

Press Release

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2021 Financial Statement: Clear Upward Trend Across All Levels

SES Spar European Shopping Centers Reports Above-average Sales Development

- 85 million visitors (+5%) at 30 centers in six countries
- 2.64 billion euros in gross sales generated by retail partners (+7.6%)
- Sales development in Austria: 1.73 billion euros (+6.5%)
- Increase in average purchase volume in Austria: +5.6%
- Successful opening of the S-PARK Kaposvár retail park in Hungary
- 115 million euros in investments earmarked for 2022

People have started to return to their usual shopping destinations. That is reflected in the positive business development of SES Spar European Shopping Centers during the second year of the pandemic. Compared to 2020, significant growth was recorded in retail partner sales, visitor footfall, average spend per purchase, and sales of the “ZEHNER” gift certificate. This positive upward trend was recorded by SES in all countries in which it operates centers. In Austria alone, the gross sales generated by retail partners increased by 6.5 percent over the previous year. That is well above the growth of the Austrian retail sector (4.2% according to Statistik Austria, the Austrian Federal Statistics Office). Despite the pandemic, in 2021, a total of 22 million euros was invested in maintenance and sustainable measures relating to the operation of the centers, as well as in project development.

In 2021, a total of 85 million people (+5%) visited the 30 shopping destinations run by Austria's market-leading shopping center developer and operator in six Central European countries. With gross sales of 2.64 billion euros, more than 1,800 retailers, gastronomy providers, and service partners posted a total increase in sales of 7.6 percent compared to 2020.

SES manages a total of 30 major shopping destinations, including 27 shopping centers, two retail parks, and one managed shopping street, amounting to more than 830,000 square meters of leased space in the markets of Austria, Slovenia, Croatia, northern Italy, Hungary, and the Czech Republic. The past year was marked by a wide variety of official coronavirus prevention measures that were implemented in the individual countries.

Christoph Andexlinger, COO, SES Spar European Shopping Centers:

“2021 was an extremely challenging year – both for our retail partners as well as for us as operators. Of course, we were not able to reach the pre-crisis levels of 2019 last year, but the figures clearly show a trend in the right direction as retail gradually increased in all SES countries last year. Consequently, we are satisfied with the 7.6 percent increase in sales across all countries and are pleased to be on the right way. We have used our expertise and innovative strength at all levels to significantly lift the mood and footfall at our stores. Our retail partners have also played a major role in this development.”

SES in Austria

In Austria alone, sales generated by retail partners increased by 6.5 percent over the previous year. A significant increase in average spend per purchase of 5.6 percent compared to 2020 is proof of this positive development and shows the importance of the local supply function of the SES centers in what was generally a difficult financial year as a result of the pandemic. At more than 1.7 billion euros, nearly two-thirds of retail partner sales are generated at stores in Austria, where SES operates 16 shopping centers, one retail park, and a managed shopping street.

Top 7 Centers in Austria: The centers with the highest sales growth in 2021 were FORUM 1 Salzburg (+12.7%), MURPARK Graz (+9.8%), ATRIO Villach (+7.7%), WEBERZEILE Ried (+7.3%), HUMA ELEVEN Vienna Simmering (+6%), and Q19 Vienna Döbling (+4.6%), which has already returned to pre-crisis sales levels. WEBERZEILE Ried (Upper Austria) also performed well with the largest increase in footfall of +13%. EUROPARK Salzburg achieved a 4% increase in sales at a high level and demonstrated its importance as a leading location in the Austrian retail landscape thanks to a series of store innovations. A particularly large number of store operators invested in modernization and relaunches at that location. EUROPARK Salzburg remains the undisputed top location in terms of footfall and sales for the entire SES Group.

SES in Slovenia: In addition to Austria, SES is also the market leader for large-scale shopping centers in Slovenia. Despite months of government-imposed access restrictions for shopping center visitors, SES centers in the country recorded an impressive 22.7 percent increase in sales in 2021 on existing floor space (four centers), or even a 29 percent increase including the expansion location ALEJA Ljubljana, which opened in 2020 under extremely difficult conditions in the middle of the pandemic. The most recent of the five Slovenian centers has seen an encouraging development since then. ALEJA, a mixed-use shopping center, also received a global award in September 2021, namely the highly prestigious RLI Global Award in London in the category “International shopping center – new build”.

SES in Hungary: SES invested 24 million euros in a retail park in Hungary and, as owner and operator, opened S-PARK, a modern retail park in the district town of Kaposvár, in March 2021. Combined with the KORZÓ location, which SES has managed since 2009 in the city of Nyíregyháza, not far from the Ukrainian border, sales growth of +14.3 percent (incl. expansion) was generated in 2021.



SES in Italy, Croatia, and the Czech Republic: Sales at the three SES shopping centers in northern Italy grew by 7.1 percent compared to the previous year. In Croatia, sales increases of +13 percent were posted at KING CROSS Zagreb, and an increase of +4 percent at EUROPARK Prague was generated in the Czech Republic.

The “ZEHNER” Gift Certificate: a 22 percent increase in sales in Austria

The SES cross-center gift certificate, the “ZEHNER”, is experiencing a veritable boom in Austria, and the “Desetak” (Slovenian for “tenner” or “Zehner”) is doing well in Slovenia: Sales grew by 22 percent in Austria and by 45 percent in Slovenia to a total of 46 million euros. Sales via the derzehner.at online store even increased by 93 percent compared to the previous year. EUROPARK Salzburg, ATRIO Villach, VARENA Vöcklabruck, MURPARK Graz, and WEBERZEILE Ried are the top five centers in Austria at which the most “ZEHNER” gift certificates are purchased. The tenth anniversary of the successful “ZEHNER” was celebrated in 2021, and the design and marketing of the gift certificate were completely relaunched.

Measures to Increase Frequency Are a Recipe for Success

In 2021, SES centers managed to increase their retail partner sales at an above-average rate compared with the sector as a whole. That was achieved by means of consistently implemented measures. Events were adapted to the framework conditions of the pandemic, and high-quality exhibitions (such as those presented by the Museum of Art History Vienna at EUROPARK Salzburg) ensured active public interest in combination with the highest safety standards that were based on a TÜV AUSTRIA-certified hygiene management standard. Proactive marketing was used to achieve consistent, transparent, rapid, and clear customer communication across all channels, supported by a digitalization offensive aimed at strengthening the individual sites. From extensive social media activities, streaming offers, and the relaunch of all center websites to online campaigns for retail partners, every opportunity for customer interaction was fully exploited.

Store Offensive Continues: More Than 50 New Stores Opened in Austria in 2021

The decades of partnership and trust-based cooperation between SES and its retail partners have proven their worth, especially throughout the pandemic. SES remained in constant contact with all of its retail partners during the lockdown periods in order to work together to overcome the difficult circumstances. As part of a large-scale store offensive in 2021, 50 new stores were opened in Austria alone, including contracts with new concepts such as the first Let’s Do It in Vienna, Pepco, Room with a View, the first IKEA planning offices in shopping centers, and TK Maxx, to name just a few. Numerous innovative regional partners and start-ups have also added to the store mix of the centers, such as “Stoffschwestern”, “S’Fachl”, and “Stay Spiced”.

Vaccination and Testing Stations at All Centers

In the spring of 2021, SES became one of the first shopping center operators to gradually implement and steadily expand the range of permanent testing and



vaccination services at its centers, in cooperation with the company's own pharmacies, external hospital partners, and the Red Cross.

22 Million Euros Invested in Maintenance and Sustainability

In 2021, approximately 22 million euros were invested in maintenance, conversions, and modernization. SES consistently strives to achieve its climate targets and invested in the more resource-efficient operation of its centers in 2021. For example, in the Q19 shopping district in Döbling in Vienna, 1,200 square meters of a glass ceiling were completely renewed and new, even more energy-saving special glazing was installed.

Extensive LED Conversions

The SILLPARK Innsbruck and ZIMBAPARK Bludenz-Bürs centers as well as the underground parking garages of ATRIO Villach and VARENA Vöcklabruck have been converted to LED. The conversions are associated with an electricity consumption reduction of more than 1.8 million kWh per year, which is equivalent to the annual electricity consumption of around 530 single-family homes. LED conversions will continue throughout 2022.

Further Advancement in the Use of Renewable Energies

SES shopping centers incorporate the "green building" concept in a number of ways – starting with sustainable center planning, continuing with the use of innovative technology, and extending to the use of renewable energies. The installation of additional large-scale photovoltaic systems is also planned for 2022 in Austria, Slovenia, and Italy in order to make solar power available for center operations. SES already generates electricity from photovoltaic systems for its own use at MURPARK Graz and WEBERZEILE Ried and operates its own small hydroelectric power plant at SILLPARK Innsbruck. SES uses an energy management system in accordance with ISO 50001:2018, which has been successfully certified by TÜV AUSTRIA since 2019.

Modern E-mobility at All Centers and 100% Green Electricity in Three Countries

In August 2021, Climate Protection Minister Leonore Gewessler presented awards to exemplary "*klimaaktiv mobil* project partners" in Vienna. SES Spar European Shopping Centers was recognized for the installation of e-filling stations at shopping centers throughout Austria. By 2022, a total of 132 e-filling stations will be in operation at Austrian centers across the country, where customers can recharge their batteries with 100 percent green electricity.

SES has also made sustainable investments outside of Austria. For example, in addition to Austria and Italy, all SES shopping centers in Slovenia have been operated using 100 percent green electricity since 1 January 2022, including the e-filling stations located there. Therefore, 26 of the 30 SES shopping locations already exclusively use green electricity. The remaining four will be gradually converted.

"We invest in the real estate and sustainable operation of our centers in order to ensure that we always remain the most attractive address for our customers, to achieve long-term resource use efficiency, and to reduce our environmental footprint. Environmental protection is an integral part of the operational management of our shopping centers. Sustainable management ensures that



our centers are fit for the future and successful,” says SES COO Christoph Andexlinger.

Investments were also made in smaller center refurbishments: At ZIMBAPARK Bludenz-Bürs, for example, a completely new, attractive outdoor plaza was built, at ATRIO Villach, a restaurant with an outdoor terrace was added, and at some centers, the parking garages were renovated.

SES Continues to Expand: Investments Amounting to 115 Million Euros Planned for 2022

SES will continue to substantially invest in its shopping locations in 2022. Around 115 million euros have been allocated for project developments, center refurbishments, and maintenance measures in Austria and abroad. “The focus on neighborhood centers and meeting point quality will remain as important as ever, as will the further upgrading of our existing centers in the direction of mixed-use locations,” reveals COO Christoph Andexlinger. “At both the existing and new locations, the guiding principle is the same: We create vibrant living spaces that are highly relevant to customer.”

For example, KING CROSS in Zagreb is set to undergo a large-scale refurbishment. The operator also has further expansion plans with regard to new, high-quality retail park projects in Hungary, Slovenia, and Croatia.

In Austria, SES has continued to work on the development of the new shopping quarter in Lienz. Construction of the hotel, the first part of the project, is scheduled to start before the end of spring 2022, and work is underway on the pandemic-related redesign of the retail areas.

As a retail partner in a joint venture with the City of Vienna, SES has continued its development of the managed shopping street in “asperm Seestadt Wien” in the north. At present, the existing managed shopping street consists of 28 retail, gastronomy, and service businesses.

Social Responsibility across All Sites

Each of the 30 SES shopping destinations, spanning six countries, assumes social responsibility at its respective location. As a result of a wide range of activities at the SES centers, such as long-term cooperation with regional associations and institutions, charity campaigns, and customer donations, a total of more than 700,000 euros benefited charitable causes and local associations in 2021.

Regional Economic Driver and Workplace for 18,000 People

SES employs a total of 396 people in six European countries. More than 80 people work at the corporate headquarters in Salzburg alone. Moreover, roughly 18,000 people employed in the retail, gastronomy, and services sectors work at SES shopping center locations in six European countries.



SES Spar European Shopping Centers

SES is active as a developer, builder, and operator of shopping centers in six countries: Austria, Slovenia, Italy, Hungary, Croatia, and Czech Republic. The company, which is headquartered in Salzburg, currently manages 30 shopping locations in Central, Southern, and Eastern Europe, with a total leasable area (GLA) of more than 830,000 square meters. SES is the market leader in Austria and Slovenia for large-scale shopping centers. Overall, SES retail partners generated sales revenues in the amount of EUR 2.64 bn at SES shopping centers in 2021. SES also offers its know-how in the areas of project development, construction management, leasing of shop space, as well as center and facility management to external owners of shopping malls right from the outset. SES centers have already received several national and international awards for architecture and design, sustainability, traffic flow concepts, and innovative marketing. In 2021, the ALEJA shopping center in Ljubljana, which opened its doors in May 2020, won the internationally renowned Global RLI Award in the "International Shopping Centre - New Build" category. SES is part of the SPAR Austria Group.

Additional information can be found at: www.ses-european.com and presse.ses-european.com.

Images (royalty-free)

- *ATRIO Villach © Florian Propenter*
Caption At both existing and new SES locations, the guiding principle is: We create vibrant living spaces that are highly relevant to customer.
- *S-PARK Kaposvár, Hungary © András Pozsár*
Caption: In March 2021, SES opened the most modern retail park in Kaposvár, Hungary, on an area covering more than 11,000 m² of leasable space. In addition, S-PARK marked the creation of a new format and new branding for premium retail parks.
- *ALEJA Ljubljana, Slovenia © Jost_Gantar_VELIKA*
Caption: ALEJA Ljubljana exemplifies a mixed-use facility at its best, ideally combining shopping with leisure, entertainment, and first-class gastronomy. In 2021, the mall was awarded the internationally renowned RLI Global Award for the best new shopping center.
- *Q19 Glass Ceiling © Robert Fritz*
Caption: A total of 1,200 square meters of glass ceiling at Q19 EINKAUFSQUARTIER DÖBLING has been completely renewed. The new special glazing will help reduce energy consumption even further.
- *Christoph Andexlinger, COO SES © SES*
Caption: Christoph Andexlinger, Chief Operations Officer SES

For additional image requests, please contact melanie.moser@ses-european.com

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