANCIAL STATEMENTS 109**

FURTHER DISCLOSURES 205

In the more detailed formulation of the LTI regulation, the Supervisory Board has included explanations on dilution protection in the LTI programme. Accordingly, if, during the LTI term, DEMIRE AG undertakes corporate actions that impact the value of its real shares, the Executive Board member shall be treated in the same way as the owner of real shares in relation to the PSUs granted to them. If shares are split or consolidated during the LTI term, the number of PSUs shall be increased or reduced in accordance with the respective rules for the share split or share consolidation. If, during the LTI term, shareholders are granted shares out of the Company's own funds ("bonus shares"), the number of PSUs shall be increased in accordance with the acquisition rules for the real bonus shares.

The inclusion of a remuneration element linked to the share price harmonises the goals and interests of senior management and shareholders.

The incentive given here to Executive Board members to increase the Company's value in a robust and sustainable way, including in their own interests, will therefore benefit everyone.

In addition, use of the relative total shareholder return ensures greater objectivity as this performance criterion is linked to the capital markets and also allows comparisons to be made with peers.

PSUs granted in the 2022 financial year (2022/2026 tranche)

In total, **120,513** (75,758 + 44,755) PSUs were provisionally granted to the Executive Board members in the 2022 financial year [contractually agreed annual allotment divided by the average share price 60 trading days prior to the grant date (for more information see the explanation of "grant date" above)]:

DETAILED BREAKDOWN OF PSUS GRANTED

	Contractually agreed annual allotment	Allotment price (Average DEMIRE share price 60 trading days prior to the grant date)	Number of provisionally allotted PSUs
Ingo Hartlief	EUR 325,000 gross	EUR 4.29	75,758
Tim Brückner	EUR 185,000 gross	EUR 4.29	44,755

Certain circumstances surrounding an individual's departure may result in the forfeiture of PSUs whose performance period has not yet concluded ("bad leaver").

OTHER REMUNERATION PROVISIONS IN THE 2022 FINANCIAL YEAR

Details regarding the defined maximum remuneration amounts for Executive Board members and compliance with said amounts in the 2022 financial year

The remuneration for Executive Board members is capped by value. The variable remuneration elements are subject to upper limits.

A maximum limit of 200% of the target amount is therefore stipulated for the short-term incentive (bonus).

The LTI (virtual stock option programme) also stipulates various capping provisions.

With regard to the 2019/2023 tranche, a cap is in place by way of an annual allotment stipulated in the contract. Furthermore, the actual payment amount depends on the long-term performance of the Company's share price and is capped at a maximum amount determined on an individual basis for the respective Executive Board member (a maximum amount of EUR 220,000 gross for Mr Ingo Hartlief and a maximum amount of EUR 75,000 gross for Mr Tim Brückner).



COMPANY AND SHAREHOLDERS 2

ON THE RIGHT TRACK 28

**COMBINED
MANAGEMENT REPORT** 43

Group principles 44

Economic report 53

Further legal information 74

Opportunities and risks 96

Forecast 107

**CONSOLIDATED
FINANCIAL STATEMENTS** 109

FURTHER DISCLOSURES 205

With regard to the 2022/2026 tranche, it is not just the allotment that is capped by way of an annual amount stipulated in the contract. There is also no provision for vesting of more than 100% of the granted PSUs. Thirdly, the maximum payment per PSU is capped at 250% of the share price as at the grant date, regardless of the target achievement or number of vested PSUs.

The following illustration shows that these maximum limits were all complied with in relation to the variable remuneration granted and owed in the 2022 financial year:

Compliance with the specified maximum amounts with respect to the variable remuneration components in the 2022 financial year

**INGO HARTLIEF – CHAIRMAN OF THE EXECUTIVE BOARD
FROM 20 DECEMBER 2018 UNTIL 31 DECEMBER 2022**

in EUR (gross)		Target (for the financial year 2021) remuneration	Maximum (for the financial year 2021)	Payment (of STI for the financial year 2021)
One-year variable remuneration	Bonus for 2022 (short-term incentive)	190,000	380,000	285,000 (STI for FY 2021, see above)
	LTI (2022/2026 tranche)			
Multi-year variable remuneration	Value of granted PSUs (2022/2026 tranche) = 325,000	325,000	812,500 (Cap of 2.5x upon payment)	-1

TIM BRÜCKNER – CHIEF FINANCIAL OFFICER SINCE 1 FEBRUARY 2019

in EUR (gross)		Target (for financial year 2021) remuneration	Maximum (for financial year 2021)	Payment (of STI for the financial year 2021)
One-year variable remuneration	Bonus for 2022 (short-term incentive)	115,000	230,000	172,000 (STI for FY 2021, see above)
	LTI (2022/2026 tranche)			
Multi-year variable remuneration	Value of granted PSUs (2022/2026 tranche) = 192,000	192,000	480,000 (Cap of 2.5x upon payment)	-

Secondly, the Supervisory Board has set a maximum remuneration in accordance with Section 87a(1)(2) No. 1 AktG. The maximum remuneration (sum of basic remuneration, fringe benefits, including pension expenses, as well as short-term and long-term variables) is as follows:

- CEO: EUR 1,580,000.00 gross p.a.
- Regular Executive Board members: EUR 960,000.00 gross p.a.

The maximum remuneration refers to the sum of all payments resulting from the remuneration regulations in a financial year. This maximum remuneration can only be reviewed retrospectively when the payment from the LTI tranche issued for the respective financial year has been determined.

As no LTI tranche ended in the 2022 financial year, no definitive report on compliance with the maximum remuneration can be provided in this Remuneration Report.



COMPANY AND SHAREHOLDERS 2

ON THE RIGHT TRACK 28

**COMBINED
MANAGEMENT REPORT** 43

Group principles 44

Economic report 53

Further legal information 74

Opportunities and risks 96

Forecast 107

**CONSOLIDATED
FINANCIAL STATEMENTS** 109

FURTHER DISCLOSURES 205

**REMUNERATION UPON TERMINATION OF CONTRACT
IN THE 2022 FINANCIAL YEAR**

Severance payment provisions

In the event that the appointment of an individual as an Executive Board member is effectively revoked pursuant to Section 84(3) AktG without there being a compelling reason for the Company to effect extraordinary termination within the meaning of Section 626(1) of the German Civil Code (BGB) or without such revocation being based on a gross dereliction of duties or inability to properly manage the Company's affairs within the meaning of Section 84(3) AktG, the employment contracts of the Executive Board member may provide for a severance payment to compensate for the residual remuneration claims for the period up to the regular end of the respective employment contract of the Executive Board member. A maximum remaining contractual term of two years shall be considered for this purpose. The severance payment must not exceed an amount equating to two years' annual salary and must not provide remuneration for more than the remaining term ("severance payment cap"). The severance payment cap is calculated based on the total remuneration for the past financial year and, where applicable, the expected total remuneration for the current financial year. Only the following elements are taken into account for the calculation here:

- > The fixed annual basic salary
- > 100% of the bonus (STI)
- > 100% of the allotment for the virtual stock option programme (LTI).

If the respective Executive Board member has resigned for "good cause", has not received an extension of their Executive Board employment contract or ends their activity as an Executive Board member owing to disability (invalidity), retirement or death (also known as a "good leaver"), the performance share plan will differ as follows:

In the event of disability (invalidity) or death, all granted and vested PSUs shall be paid out immediately at the DEMIRE AG share price valid at that time, regardless of the extent of any target achievement. In all other instances constituting a good

leaver, provision is in place for an accelerated pro-rata vesting of outstanding and/or granted PSUs. No further amounts shall be granted from other tranches. Payment shall be made at the date originally specified and regardless of the extent of any target achievement. The Supervisory Board may deviate from these provisions in justified individual circumstances.

The CEO Ingo Hartlief left the company with effect from the end of 31 December 2022. In this context, Mr Hartlief was promised a severance payment in the amount of EUR 1,080,000.00 gross. This severance payment was due to be paid with the usual salary payment in January 2023. In addition, it was agreed that Mr Hartlief would receive a bonus for the past 2022 financial year in the amount of EUR 270,000 gross, which was due with the usual salary payment in January 2023. The agreement on a specific amount for the bonus was made in the interest of an overall settlement and mutual legal certainty. In addition, the severance payment covers all currently existing and/or future claims, including any claims from the LTI. The specifications of the "severance payment cap" described above were complied with accordingly. The severance payment does not exceed two years' remuneration (total remuneration for the past financial year and, if applicable, the expected total remuneration for the current financial year).

**Compliance with the specified maximum amounts
with regard to the severance payment**

INGO HARTLIEF – CEO FROM 20 DECEMBER 2018 TO 31 DECEMBER 2022

in EUR (gross)	Basic remuneration	STI	LTI	Total
"Severance payment cap"	840,000 (420,000 x 2)	430,000 (215,000 ¹ x 2)	650,000 (325,000 ² x 2)	1,920,000
Agreed severance payment				1,080,000

¹ Target amount for the STI as at 1 January 2022
² Annual allocation for the LTI as at 1 January 2022

☰

COMPANY AND SHAREHOLDERS	2
ON THE RIGHT TRACK	28
COMBINED MANAGEMENT REPORT	43
Group principles	44
Economic report	53
Further legal information	74
Opportunities and risks	96
Forecast	107
CONSOLIDATED FINANCIAL STATEMENTS	109
FURTHER DISCLOSURES	205

Post-contractual non-competition clause

There are no post-contractual non-competition clauses. As a result, there is no provision in place in the remuneration system for payment of compensation for restrictions on competition.

Change of control

In the event of (a) the direct or indirect acquisition of control of at least 50% of the voting rights of the Company or (b) a comparable situation that would similarly restrict the Executive Board's managerial authority over the Company, the Supervisory Board may decide to continue or bring about early termination of the virtual stock plan and settle any such early termination at its own discretion. If the Supervisory Board decides in favour of paying out the PSUs early as part of a change of control, this must be completed, where possible, either immediately or, at the very latest, three months after notification of the change of control or comparable situation is received. If, within twelve months of a change of control and in the case of the continuation of the virtual stock plan, the managerial authority of an Executive Board member is restricted or the benefits contractually assured to the Executive Board member are reduced, the Executive Board member in question will be treated as a good leaver in the event of termination within twelve months of the change of control with regard to the severance payment for instruments already granted and yet to be vested (for more information see [Severance payment provisions](#)).

There is no provision in place for additional assurances of benefits arising from the early termination of the employment contract by the Executive Board member as a result of a change of control.

Malus/clawback

The Supervisory Board has the option under Section 87(2) AktG to reduce the payments or other benefits.

Furthermore, according to the "New remuneration system", the Supervisory Board may exert its reasonable discretion (Section 315 BGB) in the event of a clear and unequivocal gross breach by the Executive Board member. In such cases, it may

reduce the bonus granted for the financial year in which the breach occurred and the PSUs granted for the financial year in question, either in part or in full to zero.

The employment contracts of the Executive Board in the version of these valid until 31 December 2021 provided for a corresponding regulation, but relating to clear and unequivocal gross breaches of essential obligations. Within the framework of extending the Executive Board employment contracts, the previous regulations have been retained. This tightening of the wording of the remuneration system was necessary in order to increase the likelihood that the corresponding clauses would withstand a review of their content according to the standard of Section 305 et seqq. BGB and thus actually be enforceable in the event of a dispute.

In further detailing the malus/clawback provision of the "New remuneration system", the Supervisory Board has made additional provisions within the scope of the Executive Board employment contracts regarding its discretionary decision. Accordingly, the decision to be made at the Supervisory Board's discretion must take into account the severity of the breach, its consequences for the Company (including in particular financial and reputation damage) and the degree of fault on the part of the Executive Board member. The Supervisory Board must also ensure it observes the principle of proportionality in making its discretionary decision. Furthermore, the Supervisory Board must also consult the Executive Board member prior to a corresponding decision being taken and give him or her the opportunity to give their opinion subject to granting a reasonable deadline (hearing period). The variable remuneration may only be reduced by more than 50% if the Executive Board member acts with gross intent or a substantial loss is incurred. The Supervisory Board may only make a decision on reducing remuneration within three months of the date on which the Chairman of the Supervisory Board becomes aware of the facts relevant to making the decision on reducing remuneration (the start date of the period is similarly in accordance with Section 626(2)(2) BGB). However, a decision may not be taken any later than three years after the gross breach occurs. In the case of ongoing breaches, the start date of said breaches must be taken into account. The periods laid down in the aforementioned are suspended during the hearing period (similar to Section 209 BGB).

☰

COMPANY AND SHAREHOLDERS	2
ON THE RIGHT TRACK	28
COMBINED MANAGEMENT REPORT	43
Group principles	44
Economic report	53
Further legal information	74
Opportunities and risks	96
Forecast	107
CONSOLIDATED FINANCIAL STATEMENTS	109
FURTHER DISCLOSURES	205

If the bonus or the PSUs had already been paid out by the date the decision on reducing remuneration was taken, the Executive Board member must return any overpayments that they received. This repayment obligation is limited to the net amount paid to the Executive Board member.

The Company is also entitled in such cases to offset these amounts against the Executive Board member's other remuneration claims. A plea of impoverishment within the meaning of Section 818(3) BGB is excluded in this regard.

In further detailing the malus/clawback provision of the remuneration system, the Supervisory Board clarified within the scope of the Executive Board employment contracts that any claims for damages by the Company against the Executive Board member, in particular under Section 93(2) AktG, as well as the Company's right to give notice of termination for cause within the meaning of Section 626(1) BGB, shall remain unaffected by the corresponding provisions.

In 2022, the Supervisory Board was not aware of any case that would have given cause to make use of the clawback options. Therefore, no reclaim has been made.

In the event that the Executive Board member is unable to work for more than 90 calendar days in total in the respective financial year ("threshold"), the bonus and PSUs for the respective financial year shall be reduced by 1/365th for each day of the respective financial year that the inability to work continues beyond the threshold or increases. If the employment contract was not in force for the entire financial year, the 90-day threshold will be reduced accordingly on a pro-rata basis.

Third-party benefits

During the 2022 financial year, no Executive Board member was promised or granted benefits from a third party regarding their activity as an Executive Board member.

Remuneration for Executive Board and/or Supervisory Board mandates both within and external to the DEMIRE Group

Any remuneration benefits paid to undertake intra-Group Supervisory Board mandates are accounted for against the remuneration in accordance with the remuneration system. The same applies to the assumption of intra-Group Executive Board mandates.

Mr Tim Brückner was appointed CEO of Fair Value REIT-AG on 20 May 2019.

Mr Ingo Hartlief acted as Deputy Chairman of the Supervisory Board of Fair Value REIT-AG from 20 May 2019 until 31 December 2022.

As part of a reclassification agreement with Fair Value REIT-AG, it was agreed that salary expenses (fixed remuneration) for Mr Tim Brückner, including incidental personnel expenses and additional remuneration such as a company car, are to be passed on to Fair Value REIT-AG on a pro-rata basis. A reallocation was charged at a ratio of 30%. Executive Board member Tim Brückner did not receive separate remuneration for his activities as a member of the Executive Board of Fair Value REIT-AG.

In accordance with the remuneration system, Mr Hartlief did not receive separate remuneration for his position as Vice Chairman of the Supervisory Board of Fair Value-REIT-AG.

Mr Ingo Hartlief and Mr Tim Brückner did not observe any Executive Board and/or Supervisory Board mandates external to the Group during the 2022 financial year.



COMPANY AND SHAREHOLDERS 2

ON THE RIGHT TRACK 28

COMBINED
MANAGEMENT REPORT 43

Group principles 44

Economic report 53

Further legal information 74

Opportunities and risks 96

Forecast 107

CONSOLIDATED
FINANCIAL STATEMENTS 109

FURTHER DISCLOSURES 205

Detailed breakdown of Executive Board member remuneration during the 2022 financial year

Illustration of remuneration (including respective relative proportion) granted or owed to Executive Board members Ingo Hartlief and Tim Brückner for the 2022 financial year pursuant to Section 162 AktG

The tables below show the fixed and variable remuneration elements granted and owed to the Executive Board members Ingo Hartlief and Tim Brückner for the 2022 financial year. This illustration also includes the respective relevant proportion pursuant to Section 162 AktG. This includes the basic remuneration paid during the financial year, the fringe benefits incurred, the pension expenses paid out and the bonus paid out in the 2022 financial year, which was vested in the 2021 financial year.

The virtual stock option programme is also shown for the sake of completeness. However, given that the four-year period has yet to finish, none of the relevant amounts were granted or owed in the 2022 financial year.

REMUNERATION GRANTED AND OWED PURSUANT TO SECTION 162 AKTG FOR THE 2022 FINANCIAL YEAR

Ingo Hartlief – Chairman of the Executive Board from 20 December 2018 until 31 December 2022

		in EUR (gross)	in %
Fixed remuneration components			
	Basic remuneration 2022	420,000.00	59.0
	Fringe benefits 2022	4,622.04	0.6
Fixed remuneration	Pension expenses 2022	4,997.28	0.7
Total		429,619.32	60.0
Variable remuneration components			
One-year variable remuneration	2021 bonus (payment in March 2022)	285,000.00	40.0
	LTI 2019/2023	–	–
	LTI 2020/2024	–	–
Multi-year variable remuneration	LTI 2021/2025	–	–
	LTI 2022/2026	–	–
Total		285,000.00	40.0
Total			
Total remuneration		714,619.32	100.0



COMPANY AND SHAREHOLDERS 2

ON THE RIGHT TRACK 28

COMBINED
MANAGEMENT REPORT 43

Group principles 44

Economic report 53

Further legal information 74

Opportunities and risks 96

Forecast 107

CONSOLIDATED
FINANCIAL STATEMENTS 109

FURTHER DISCLOSURES 205

REMUNERATION GRANTED AND OWED PURSUANT TO SECTION 162 AKTG
FOR THE 2022 FINANCIAL YEAR

Tim Brückner – Chief Financial Officer since 1 February 2019

		in EUR (gross)	in %
Fixed remuneration components			
Fixed remuneration	Basic remuneration 2022	252,000.00	53.0
	Fringe benefits 2022	18,000.00	4.0
	Pension expenses 2022	31,406.88	7.0
Total		301,406.88	64.0
Variable remuneration components			
One-year variable remuneration	2021 bonus (payment in March 2022)	172,000.00	36.0
	LTI 2019/2023	-	-
	LTI 2020/2024	-	-
Multi-year variable remuneration	LTI 2021/2025	-	-
	LTI 2022/2026	-	-
Total		172,000.00	36.0
Total			
Total remuneration		473,406.88	100.0

Remuneration granted and owed to former

Executive Board members during the 2022 financial year

At the present time, a long-term incentive remains in place for the former Executive Board member Andreas Steyer in the form of a stock option plan. The long-term incentive arising from the 2015 stock option plan is owed to Mr Steyer. In the 2015 financial year, share-based payments were issued for this purpose in the form of subscription rights (stock options) to the Executive Board of DEMIRE AG and to a selected group of persons within the DEMIRE Group. The stock option programme is an option plan that is settled with equity instruments (equity-settled stock option plan). The option plan only provides for the possibility of settling the stock option programme in shares of DEMIRE AG. Accounting for the share-based payments issued is in accordance with IFRS 2. The exercise of subscription rights is subject to the Company's share price in XETRA trading on the Frankfurt Stock Exchange (or a comparable successor system) being at least 10% higher than the basic price on the trading day preceding the exercise of the subscription rights. 400,000 stock options were issued to Mr Steyer. The fair value of each option from the first tranche was EUR 2.74. In the period under review, there were no changes in the number of shares issued in comparison to the previous period. The option term is nine years from the issue date. The first four years constitute a vesting period. In the reporting period, no further expenses arose from this stock option programme. This was also the case the previous year.

Virtual stock option programmes were set up for the Executive Board member Ralf Kind back in 2017 and 2018. A provision was formed for the amount of the potential outstanding compensation. This is because the parties were still in litigious discussions about this. An agreement was made between the parties in the 2022 financial year. Payment of an amount of EUR 1,700,000 gross aims to settle all of the Executive Board member's remuneration claims which are the subject matter of the dispute as well as other remuneration claims. This amount was paid out to the former member of the Executive Board, Mr Ralf Kind, in the 2022 financial year (for more information, see the table below "Comparative presentation pursuant to Section 162(1) No. 2 AktG"). A differentiation between the performance-related and non-performance-related remuneration components of the lump-sum settlement amount is not possible; a presentation of the relative shares cannot therefore be made here.



COMPANY AND SHAREHOLDERS 2

ON THE RIGHT TRACK 28

**COMBINED
MANAGEMENT REPORT** 43

Group principles 44

Economic report 53

Further legal information 74

Opportunities and risks 96

Forecast 107

**CONSOLIDATED
FINANCIAL STATEMENTS** 109

FURTHER DISCLOSURES 205

SUPERVISORY BOARD REMUNERATION FOR THE 2022 FINANCIAL YEAR

Basic structure of the Supervisory Board remuneration

The remuneration system for the Supervisory Board is laid down in Section 16 of the Articles of Association. This ensures that the remuneration for Supervisory Board members is always in line with the remuneration system approved at the Annual General Meeting. Pursuant to Section 16 of the Articles of Association, Supervisory Board members are entitled either to a fixed remuneration element or an attendance fee. A remuneration amount payable annually may be stipulated for Supervisory Board members. The value of said remuneration is to be decided at the Annual General Meeting. The most recently resolved remuneration will remain valid until the Annual General Meeting resolves on amended remuneration. In the case of committee members, an attendance fee may be stipulated alongside the remuneration amount payable annually. The value of said attendance fee is to be decided at the Annual General Meeting. The Chairman receives triple the remuneration amount payable annually to a regular Supervisory Board member, while the Vice Chairman receives double said remuneration. Supervisory Board members who were only part of the Supervisory Board for a portion of a given financial year shall receive their remuneration on a pro-rata basis.

The remuneration is payable within one month of the end of the respective financial year. Supervisory Board members also receive compensation for all expenses they incur as a result of exercising their official duties, along with compensation for any VAT to be paid on their remuneration and expenses. Where such a policy exists, Supervisory Board members are covered by a directors' and officers' liability insurance policy taken out by the Company in its own interest, and featuring appropriate cover for members of executive bodies. The premiums for this policy are paid by the Company. A resolution was passed at the Annual General Meeting held on 28 April 2021 to increase the Supervisory Board remuneration from EUR 30,000.00 to EUR 40,000.00 for each regular Supervisory Board member, with effect from the start of the 2021 financial year, as a result of the significantly increased workload of the Supervisory Board members, due in particular to the complex regulatory

requirements and the large amount of time associated with this. The Chairman of the Supervisory Board shall receive triple the aforementioned amount and the Deputy Chairman shall receive double the aforementioned amount. Any VAT accruing on these amounts, where applicable, shall also be paid.

Details regarding the specific Supervisory Board remuneration for the 2022 financial year

The table below shows the remuneration granted to the current Supervisory Board members for the 2022 financial year, including the respective relative proportion pursuant to Section 162 AktG. Former Supervisory Board members are not included as they did not receive any remuneration for the 2022 financial year. Pursuant to Section 16(3) of the Company's Articles of Association, the Supervisory Board remuneration is due within one month of the end of the financial year in question. The presentation below includes the fixed annual remuneration for Supervisory Board activities during the 2021 financial year, which was paid out in the 2022 financial year. The payment of an attendance fee in line with the remuneration alternative selected herein is provided solely for committee members. No attendance fees were accrued in either the 2021 financial year or the 2022 financial year.

**REMUNERATION GRANTED TO SUPERVISORY BOARD MEMBER
IN THE 2022 FINANCIAL YEAR**

	Fixed remuneration		Total remuneration	
	in EUR	in %	in EUR	in %
Supervisory Board members (2022)				
Prof. Dr Alexander Goepfert	120,000	100	120,000	100
Frank Hölzle	80,000	100	80,000	100
Prof. Dr Kerstin Hennig	40,000	100	40,000	100
Total	240,000	100	240,000	100

	
COMPANY AND SHAREHOLDERS	2
ON THE RIGHT TRACK	28
COMBINED MANAGEMENT REPORT	43
Group principles	44
Economic report	53
Further legal information	74
Opportunities and risks	96
Forecast	107
CONSOLIDATED FINANCIAL STATEMENTS	109
FURTHER DISCLOSURES	205

Comparative presentation pursuant to Section 162(1) No. 2 AktG

The following table illustrates the annual change in remuneration granted and owed to current and former Executive Board and Supervisory Board members, the Company's earnings performance and the remuneration of employees on a full-time equivalent basis, whereby the latter is based on the average wages and salaries

earned by employees of DEMIRE AG in the respective financial year, namely including any benefits in kind, bonuses, cars, statutory pension scheme contributions, maternity allowances, housing allowances and so on. For comparative purposes, an average salary was calculated from the salaries of all DEMIRE AG employees (excluding the members of the Executive Board).

COMPARATIVE ILLUSTRATION PURSUANT TO SECTION 162 (1) NO. 2 AKTG FOR EXECUTIVE BOARD MEMBERS

	Remuneration granted and owed for 2022		Remuneration granted and owed for 2021		Change in 2022 compared to 2021		Change in 2021 compared to 2020		Change in 2020 compared to 2019		Change in 2019 compared to 2018	
	in EUR	in EUR	in EUR	in %	in EUR	in %	in EUR	in %	in EUR	in %	in EUR	in %
Current Executive Board members												
Ingo Hartlief	714,619	789,599	-74,971	-9	-314,622	-28	770,027	230	323,727	-		
Tim Brückner	473,407	518,905	-45,498	-9	179,762	53	111,213	49	227,930	- ¹		
Former Executive Board members												
Ralf Kind	1,700,000	0	1,700,000	- ²	-	-	-3,418	-100	-667,208	-99		
Employees												
Employee average	95,480	106,703	-11,223	-11	11,046	12	-10,662	-10	5,629	6		
Development of earnings												
Net loss (prev. year net income) for the financial year – DEMIRE Group (in EUR thousand)	-71,502	61,587	-133,089	-216	52,420	572	-70,571	-89	10,685	15		
Net loss (prev. year net income) for the financial year – DEMIRE AG (in EUR thousand)	-25,964	32,843	-58,807	-179	3,675	13	26,472	982	-90,630	-97		

¹ As no remuneration was paid in the 2018 financial year, the percentage change cannot be shown arithmetically. Therefore, it was not presented in the previous remuneration report. For the sake of completeness, this is now included in the presentation.

² Since no remuneration was paid in the 2021 financial year, the percentage change cannot be represented arithmetically.



COMPANY AND SHAREHOLDERS 2

ON THE RIGHT TRACK 28

COMBINED
MANAGEMENT REPORT 43

Group principles 44

Economic report 53

Further legal information 74

Opportunities and risks 96

Forecast 107

CONSOLIDATED
FINANCIAL STATEMENTS 109

FURTHER DISCLOSURES 205

COMPARATIVE ILLUSTRATION PURSUANT TO SECTION 162 (1) NO. 2 AKTG FOR SUPERVISORY BOARD MEMBERS

	Remuneration granted and owed for 2022		Remuneration granted and owed for 2021		Change in 2022 compared to 2021		Change in 2021 compared to 2020		Change in 2020 compared to 2019		Change in 2019 compared to 2018	
	in EUR	in EUR	in EUR	in %	in EUR	in %	in EUR	in %	in EUR	in %	in EUR	in %
Current Supervisory Board members												
Alexander Goepfert	120,000	90,000	30,000	33	0	0	45,000 ¹	100	45,000	- ²		
Frank Hölzle	80,000	60,000	20,000	33	0	0	0	0	0	0	0	0
Kerstin Hennig	40,000	30,000	10,000	33	12,500 ³	71	17,500	- ⁴	-	-	-	-
Former Supervisory Board member												
Hermann Wagner	-	-	-	-	-	-	-	-	-90,000	-100 ⁵	0	0
Thomas Wetzel	-	-	-	-	-	-	-30,000	-100 ⁶	0	0	0	0
Employees												
Employee average	95,480	106,703	-11,223	-11	11,046	12	-10,662	-10	5,629	6		
Development of earnings												
Net loss (prev. year net income) for the financial year – DEMIRE Group (in EUR thousand)	-71,502	61,587	-133,089	-216	52,420	572	-70,571	-89	10,685	15		
Net loss (prev. year net income) for the financial year – DEMIRE AG (in EUR thousand)	-25,964	32,843	-58,807	-179	3,675	13	26,472	982	-90,630	-97		

¹ In the previous remuneration report, the change was not presented, as the Chairman of the Supervisory Board was owed remuneration of EUR 90,000 p.a. for his activities in both the 2018 and 2019 financial years. The deviation results solely from the prorated payment of the amount for 2018, as the Supervisory Board member was not appointed for the entire financial year.

² As no remuneration was paid in the 2018 financial year, the percentage change cannot be shown arithmetically. Therefore, it was not presented in the previous remuneration report. For the sake of completeness, this is now included in the presentation.

³ In the previous remuneration report, the change was not presented, as the Supervisory Board member was owed remuneration of EUR 30,000 p.a. for her activities in both the 2019 and 2020 financial years. The deviation results solely from the prorated payment of the amount for 2019, as the Supervisory Board member was not appointed for the entire financial year.

⁴ As no remuneration was paid in the 2019 financial year, the percentage change cannot be shown arithmetically. Therefore, it was not presented in the previous remuneration report. For the sake of completeness, this is now included in the presentation.

⁵ In the previous remuneration report, the change was not presented because there was no actual change in the amount of remuneration owed until the time of the former Chairman of the Supervisory Board's departure (in the 2018 financial year). It would therefore only be possible to present a deviation due to prorated payment because of resignation during the year. However, the former Supervisory Board member did not claim pro rata remuneration for the 2018 financial year in 2019. The remuneration paid in 2018 related to the 2017 financial year. As shown, there was no change in the amount of remuneration in the period from 2017 to 2019. For the sake of completeness, the reduction in remuneration to EUR 0.00 in the 2019 financial year due to the resignation is now included in the presentation.

⁶ In the previous remuneration report, the change was not presented because there was no actual change in the amount of remuneration owed until the time of the Supervisory Board member's departure (in the 2019 financial year). It would therefore only be possible to present a deviation due to a prorated payment because the member left the Supervisory Board during the year. However, the former Supervisory Board member did not claim pro rata remuneration for the 2019 financial year in 2020. The remuneration paid in 2019 related to the 2018 financial year. As shown, there was no change in the amount of remuneration from 2017 to 2019. For the sake of completeness, the reduction of the remuneration to EUR 0.00 in the 2020 financial year due to the resignation is now included in the presentation.