## KEY FIGURES

<table>
<thead>
<tr>
<th>Description</th>
<th>2021</th>
<th>2020</th>
<th>+/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>211.8</td>
<td>224.1</td>
<td>-5%</td>
</tr>
<tr>
<td>EBIT</td>
<td>152.5</td>
<td>161.2</td>
<td>-5%</td>
</tr>
<tr>
<td>Net finance costs (excluding measurement gains / losses)</td>
<td>-26.9</td>
<td>-33.6</td>
<td>20%</td>
</tr>
<tr>
<td>EBIT (excluding measurement gains / losses)</td>
<td>125.6</td>
<td>127.6</td>
<td>-2%</td>
</tr>
<tr>
<td>Measurement gains / losses</td>
<td>-54.7</td>
<td>-429.6</td>
<td>87%</td>
</tr>
<tr>
<td>Consolidated profit</td>
<td>59.9</td>
<td>-251.7</td>
<td></td>
</tr>
<tr>
<td>FFO</td>
<td>1.98</td>
<td>2.00</td>
<td>-1%</td>
</tr>
<tr>
<td>Earnings</td>
<td>0.97</td>
<td>-4.07</td>
<td></td>
</tr>
<tr>
<td>EPRA Earnings</td>
<td>1.97</td>
<td>2.02</td>
<td>-2%</td>
</tr>
<tr>
<td>Equity</td>
<td>2,377.8</td>
<td>2,314.8</td>
<td>3%</td>
</tr>
<tr>
<td>Liabilities</td>
<td>1,901.0</td>
<td>1,922.6</td>
<td>-1%</td>
</tr>
<tr>
<td>Total assets</td>
<td>4,278.8</td>
<td>4,237.4</td>
<td>1%</td>
</tr>
<tr>
<td>Equity ratio in %</td>
<td>55.6</td>
<td>54.6</td>
<td></td>
</tr>
<tr>
<td>Loan to value (LTV) in %</td>
<td>30.5</td>
<td>32.9</td>
<td></td>
</tr>
<tr>
<td>LTV ratio (“look-through”) in %</td>
<td>33.3</td>
<td>35.8</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>328.8</td>
<td>266.0</td>
<td>24%</td>
</tr>
<tr>
<td>Net tangible assets (EPRA)</td>
<td>2,374.5</td>
<td>2,309.7</td>
<td>3%</td>
</tr>
<tr>
<td>Net tangible assets per share in € (EPRA)</td>
<td>38.43</td>
<td>37.38</td>
<td>3%</td>
</tr>
<tr>
<td>Dividend per share in €</td>
<td>1.00</td>
<td>0.04</td>
<td></td>
</tr>
</tbody>
</table>

1 Including the share attributable to equity-accounted joint ventures and associates
2 incl. non controlling interests
3 proposal
4 Ratio of net financial liabilities to long-term assets, calculated on the basis of the group share

### REVENUE

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue in € million</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>231.5</td>
</tr>
<tr>
<td>2020</td>
<td>224.1</td>
</tr>
<tr>
<td>2021</td>
<td>211.8</td>
</tr>
</tbody>
</table>

### EBIT

<table>
<thead>
<tr>
<th>Year</th>
<th>EBIT in € million</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>197.5</td>
</tr>
<tr>
<td>2020</td>
<td>161.2</td>
</tr>
<tr>
<td>2021</td>
<td>152.5</td>
</tr>
</tbody>
</table>

### EBT *

<table>
<thead>
<tr>
<th>Year</th>
<th>EBT in € million</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>163.1</td>
</tr>
<tr>
<td>2020</td>
<td>127.6</td>
</tr>
<tr>
<td>2021</td>
<td>125.6</td>
</tr>
</tbody>
</table>

### FFO per share

<table>
<thead>
<tr>
<th>Year</th>
<th>FFO per share in €</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>2.42</td>
</tr>
<tr>
<td>2020</td>
<td>2.00</td>
</tr>
<tr>
<td>2021</td>
<td>1.98</td>
</tr>
</tbody>
</table>

* excluding measurement gains / losses
CONTENTS
2021

OUR VALUES
We are the only public company in Germany that invests solely in shopping centers in prime locations. We invest only in carefully chosen properties. High quality standards and a high degree of flexibility are just as important to us as sustained earnings growth from index- and turnover-linked rental contracts. In addition, we boast a higher than average occupancy rate and professional center management – these are the pillars of our success.

OUR GOALS
Deutsche EuroShop does not seek short-term success, but rather the stable increase in the value of our portfolio. Our objective is to generate a sustainably high surplus liquidity from the longterm leasing of our shopping centers to distribute an attractive dividend to our shareholders. In order to achieve this, we shall acquire further prime properties and hence establish ourselves as one of the largest companies in Europe focusing on retail properties.
Two years ago, many experts were predicting that the world would be a different place post-coronavirus. They would be proved right. And at the moment, like most people in the world, we are looking with concern at the war in Ukraine. The human tragedy is painful to watch. We hope for a quick end to this war. We are confident that 2021 was the last year to be significantly and directly impacted by the coronavirus. We are still expecting negative effects from the ongoing pandemic in 2022, but to a much lesser extent – we consider it a transition year.

The pandemic had a strong impact on our business from March 2020 onwards, mainly due to the extended lockdowns in all five countries where we own shopping centers. Our home market of Germany, where we generate around 80% of our rental income, was particularly hard hit, with 187 de facto lockdown days. The Czech Republic suffered 235 days of closure, Poland 159, Austria 131 and Hungary 68. But the highly regulated periods between and immediately after the closures also resulted in restrictions and impediments that – depending on the segment – had a considerable impact on day-to-day operations at the centers. The last lockdown for the time being was in Austria, where most stores in our center had to close again for more than three weeks at the end of November 2021.

In March 2022, we saw dynamic and quite encouraging relaxations of coronavirus regulations in our foreign markets. In Poland, the Czech Republic and Hungary, there are currently almost no restrictions. The mask mandate was also abolished there, although it was recently reintroduced in Austria. In Germany, the situation remains fragmented, with different regulations depending on the federal state. In our main market, we are also hoping for the complete elimination of the mask mandate in the next few weeks, provided the pandemic situation permits is.

How did our centers fare in all this? Since the reopenings towards the end of the second quarter of 2021, we have seen a similar pattern to what we saw in the summer of 2020 after the first lockdown. People enjoyed the regained shopping freedom and the return of a certain normality. They returned to downtowns, shopping centers and stores, although some coronavirus-related restrictions remained.

However, the closure periods had a significant impact on the revenue of our tenants. Compared with 2019 levels, their revenues dropped on average to just 35% in the first quarter and to 58% in the second quarter of 2021. In the third quarter, the revenue volume recovered to 90% for our overall portfolio. In the all-important fourth quarter of 2021, the reintroduced restrictions led to a renewed decline in revenue for our retailers, which generated 85% of revenue in the Christmas quarter compared with pre-coronavirus levels.
The collection ratio, the ratio of incoming payments to rent and ancillary cost receivables from tenants, initially followed the pattern of customer footfall and amounted to 95% for the full year, after coronavirus-related concessions. In the meantime, we are again seeing almost the usual normal level for agreed incoming payments.

A brief overview of our tenant structure and the composition of contracts: The weighted average (remaining) term of our leases at the end of the year was 5.3 years – compared with 5.0 years the year before. 46% of our contracts run until 2027 or longer. The occupancy rate improved to 94.3% at year-end, up from a low of 93.8% in mid-2021. That’s encouraging news from the leasing side.

However, this positive development does not hide the fact that the coronavirus pandemic had a noticeable impact on our tenants and on Deutsche EuroShop in 2021, which is reflected accordingly in the key financial figures. Our rental income decreased by 5.5% year on year to €211.8 million. This decline, which totalled €12.3 million, was heavily influenced by rental concessions granted, but also by lower income from mall marketing and parking garages, the discontinuation of turnover-linked rents, higher vacancy rates due to insolvencies, and lower store rents.

The largest financial effect from the pandemic can be seen in the write-downs on rent receivables. These were made in respect of realised and/or expected rent losses in connection with tenant protection measures (e.g. rent reductions) or in respect of actual or probable insolvencies. These write-downs totalled €25.0 million in 2021, compared with €29.2 million in the previous year. Overall, EBIT decreased by 5.4% to €152.5 million.

To cover part of the rent defaults, Deutsche EuroShop also applied for the coronavirus subsidy, known in German as “Überbrückungshilfe III” (bridging assistance III), and received €2 million. This amount, which was formally approved in February of this year, is included in the other operating income for 2021.

Our financial result improved by €6.7 million. Interest savings of €4.5 million due to several favourable refinancing transactions and a €2.6 million increase in at-equity operating profit had a positive impact on the financial result.

The valuations of our shopping centers declined slightly on average. The measurement gains/losses before taxes including the share attributable to joint ventures and associates accounted for using the equity method, inclusive of investment costs, amounted to €-54.7 million as at the end of the year. This corresponded to an average decrease of 1.5%. The stabilised net initial yield for our portfolio rose slightly and now stands at 5.45%.

Adjusted EBT excluding measurement gains/losses fell only slightly from €127.6 million to €125.6 million, a decrease of 1.6%. The coronavirus-related decrease in revenue and the rent reductions were partially offset by interest savings in 2021.

EPRA earnings decreased by €2.5 million to €122.0 million; or per share, from €2.02 to €1.97. Consolidated profit climbed from €-251.7 million to €+59.9 million. The measurement gains/losses after deferred taxes had the biggest influence on this change, increasing by €308.9 million. Earnings per share were up accordingly from €-4.07 to €+0.97.

Funds from operations (FFO) were down €1 million to €122.3 million or €1.98 per share. Since FFO is calculated on the basis of income, this figure should be analysed taking into account our collection ratio, which in 2021 was 95% after rent concessions, as mentioned above.

**ON THE BASIS OF THESE RESULTS, WE PROPOSE DISTRIBUTING A DIVIDEND OF €1.00 PER SHARE.**
Our total assets amounted to €4.3 billion at the end of the reporting year. This was a slight increase of €41.4 million compared with the reporting date at the end of 2020. Consolidated liquidity was €328.8 million as at 31 December 2021, an increase of €62.8 million. Alongside the normalisation of tenant payment behaviour, this build-up of cash and cash equivalents was additionally influenced by the postponement of investments in our properties, as work was largely halted during the lockdowns.

Our equity ratio remained strong at 55.6% and consolidated loan to value (LTV) was 30.5%. The LTV (“look-through”) calculated in full proportion to the Group’s share of total assets was 33.3%.

EPRA NTA INCREASED TO €38.43 PER SHARE, UP 2.8%.

EPRA net tangible assets (EPRA NTA) increased to €38.43 per share, up 2.8%, mainly due to higher liquidity and partially offset by lower property values. This corresponds to a still significant discount of the current share price to EPRA NTA and a double-digit FFO yield – what is more, at a very solid LTV level. In our view, the improved figures, the waning effects of the pandemic and the operating outlook should help to close this gap. However, the war in Ukraine is also having a negative impact on capital markets.

With regard to financing: As at 31 December 2021, our consolidated debt bore interest at an average rate of 2.09%, and the weighted remaining maturity of our loan portfolio was 4.7 years. Including the loans of our investments accounted for using the equity method, the weighted residual term was 4.9 years, with an average interest rate of 2.07%. The loans due for follow-up financing by 2025 bore interest rates of 2.99% to 3.26%. We still see opportunities here to further reduce our interest expense.

We will now take a more detailed look at our leasing performance over the past year. Even during the pandemic, we were able to extend leases with many tenants, including our top 10 tenants and other top retailers such as Apple, Kaufland, H&M, Rossmann, Thalia and C&A. In addition, we are in negotiations with further large and well-known anchor tenants who want to move into our shopping centers for the first time. In some cases, we have already been able to arrange with them to relocate to our centers from other retail spaces in the neighbourhood. Despite this good progress, we are still in the midst of the pandemic.

Most retailers recognise that bricks-and-mortar retail spaces are and will remain a very important and dominant part of their market presence. Demand for bricks-and-mortar retail space is continuing to recover. But given the situation over the past two years, it is still a long way off its pre-coronavirus level.

In 2021, a total of 355 leases for around 118,000 m² were newly concluded or extended for our portfolio. Of these, 103 deals (28,700 m²) were attributable to our foreign centers. In Germany, in terms of the number of contracts, 46% were concluded with a term of 1-4 years, 24% with a term of 5-9 years a further 30% with a term of 10 years or longer. Outside Germany, the corresponding figures were 50%, 18% and 32%.

EXCITING NEW TENANTS HAVE OPENED STORES IN OUR CENTERS IN RECENT MONTHS.

One example is a new IKEA store concept in the City-Galerie Wolfsburg, where visitors can configure their kitchen or a wall unit with the help of IKEA employees and then order it directly. In the Altmarkt-Galerie Dresden, a new Lego store is attracting lots of new young and – encouragingly – also older customers to the center. At the Rathaus-Center Dessau, the Scandinavian concept Rusta will move into the former Karstadt space, bringing back many product ranges that were lost when the department store closed its doors in the city. Another internationally renowned anchor tenant has also been secured for the center and will be announced shortly. It is a remarkable achievement that the location has attracted such new, desirable anchor tenants so quickly.
At the Rhein-Neckar-Zentrum, the new indoor skydiving simulator has proven very popular and is a great complement to our center, which we would like to bolster with more highly attractive tenants in the near future. We have just agreed a lease with L’Osteria for a space directly adjacent to this spectacular entertainment facility: an exciting food and beverage concept in a modern, free-standing building that will link the new entertainment and leisure area with our center.

Offerings like these are good examples of the emerging concept for shopping centers to merge shopping and entertainment into an exciting all-round experience:

**RETAILTAINMENT. WHERE VISITORS CAN STROLL AROUND, SHOP AND HANG OUT – AND BE ENTERTAINED AT THE SAME TIME.**

In various articles in this magazine, we examine this development in greater detail, which builds on already familiar concepts such as the “third place” – as Ray Oldenburg called it in his work “The Great Good Place” – and takes them to the next level. Vibrant marketplaces are undergoing an evolution into so-called urban places – a hybrid of living, working and leisure. You are probably familiar with the German saying “Trade is change”. And we are proud to support this change with our varied and versatile shopping centers.

In the Main-Taunus-Zentrum, for example, demolition of the old Karstadt building has just been completed. There are various ideas for the new space, such as attractive event/gastronomy concepts in an inspiring indoor and outdoor setting – possibly accompanied by an open platform that can be used for entertainment (e.g. dancing, music or other performances) – creating a truly innovative and attractive urban space for our center visitors. In the meantime, during the planning approval and construction process, the area will be home to popular food trucks, among other things, which will offer our customers plenty of culinary variety until the new concepts are introduced.

So far as the digitisation process in retail is concerned, in 2021 we connected our first international center to the Digital Mall with the City-Arkaden Klagenfurt in Austria. Eighteen out of 21 of our shopping centers now have this valuable connection to the omnichannel world. While the online availability check for more than 1,000 stores and 3.7 million products in the portfolio of our partner ECE is already up and running, the next step is to organise delivery from the centers. Tests are already underway for this purpose for delivery over the “last mile”.

What do we expect for the current financial year? As mentioned at the outset, we are of the opinion that 2022 should be a transition year on the road to normality after the coronavirus. We expect FFO of €1.95 to €2.05 per share.

Compared with the time before coronavirus, we have made somewhat more conservative assumptions regarding rent defaults and, in this forecast, predict that the pandemic situation can be brought under control in the long term without further store closures or significant restrictions on center operations. Private consumption should continue to pick up and, in turn, tenant sales should recover further. We expect the collection ratio to remain at the high level recorded recently. Ultimately, this forecast is also based on the assumption that the war in Ukraine will end as soon as possible and will not have any lasting impact on business.

**WE EXPECT FFO OF €1.95 TO €2.05 PER SHARE.**

We remain optimistic and regard Deutsche EuroShop as solidly positioned. We are used to change and know how to deal with it. We still have a long road ahead of us. We would be delighted if you stayed on this journey with us and thank you for your trust.

Best regards

Wilhelm Wellner Olaf Borkers
Golden times!!
The pandemic has not only changed things in Germany in general, but also and especially in the retail sector. After a couple of difficult years, however, shopping centers could now be on the verge of a new and unexpected dawn: the magic word is “the third place” ...
Happy people. Loud laughter. Here someone’s drinking a beer, there someone’s sipping a soda. There’s eating, snacking, nibbling. Sushi, salad, cinnamon rolls. People everywhere are chatting. After a busy day, it’s time to just switch off. You meet neighbours, friends but also new faces. It’s a great place to get to know each other. To share thoughts, to exchange ideas – and sometimes even to fall in love.

We’re at what’s known as the “Third Place”. It may sound funny, but that’s how it is. And it is actually, by definition, quite simple.

Who you are, or what you do during the day – that’s irrelevant here. In one corner, a senior physician discusses the latest football match with a plumber; in the other, a supermarket cashier exchanges parenting tips with a lawyer. The mood is lively. That’s because life here is uncomplicated. In all areas.

That also applies to coming and going. Your car is parked not far away. Or if you come by bike, there’s no shortage of racks. The nearest public transport stop is within a short walk.

So you can get to this place quickly and easily. Just no extra stress! You already have enough of that during the day at work ... Here, in this place, only one rule applies: you should feel comfortable. Every moment, every second. And come again. Tomorrow, the day after tomorrow – preferably every day. But where is this place? Everywhere. And nowhere. This place is flexible. It exists here, but also there. Sometimes exactly like this, but sometimes completely different from this. In Germany, in Europe, in the USA, in Asia, all over the world. The “first place”, that is our home. The place where we live. The “second place” is our place of work. The environment where we spend our time during the day, where we earn our money. And the “third place” is the area that is removed from everyday obligations.

This is for the simple reason that people often look for a space that offers them something different, that allows them to disconnect, but at the same time offers them something familiar and safe, that conveys a complete sense of well-being.
The definition of the “third place” comes from U.S. sociologist Ray Oldenburg, who first presented these ideas in his 1989 work “The Great Good Place”. In this, Oldenburg theorised that this “third place” should have eight typical characteristics:

1. It is located on “neutral” ground. Anyone can go there – and leave as they please.
2. It is open to all sections of the population and social classes.
3. Communication is desired – and is a clear goal.
4. It is easy to reach.
5. There are lots of regulars there.
6. The look is of secondary importance; what is important is the function of the place.
7. There is a lively atmosphere. Oldenburg called it “playful”. Serious topics should be left at the door.
8. It was supposed to be a kind of “second home”, a kind of “second family”.

Golden times?! / SHOPPING
It's no wonder that Oldenburg, after publishing his ideas, created his own “third place”. According to local lore, he opened his own small bar in his double garage, where people from the neighbourhood could meet in a casual atmosphere. He lined a wooden cabinet with various spirits, filled a refrigerator with beer, wine and soft drinks, and proved himself to be an outstanding host. People loved it, of course. And Oldenburg’s garage became a real crowd-puller.

But not everyone has a nice guy like Mr Oldenburg in their neighbourhood. So, the question is: Where can you find such a wonderful “third place” today? What could be suitable for this? Are there classic “third places” and perhaps even entirely new ones to be discovered? How can a place like this be created today?

Following Oldenburg’s approach, typical “third places” include cafés, museums, libraries, but also bookstores, churches, gyms – in other words, places where people come together for recreation and/or diversion. The traditional, very typical English pub is the absolute epitome of a “third place”. It’s a place where anyone and everyone meets up after work, where life is lived out and people can revel in their togetherness.

TV and film producers also like the idea of the “third place”. In many movies and series, a central location – preferably a café or restaurant – is the hub of all the action. On “Lindenstraße”, for decades people met up, celebrated, laughed, loved, comforted, suffered – but also mourned – at the “Akropolis” run by the Sarikakis. In the teen cult series “Beverly Hills 90210”, the protagonists always got together at the “Peach Pit” to talk, date and party. In “Gute Zeiten – Schlechte Zeiten”, all appointments, meals or business deals basically take place at the “Mauerwerk” or “Vereinsheim”; while “Steinkamp Fitness und Wellness” in “Alles Was Zählt” is a place where people come to hang out more so than lift weights.

THE “THIRD PLACE” IS A HIGHLIGHT, AN ABSOLUTE PLACE OF YEARNING,

a place where you want to be. That’s because this is where “it” happens. You get to know what’s going on. And when you’re not there, you’re afraid you might be missing out on something. It’s a place, Oldenburg says, that people deliberately seek out. And when they’ve found it, they absolutely want to hold on to it. With often bizarre excesses: US TV producer “Fox Television” had to explain for years that neither the “Peach Pit” nor “Melrose Place” really existed. Again and again, tourists in Berlin still search in vain for “Mauerwerk” and “Vereinsheim” from “GZSZ”. And “RTL” still has to explain to excited callers every day that there is no “Steinkamp” fitness center in Essen or anywhere else where you could ever become a member.
Now you might think: TV, illusion – nonsense. But the phenomenon shows that people consciously seek – and have always sought – such places. In the Middle Ages, it was the marketplace or the tavern. In the countryside or in small towns, today it is sometimes still the hairdresser, the baker or the butcher. In big cities, the role may be filled by a trendy bar, a park (e.g. Central Park in New York), an urban gardening project, an entire district (e.g. Sternschanze in Hamburg) – or even a shopping center. And that brings us to the heart of the matter.

“IT WAS THE DUMBEST THING THAT PEOPLE COULD HAVE DONE AT THE TIME,” RAY OLDENBURG SAYS. “THIS SINGLE-USE ZONING RUINED THE SENSE OF COMMUNITY ...”

Is the “classic” shopping center really a “third place”? Has it always been one? Or rather, has it never been one? Do such centers already exist – or do they have to be developed first? And, if they do exist, then what is their recipe for success? How do they attract people (and therefore sales)? And how closely are they connected to their customers?

A gaze across the pond to the USA, Ray Oldenburg’s home country, and to the history of shopping centers helps put this in perspective. In America of the 1930s and 1940s, just as in Europe, people met at the aforementioned libraries and theatres, at the barbershop or at the local café. Everyone was in their own little neighbourhood – or “hood”, as you might call it today. Then, after the Second World War, in the 1950s, a real building boom began in the USA – especially in the metropolitan regions. More and more new suburbs emerged, millions of individual houses were built, and cities grew exponentially. And all the people who moved to these suburbs found a new home with a garden, their own four walls and a parking space outside their front door. But, in exchange, they lost the proximity to their “third places”.

3. MEN’S FASHION TREND: LOUNGEWEAR

COMFY FOR THE WIN!

We’ve all been there before: video call at 9 a.m. Alarm clock: 8.50 a.m. 8.55 a.m.: pyjamas off, cosy sweater on. 8.59 a.m.: laptop flung open and ready to go! The pandemic, while tedious in many ways, was delightfully straightforward when it came to styling and timing.

Now, however, more and more people are heading back to the office. And it’s time to dig out our jackets, shirts and suit trousers from the back the closet – only to find that often they no longer fit because of those few extra coronavirus kilos.

And that’s before we even talk about convenience. So, a clothing compromise is urgently needed! More specifically, men now need a fashion trend that is both comfortable and suitable for business. Of course, fashion giants like ZARA and H&M have recognised this and are now presenting the hottest menswear trend for 2022: loungewear!

Comfortable, casual, but also suitable for the office: broad jackets, loose-fitting (jogger) pants with elastic waistbands. Nothing pinches and nothing constricts. Another plus: you can also wear it from day to night and look great!
But a solution in the USA was quickly found: the mall! These local indoor shopping centers not only served the basic needs of the people, at the same time they were a place of interaction and social contact. Lavish, super-sized food courts with plenty of choice invited visitors to eat and linger, while adjoining cinemas and fitness studios provided entertainment and activities. There were bowling alleys, hair salons, doctors, beauty salons, photo studios, dental bleaching practices, chapels, undertakers, zoo stores, child care, language schools, WeightWatchers group meetings, garages, hardware stores, dry cleaners, flea and craft markets – in fact, just about everything in the typical “American malls” that customers love. And that’s where they met every day. Seven days a week. After work, after housework, after school, in the evening with friends, on Sundays with the whole family for dinner and shopping. “Let’s go to the mall!” – this was a familiar phrase heard across America for many years. It’s no wonder the number of malls in the USA quadrupled between 1970 and 2017.

In Germany, too, as is so often the case, we took our cue from “big brother” and American trends, and the Main-Taunus-Zentrum opened just outside Frankfurt in 1964. It was the first American-style shopping center in the whole of Europe. The first large shopping centers in other major German cities followed in the 1970s.

One of the first was the “Einkaufszentrum Hamburger Straße” in Hamburg (today: “Hamburger Meile”), which, unlike in the USA, was located in the middle of the city, but still rivalled its American counterparts. It was gigantic by the standards of the time, with an attached cinema, sports studio, tennis courts, swimming pool and department stores, as well as adjoining medical practices, offices and government offices. Hamburg’s residents were in awe – and came in droves.

4. SHOPPING TIP: BACKPACK

COOL ON THE GO

Thalia has an exclusive collection for school-children, students and trendsetters: “The journey begins here” – chic backpacks for everyday life or overnight stays.

The “Journey to Münster” model is effortlessly modern and designed with attention to detail: the main compartment has plenty of space for larger items, four interior compartments help keep things tidy, and a padded area provides protection for your tablet or laptop.

Smart extras like a hidden key pocket, pen holders and a headphone compartment come in really handy when on the go. What’s more, the backpack is small enough to take with you on the plane as hand luggage. Approx. €40, at Thalia (e. g. in the Saarpark-Center, Neunkirchen)
Two subway stops were located right outside the door, and a large parking garage meant that it was easy to get there in your own vehicle. The centers that opened up on the outskirts of the cities almost at the same time likewise experienced a completely unimagined influx. Crowds of people bustled in and out from day one. And these centers attracted not only residents from the immediate vicinity, who were happy not to have to go to the small and crowded inner cities anymore, but also lots of visitors from the neighbouring rural areas. They dared to go to the easy-to-reach and well-organised shopping centers rather than to the hectic and complicated inner cities with all their “perceived” chaos and scant parking space. After these great successes, more and more new shopping centers sprang up around Germany as well.

They experienced their golden age in the 1980s and 1990s and even managed to overtake the local stores and restaurants in the middle of the city. In the 1990s, people in Hamburg’s small but stylish “Hanse Viertel” liked to slurp oysters and sip champagne at “Struve” on Saturdays or indulge in a sophisticated breakfast at “Mövenpick”. In the “Galeria”, right next door, you could order a latte macchiato or a César salad at the “Bar Tabac”, people-watch, celebrate special occasions and flirt at the “Café Loft”, or take a seat in the “Cappuccino” in the “Hamburger Hof” exclusive shopping arcade – the place to see and be seen.

Similar things happened nationwide, whether in the “Kö-Galerie” in Düsseldorf, the “Europa-Center” in Berlin, the “Rhein-Neckar-Zentrum” in Viernheim, the “Kaufinger Tor” in Munich or the “Bazaar de Cologne” in Cologne. Customers loved their arcades, and the long queues in front of the full tables at the restaurants there spoke for themselves. They came. Again and again. Became regulars. Met friends.

Got to know new people. It was just “right”. In the middle of the “third place”. And today? Some 40 years later? In the USA, as at home, social contacts are mainly established – and maintained – through social media such as Facebook, Instagram and WhatsApp. People are ordering more and more of the things they need on the Internet. They no longer watch movies in theatres, but on Netflix or Sky.

And when it comes to eating out, they prefer their small neighbourhood Italian restaurant to a big food court, and the coffee shop around the corner to the patisserie in the center. The well-known consequence of this is vacancies, retailers in disarray, a massive demise of malls in the USA, especially in the last few years. There’s even talk of a “shopping mall apocalypse” in many places there. A creepy website even exists that documents the demise in images. And with the end of the (small) local malls, the “third place” is evidently also experiencing widespread extinction in the USA. Like before in the 1950s ...

5. 2021 FRAGRANT CHARTS

**Fragrant year**

Always exciting: Which fragrances are under the Christmas tree – or in the Easter basket? What are Germany’s favourite fragrances? We talk to DOUGLAS to find out. Here are the best-selling women’s and men’s fragrances of 2021:

**FOR HER:**
1. **Lancôme – La Vie est belle,** Eau de Parfum
2. **Chloé – Signature,** Eau de Parfum
3. **Jil Sander – Sun,** Eau de Toilette

**FOR HIM:**
1. **Hugo Boss – Boss Bottled,** Eau de Toilette
2. **Calvin Klein – CK ONE,** Eau de Toilette
3. **Dior – Sauvage,** Eau de Parfum
But what is the situation in Germany? Is it just as dramatic? No. Fortunately not, as a look at German shopping centers shows. Of course, the centers and especially the retailers here have to grapple with the same general trend, and the pandemic has only exacerbated an already difficult situation. But time and again shopping centers with new and adapted concepts, fresh ideas and “out-of-the-box” plans have shown themselves to be adept at weathering crises – and even capable of generating new sales and attracting new visitors.

Also – and especially – in the times of the coronavirus. That’s because the pandemic has changed a lot, not least in people themselves. During the lockdowns, our first, second and third places suddenly became one. People lived, worked and socialised exclusively at home. Restaurants were mostly closed – but the centers always remained open (subject to restrictions).

People avoided crowded inner cities, not only because of a fear of infection, but recently also for practical and cost reasons. Many German local politicians want to ban cars from inner cities and reduce parking spaces considerably – and with the ones that are left, the municipalities rake in between 3.50 and 4 euros an hour per space. This quickly adds up to 10–15 euros for motorists, plus the stress of driving and having to search for a parking space. What a hassle.

The result: shopping centers offer an alternative and are suddenly experiencing a renaissance again. This was evident not least in the recent Christmas shopping period, when many retailers in city locations posted heavy losses, while shopping centers often generated sales (almost) on a par with the days before coronavirus. The reasons were not only the “VIP wristband”, which allowed entry to all stores after a successful vaccination status check (which was offered by many centers), but also the fact that everything can be found “under one roof”. This is a classic factor for the success of shopping centers. Add to this short distances and, above all, the ability to park your own car close by and for less money. Just like it was in the 1970s. Likewise, the merging of the three places, as was happening even before the coronavirus and is continuing to happen today, may also well be to the benefit of shopping centers.

THAT’S BECAUSE THE CLASSIC BOUNDARIES BETWEEN THE FIRST, SECOND AND THIRD PLACES HAVE LONG BEEN COMPLETELY BLURRED.

6. 2021 BOOK CHARTS

Pages of fun!

Despite the Internet, Netflix & co., reading is still popular! And thanks to the pandemic and lockdown in particular, many people have (re)discovered their love of books. Here is the 2021 sales charts from Thalia (e.g. in the Forum, Wetzlar):

- Sebastian Fitzek Playlist
- Delia Owens Der Gesang der Flusskrebse
- Asterix
- Julie Zeh Über Menschen
- Sebastian Fitzek Der erste letzte Tag
- David Safier Miss Merkel: Mord in der Uckermark
- Karsten Dusse Achtsam morden
- John Strelecky Das Café am Rande der Welt
- Lucinda Riley Die verschwundene Schwester
- Rita Falk Rehragout-Rendezvous
Everyday life in the 21st century is characterised by terms such as “to go” and “on the run”, according to the “Zukunftsinstitut” (zukunftsinstitut.de). “There’s hardly anything you can’t somehow still do in between. Having breakfast, writing emails, loading information, meeting colleagues...” And further: “The megatrends of mobility and digitisation, and also increasingly the ‘flexibilisation of being’, are having just as much of an impact on the culture of living as they are on the world of work.”

And – the Zukunftsinstitut is certain here as well – the saying “My home is my castle” will only be true to a limited extent in future. The private retreat will not lose its relevance – on the contrary, it will become even more private; but the representative qualities of our own four walls will no longer be required, says the institute. The keywords here are “co-working spaces” (i.e. working together, drinking coffee, meeting in lounges, etc.), “cooking houses” (living room-like salons where people meet and cook together and relax – known as “co-mingling”) or new types of “sleepboxes” or “napcabs” in airport work zones, where people can sink into sleep directly after finishing their work.

According to the institute, “co-living” is also a huge trend: communal “social spaces” (restaurants, lounges, terraces, gardens, bars, spas, pools, work areas, cinemas, etc.) and small, intimate retreats. This can already be experienced in style today at the “Soho-Haus” in Berlin, for example.

7. HOME TREND: JAPANDI

So simple – so stylish

In both the Japanese and Scandinavian worlds, people appreciate the simplicity of things – especially in their living spaces. As the sayings go: “less is more” and “quality over quantity”. Now both styles, while intrinsically different, are being combined in exciting new ways. This has produced the interior trend for 2022: Japandi! The style is minimalist, neat and scaled-back. Soothing, dark colours. Clean lines. Cosy lounge atmosphere. Having trouble picturing it? We did as well at first. But, when you see pictures like this... dreamlike! So, we are happy to go along with the trend! www.instagram.com/japandi.interior

So simple – so stylish

Golden times?! / SHOPPING
But what do these theories and trends mean for shopping centers? Quite a bit. This is because the extended lockdowns and the pandemic have prompted an extreme shift in the “second place” in particular. Working as we used to know it will in all likelihood no longer be the sole standard. The “home office” is here to stay. Maybe not for five days a week, but certainly more often and more regularly. Companies are already closing their large offices with their huge canteens. New working models are gaining traction. And this is precisely where the opportunity for shopping centers lies. The evolution and shrinking of the second place provide an opportunity for the first and third places to assume parts of this role.

“The office is no longer the place where people meet up and interact,” says Biplove Belwal, who works as a Customer Experience Strategist in India and is considered an expert in the field. “The pandemic made people miss the third place immensely. They have longed to meet again. In person. Face to face. They have now learnt to live with the virus, to protect themselves. And now, as the pandemic subsides, they want to live again.” After the first place underwent hardly any changes in recent years during the pandemic (renovations, decorating and cleaning-up aside), the second place is now crumbling to bits. So, could the third place ultimately be the winner of the pandemic?

“Yes!” says expert Belwal. “Absolutely! And we must then also ask ourselves WHO is best positioned to occupy this third place? Inner-city high streets, cafés, clubs, parks or airports? The answer is clear …”. According to Belwal, shopping centers are practically predestined to (re-)assume the role of the third place, as they offer the perfect infrastructure.

---

8. TIPS FOR YOUR SUMMER GET-TOGETHER FROM TK MAXX

**Wow moments at wow prices**

At last the sun has shown up! So, it’s time to put on your stylish designer outfits and head outside! But you don’t yet have all the latest trending brands? No problem! At TK Maxx, everyone can find unique favourite pieces to put them in the summer spirit. From colourful outfits for the whole family to home accessories and the perfect set-up for your summer get-together – TK Maxx inspires all shopping fans with brand treasures for wow moments at wow prices. Every week, new unique statement pieces from well-known designer labels and high-end brands are waiting to be snatched up at incredible prices. But you have to be quick: there’s no second chance for these unique pieces! Whether home accessories, fashion and beauty trends or gift ideas for loved ones, TK Maxx (e.g. in the Billstedt-Center, Hamburg) offers wow moments for all ages and tastes, all year round.
Good public transport connections, convenient parking, a refined atmosphere, an all-weather environment, security, opportunities for entertainment, events, dining, shopping, and all under one roof – it makes for the perfect base. But to maximise their potential, the malls will need to invest – and make sure they are closely aligned with the needs of their customers, Belwal says. This means offering cosy lounges, varied food courts, small cafés, new entertainment offerings and also innovative, exciting concepts. Numerous examples worldwide and new concepts show that this works.

A popular, albeit somewhat malicious, German saying goes

“THE CONDEMNED LIVE LONGER”.

But it could become a prosperous motto for shopping centers, which are often criticised and sometimes even hastily written off. Not only are shopping centers currently experiencing a previously unimaginable renaissance; they are probably even facing new golden times, like in the 1980s and 1990s. They just need to once again show themselves capable of change and actually seize the opportunity offered by the new, old “third place”.

Golden times?! / SHOPPING

“Trade is change”, as the German saying goes. How can shopping centers keep pace with this ongoing change and remain successful? What is evidently needed are new concepts. The top performers and trailblazers among shopping centers lead the way. But what do they do differently and perhaps better than their peers? We take a look behind the scenes, where a magic word takes centre stage: retailtainment.

TEXT: JENS- STEFAN HÜBEL

What makes a modern shopping center successful? What do some have that others lack? Why are there lots of vacancies in some shopping centers and a long waiting list of interested tenants in others?

What should new concepts look like today? What needs to happen so that old malls remain attractive, or even regain their former lustre? What is the magic formula for new temples to attract customers and tenants after they open? There’s no shortage of studies and analyses that seek to answer these questions. The Simon Group, the largest operator of shopping centers in the USA, has also been exploring this issue for many years. And, alongside traditional approaches, it is also tackling things from a completely new angle. Several years ago the company began buying up retail tenants that were in financial trouble and running them itself. This helped Simon to prevent vacancies in its malls, expand its own portfolio at a bargain price and tap into entirely new sources of revenue. Buying out troubled tenants may be possible in individual cases, but of course it is not a blanket solution for the future.

Simon also looked at this very closely. And it analysed the top performers among shopping centers in terms of revenue, customer count and other metrics. What makes these “special” malls so successful? Is it really just the location? The tenant mix? Is it the appealing (luxury) labels like Chanel, Dior or Louis Vuitton? The entertainment offering? The food?

The analysts’ conclusion: a mix of precisely all of these. Not only Simon, but also many shopping and customer experience experts agree that shopping centers need to return to their original DNA – and then they can and will be successful. “Original DNA” expressly does not mean opening new stores all the time – and watching them close again. Today, a shopping center must (again) be much more than a simple and inconsequential place where people just go to buy things.

SO WHAT CAN MALL OPERATORS DO? AND WHAT ABOUT THE RETAIL TRADE ITSELF?

Trade is change

Deutsche EuroShop / Magazine 2021
AS ALREADY DESCRIBED, IT NEEDS TO ASSUME THE FUNCTION OF THE “THIRD PLACE”.

This is evidenced not only by looking at the successful malls in the USA, but also at the top performers worldwide. What all successful shopping centers have in common is that they magically attract customers and tenants as a “third place”. But it is important to make a clear differentiation here: What do these centers have or what can they do as opposed to others? Is it the superlatives they can lay claim to? Is it their size? Or is it their gimmicks like the ice skating rinks at the Dubai Mall (Dubai, UAE) or the Galleria Mall (Dallas, USA)? What about the Sea Life Center or the Nickelodeon Universe featuring rollercoasters and indoor fun parks like at the Mall of America (Minneapolis, USA)? Are visitors really only interested in entertainment?

Clear answer: No. Or rather, no, but kind of. After all, entertaining customers definitely plays an important role, even if maybe not the defining one. Malls with large areas and “extra” attractions are, of course, generally a nose ahead of their “normal” competitors because these zoos, parks and sports activities undoubtedly always pull in extra crowds. But that is not really a new insight that would move the industry forward. Decades ago, retailers and shopping centers began offering rocking horses, slides or carousels to entertain children while their parents shopped.
And more and more fun factors have been added for adults over the years as well. First it was arcades and cafés, later cinemas and gyms.

In the course of the shopping evolution, one entertainment highlight followed the next, one superlative surpassed the one before: a ski hall in the Mall of Emirates, an aquarium in the Mall of Dubai, or a replica Venice complete with canals in the Villagio Mall in Doha (Qatar). Malls with such brilliant attractions attract customers – and enchant them under their spell. But the intention is not just for customers to have fun and enjoy themselves in the malls, but ideally also to generate sales for the retailers located there. Otherwise these facilities would not be shopping centers, but pure amusement parks à la Disneyland.

As online shopping has gained in popularity, however, the environment has become increasingly difficult for retailers. This is because the selection and prices are usually more attractive online than in bricks-and-mortar stores. So retailers have been and continue to be forced to rethink their role in the market and find new, creative ways to attract customers back to their stores, and not to shift the responsibility (solely) onto the mall operators.

The term retailtainment is a fusion of the terms retail and entertainment, and by implication also means the combination of these two concepts.

This is for the simple reason that real in-store experiences can transform shopping from a “chore” into an appealing social activity – a conscious way to relieve stress and an enjoyable way to spend leisure time. This is an important finding.

Studies have repeatedly shown that people today want to spend less and less money in retail stores and prefer “real experiences” to material goods. According
to a survey by Eventbrite (Eventbrite is an American event management and ticketing website), 78% of millennials (those born between 1981 and 1996) would rather spend their money on an experience or event than buy an item they want. A study by Dr Thomas Gilovich, a professor at Cornell University, found that experiences, no matter how fleeting, provide more lasting happiness than material, purchased things. This is because they become part of our identity. “We are the sum total of everything we’ve seen, everything we’ve done and all the places we’ve been,” he says.

Social media has played a massive part in encouraging this behaviour, as these millennials are eager to share their experiences online, which in turn influences their followers to do so. Research in this context has even shown that seven out of ten millennials experience “FOMO” (fear of missing out), which further drives their desire for experiences. However, the basic understanding of this consumer behaviour should not scare companies. Rather, it can be a great help for them to create a retail experience that really delights customers in the long term, thus strengthening the entire brand. A fairly simple basic form of retailtainment is the introduction of lifestyle zones within a store. This gives customers the feeling that they are moving around in a spacious and stylish world full of experiences – which they would be unlikely to find at home within the confines of their two-room apartment. People welcome the opportunity to do other nice things after browsing the shelves because it turns shopping into a fun, feel-good, all-round experience. A lifestyle zone could therefore take the form of a lounge area with comfortable armchairs, fast WLAN, small snacks and drinks.

**CREATIVITY IS NEEDED HERE – AND IS ALREADY TAKING PLACE.**

---

**1. SHOPPING TIP: NIACINAMIDE**

**New beauty secret weapon**

Unpronounceable name – ingenious effect. Niacinamide is on everyone’s lips right now. And rightly so! Facial serums have been very popular for quite some time and have long since replaced heavy and often greasy face creams. But this little miracle product is different and better than all those that have come before it – making it the trending product for 2022!

It is suitable for all skin types – young skin, mature skin, dry skin, oily skin – and for both women and men. Niacinamide is a vitamin B3 derivative (the chemical name for vitamin B3 is niacin) and is attributed a whole cocktail of effects:

1. Anti-ageing effect
2. Strengthens the protective function and moisturises
3. Minimises enlarged pores – regulates sebum production
4. Has a calming effect on the skin
5. Reduces impurities & mattifies oily skin
6. Counteracts skin discolouration

And one factor is still missing from the list: It is available for relatively little – so it is not a luxury product. It is applied up to two times a day (in the evening and, if necessary, in the morning), on its own or as a base under moisturiser or foundation.
“Breakfast at Tiffany’s” is no longer just the title of a cult movie from 1961 starring Audrey Hepburn, but now also an actual possibility in the trademark turquoise ambience in New York and Asia. Tiffany & Co has taken the smart move of adding a café to its flagship store on Fifth Avenue in New York, where you can now enjoy a luxurious American breakfast in style.

It’s a winning concept, so much so that it’s almost impossible to get a table. A retail experience in a store can be a great way to create buzz. From stores offering workshops, through bike stores with test tracks, to yoga classes and bowling alleys – you can now find just about everything.

The new flagship store of the sports retailer “Engelhorn” in Mannheim has established itself as a hot-spot for fitness freaks. Spread across seven floors, paired with innovative architecture and plenty of technology, customers will find running analysis, bra fitting, a yoga rest zone, a climbing wall, a ski and bike workshop, and running and cycling meet-ups. So action is guaranteed. Prefer surfing? Then head to the fashion store “Lengermann & Trieschmann” (“L&T”) in Osnabrück. There, customers will be greeted not only by a surf simulator, but also their own gym, a training room that simulates high-altitude air thanks to sophisticated air-conditioning technology, a target wall for shooting – and a tapas bar serving refreshments afterwards.

Not only do all of these offers provide a great experience for customers, but the more socially engaged among them will be more likely to share their experiences on social media – which in turn could lead to more people frequenting the store. It’s a real win-win situation.

MORE AND MORE RETAILERS ARE EVEN CREATING INSTAGRAM-WORTHY BACKDROPS IN THEIR STORES

to encourage customers to take selfies there – and then post them on social media. Another way to attract customers to a store is to use the business premises (also) for other things: music events, talks, readings, cooking & food events. These, too, can create real excitement, attract new target groups and turn spontaneous customers into loyal regulars.

Educational learning experiences are also a great way to draw customers into stores. Apple hosts training sessions in its stores called “Today at Apple”, covering a range of topics from photo and video, music, programming, art and design. The hands-on events are led by highly qualified staff and, in some cities, world-class artists, photographers and musicians. Other events could include exclusive VIP experiences, Christmas shopping nights or product launch parties. At its core, retailtainment offers customers a feeling, a feel-good atmosphere, an image, a memory, a new trend – but above all real added value.

After all, what has online shopping never been able to do, cannot do and will never be able to do? Just that: Provide experiences with all the senses. Feel, smell, taste, experience. This is not possible in the digital world; Aldous Huxley’s “Brave New World” is and will always be a work of fiction. And while recognising this advantage and exploiting it to best effect remains a challenge, it also presents an incredible opportunity for shopping centers – and especially for the retailers within them.
2. BEAUTY TREND: BUSHY BROWS

Let ’em grow!

The days of painstaking plucking are over: fine, thin eyebrows are out! Today, not only female trendsetters, but also style-conscious men from all walks of life are embracing a bolder look. After years of waxing, shaving and threading, a whole new trend has taken hold in eyebrow salons: bushy brows!

Models like Cara Delevingne and Sophia Hadjipanteli, star influencer Chiara Ferragni and actress Lily Collins are all big fans.

Styling is simple:
• The first step is to comb the hairs upwards in careful strokes before applying make-up. A small brush is suitable for this purpose.
• Then, any large gaps are carefully filled in with a light eyebrow pencil matching the eyebrow colour – not too dark! Fine strokes produce a more natural result.
• To make the shape of the eyebrows a little more symmetrical, a subtle line is traced on the underside of the brow, extending it on the inside or at the edge.
• The most important step: the hairs are combed upwards with coloured or transparent eyebrow gel and fixed in their upright position. This also makes the drawn line disappear.

If this is too complicated for you, there are no shortage of eyebrow salons that can give you a professional make-over (e.g. the “Twinkle Brow Bar” in the Phoenix-Center, Hamburg, or the “Benefit Cosmetics BrowBar” in the Stadtgalerie, Passau).
A store of the bicycle dealer B.O.C.
BLAZING THE TRAIL WITH FRESH IDEAS

Retailtainment – sounds good in theory. But how can it be implemented in practice? These examples of DES tenants show: With smart ideas, not only can you inspire customers and keep them inspired, but also generate steadily growing sales.

TEXT: JENS-STEPHAN HÜBEL

At the Altmarkt-Galerie in Dresden, visitors can not only shop to their heart’s content, but also experience something very special at the Viba Erlebnis-Confiserie & Café. While indulging in a delicious cup of coffee, homemade dessert or the infamous “nougat cup”, you look directly over the shoulders of the chocolatiers. A variety of try-it-yourself courses offer insights into how to handle the ingredients and into the art of making chocolate, nougat and fillings. And if your stomach starts rumbling as you watch the confectioners practise their craft, you can give yourself a treat in the restaurant, which has space for 80 guests and offers a wide range of homemade specialities. All this comes with a view of the Frauenkirche church and Altmarkt square, of course.

www.viba-dresden.de
By the way, you can also admire a replica of the Frauenkirche in the Lego store at the Altmarkt-Galerie. Here, the brickmasters have created a real highlight that draws visitors to the store in droves — almost like a museum.

If you like it hearty and rustic, all you have to do in Hamburg’s Billstedt-Center is follow your nose: Hardal Restaurant not only serves delicious Turkish specialities and offers an appealing buffet with all kinds of delicacies from 1001 Nights, but also (likely) has the first open charcoal grill in a German shopping center. For many customers, this is an absolute highlight after a busy day shopping. www.hardal-restaurant.de

If you are more of an adrenaline junkie than a fashionista, then look no further than the Rhein-Neckar-Zentrum in Viernheim, where indoor skydiving has been on offer since the end of last year. Yes, that’s exactly what you think it is: being blown upward by powerful turbines in a large glass cylinder, literally weightless. It feels like flying. Everyone who’s tried it can’t wait to do it again. Two flights are available for €59. www.indoor-skydiving.com/einsteiger

Shoppers will also find Turkish specialities and a massive selection of fresh fruit and vegetables at low prices at various market stalls in the middle of the shopping center, which are just as popular in the Billstedt Center as the anchor tenants TK Maxx, H&M, DOUGLAS and Media Markt.

By the way, there are also some other exciting openings on the horizon at the Rhein-Neckar-Zentrum: Bicycle retailer B.O.C. will be opening a new flagship store there in the very near future, including a parkour course and bike test track, while the very successful Italian gastro chain L’Osteria (the one with the giant wood-fired pizzas) will soon start welcoming guests.
An exciting new offering that is attracting visitors to the Phoenix-Center in Hamburg and revolutionising the coffee-to-go market is MyAppCafé.

This is a cutting-edge, fully automated coffee service that freshly prepares the finest top-quality coffee, hot chocolate, chai lattes and other delicious drink specialities in a matter of seconds according to customers’ specific wishes. This is how it works: In a cabin measuring around nine square metres, a robotic arm quickly and precisely operates high-quality coffee machines, conjuring up whatever the customer wants, whether that’s an espresso, cappuccino, latte, latte macchiato, hot chocolate or chai latte, etc. with syrup, cow’s milk, soy milk and so on and so forth, and serves the beverage hot or chilled for the guest to take away.

If guests use the touchscreen to order their coffee, they have over 200 different combinations to choose from. An even more convenient way to choose and pay – with the added bonus of a 10% discount – is via the associated app, which customers can download. This is what the coffee-to-go of the future will look like: Order coffee using your mobile device, scan the QR code you’ve received on site, and get your fresh Fairtrade coffee in no time at all.

It will soon also be possible to send a message of love with the coffee: Provided with the desired image via the app, the robot will conjure up a lifelike photo design in cocoa powder on top of the milk froth. Better still, there’s no standing in line anymore either. The software-controlled baristas can certainly hold a candle to their human counterparts. In some respects, they are even superior to them, capable of filling an incredible 120 coffee cups (compostable!) per hour.

www.my-app-cafe.com
“For me, it was a new mountain bike. With impressive ease it has already given me many beautiful tours around Hamburg and out to the Baltic Sea. And I’m looking forward to taking it with me on holiday to the Alps this summer and really putting it through its paces.”

“I bought a used wine cask to use as a rain barrel. I use it to catch the rain running off the roof of the garden shed. It’s good for the environment and for my water bill.”

“In light of the fact that we would like to get rid of our second car in the foreseeable future, we purchased an e-bike to use as a dog cargo bike. I can now transport my two dogs in safety and comfort even sometimes over longer distances and they can enjoy the wind blowing in their faces.”

“Things have been a lot more hectic at our house for a few months now – since we got Eddy, our Goldendoodle. He’s always at our side, and not only helps determine what we do every day, but also provides us with plenty of smiles and laughter.”
NICOLAS LISSNER
Senior Manager Investor & Public Relations
“I bought a narrow sideboard from USM Haller that now serves as a small home bar in our kitchen. It’s a timeless and solid piece of furniture that hopefully will be with us for a long time to come.”

BIRGIT SCHÄFER
Secretary to the Executive Board
“My purchase of the year was a fabric-covered balance ball chair to improve my posture when working from home. This comfortable seat also looks great and is a real eye-catcher.”

PATRICK KISS
Head of Investor & Public Relations
“I guess I have a thing for shoes – probably just like every runner. So in 2021, as in every year in fact, I got a new pair of running shoes: Brooks Adrenaline GTS 21. They’re lightweight shoes with stability support. It’s not their fault I ran significantly less than usual.”

„WHAT I BOUGHT MYSELF IN 2021“
The success of our Company lies in our portfolio. We have 21 centers, each of which is unique. Seventeen of these are in Germany, and there is also one each in Austria, Poland, the Czech Republic and Hungary. Together, they have more than 2,703 shops over an area covering 1,086,600 m².
Even in these extremely challenging times for the retail sector due to the pandemic, we are satisfied with an average occupancy rate of more than 95% at the end of 2021 and we are optimistic about the future. This figure confirms the quality of our portfolio, particularly given the current situation. It has remained at a consistently very high level ever since Deutsche EuroShop was established. Our investments are squarely focused on Germany, where 81% of our centers are located.

### Germany Abroad

<table>
<thead>
<tr>
<th></th>
<th>Germany</th>
<th>Abroad</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of centers</td>
<td>17</td>
<td>4</td>
<td>21</td>
</tr>
<tr>
<td>Leasable space in m²</td>
<td>880,600</td>
<td>206,000</td>
<td>1,086,600</td>
</tr>
<tr>
<td>No. of shops</td>
<td>2,030</td>
<td>643</td>
<td>2,673</td>
</tr>
<tr>
<td>Occupancy rate¹</td>
<td>95%</td>
<td>95%</td>
<td>95%</td>
</tr>
<tr>
<td>Inhabitants in catchment area in millions</td>
<td>13.9</td>
<td>3.4</td>
<td>17.3</td>
</tr>
</tbody>
</table>

¹ as per EPRA, based on rental income  
As at 31 December 2021

**OPTIMUM ACCESSIBILITY**

Whether in the inner city or outside the city limits, we pay particular attention to transport links for our properties. In towns and cities, we like to be close to public transport hubs. In Hameln and Passau, for example, our centers are right next to the main bus stations, while our properties in Norderstedt and Hamburg-Billstedt are directly above or adjacent to underground stations. In Brno, we offer our visitors a free shuttle bus that runs several times a day between the inner city and the Olympia Center.

All our centers also have their own parking facilities that offer our customers convenient and affordable parking, even in downtown areas, ensuring optimum accessibility by car. Many of our properties outside inner cities offer free parking. These particular locations are alongside motorways, making them very easy to reach; examples include the A10 Center in Wildau on the A10 (Berlin ring road) and the Main-Taunus-Zentrum in Sulzbach on the A66.

Parking spaces reserved for people with disabilities, families and women as well as extra-wide parking spaces are offered as part of our service at all our shopping centers. Charging stations for electric vehicles and joint ventures with car-sharing services are just a few examples that show how we are always thinking of tomorrow. In addition, we are gradually fitting more and more of our parking facilities at the centers with LED parking space indicators, which enable visitors to find a convenient vacant parking space far more quickly. QR code-based guidance systems also quickly direct our visitors back to their parking spaces after they have finished wandering around our shops.

**THE FIRST AND LAST TOUCHPOINT**

ON A VISIT TO A CENTER IS THE CAR PARK.

Our Car Finder offers better guidance here: customers simply scan the QR code on a Car Finder sign near the vehicle, storing the parking spot in their smartphone. After shopping, they can then scan another QR code at one of the pay machines and conveniently be guided back to their car.

### SUCCESSFUL MIX

Each of our 21 shopping centers has a unique leasing structure that is the result of a long, intensive and constantly developed process. In these times of increasing online trading, it is particularly important to take a targeted approach to meeting customer demands and expanding product ranges at the relevant inner city location and, of course, always to offer something special and new. Our goal is always to work with retailers in our neighbourhood to make the entire location more attractive, so that everyone can benefit from the increased appeal of the downtown area as a whole. Here, too, we keep up with the times and offer appropriate solutions. For example, many of
our centers now have their own rapid Covid-19 testing stations. In some cases, these tests can even be carried out in a car on the parking deck. More and more vaccination centres were also opened during 2021.

Our centers often actively engage in location marketing and city management together with the relevant town or city, providing financial support as well as manpower and creative input. We attach great value to fair collaboration and partnerships.

ARCHITECTURE WITH SOMETHING SPECIAL

When designing our locations, special attention is always given to the architecture. Specific plot requirements are deemed no less important than the functional needs of our tenants. We also always have a responsibility towards the city and its residents, and it is important to us that we fulfil this. This includes the best-possible integration into the urban landscape, combined with an exterior that meets modern architectural standards. In seeking to achieve this, we work very closely with the local authorities.

The results are clear: the outcome is often an architectural gem, where even unique historical buildings can be lovingly integrated into the center when possible, as is the case, for example, with the listed former Intecta department store, which is now a structural element of the Altmarkt-Galerie Dresden.

What is inside counts too: the interiors of our shopping centers also need to be impressive, as the most important thing is that our visitors and customers enjoy shopping there and experience the space as something special. To achieve this, we opt for simple and timeless architecture, making use of premium materials that are often sourced from the local region. Quiet zones, pleasant greenery and fountains are an open invitation to linger as soon as this is possible again in a relaxed manner. An innovative lighting concept provides a suitable atmosphere in the mall depending on the time of day, while state-of-the-art air-conditioning systems guarantee a pleasant “shopping climate” as well as clean, safe air all year round.

Since 2020, we have implemented a comprehensive hygiene concept at all centers, including all the necessary social distancing, hygiene and safety measures to protect against infection.

IN THE CURRENT SITUATION, THE HEALTH AND PREVENTATIVE PROTECTION OF OUR VISITORS, TENANTS AND CENTER EMPLOYEES IS OUR TOP PRIORITY.

That’s why since 2020 we have implemented a comprehensive safety and hygiene concept at our centers, which was tested and certified by an independent institute. Everything is designed to ensure that all visitors enjoy spending time at the center and want to come back. Ongoing modernisation and optimisation ensure that our centers retain their value and remain competitive. We and our center management partner ECE have launched “At Your Service” – a large-scale initiative to examine all the aspects of our centers’ service, to highlight the existing services even more clearly and to optimise and supplement them where this is sensible and necessary. This includes major improvements to the signage inside the center, lighting upgrades and new colour schemes in the malls.
Seating and lounge areas with smartphone charging facilities provide a relaxing break from shopping. Children’s play areas are provided for our smallest visitors.

Visitors should feel happy and comfortable with us – whatever their age. It goes without saying that our centers are designed to be used by all generations. Wide malls, escalators and lifts mean that it is easy to explore every corner of the center, even with pushchairs or wheelchairs.

SHOPPING WITHOUT BORDERS – FOR ALL! STEP-FREE ACCESS, WIDE DOORWAYS AND PLENTY OF SPACE TO MANOEUVRE MEAN THAT PEOPLE WITH DISABILITIES CAN ENJOY MAXIMUM MOBILITY IN OUR CENTERS AS WELL.

SUSTAINABILITY GOES WITHOUT SAYING

In 2021, all our 21 shopping centers had contracts with suppliers that use renewable energy sources, such as hydroelectric power, for their electricity needs; 19 used exclusively green electricity. We also want to reduce the overall energy consumption of our properties on an ongoing basis and in so doing to cut CO₂ emissions. To this end, we use ultramodern technologies such as heat exchangers and LED lighting systems. We also constantly seek dialogue with our rental partners with the aim of working together to reduce energy consumption in the individual shops. The refuse in our centers is separated not just into paper/cardboard, lightweight packaging and glass, but also into leftover food and residual waste.

The German Sustainable Building Council (DGNB) has awarded prestigious sustainability certificates in gold or platinum to all 21 shopping centers in our portfolio.

AS NIGHT FALLS, THE ROOFS OF OUR CENTERS START TO MOVE.

Smart control systems open flaps that allow hot air to escape and cold air to flow in. This eliminates the need for mechanical cooling and saves a lot of energy.

A SECURE FUTURE THROUGH COMPLETE FLEXIBILITY

Retail is driven by constant change. One particular challenge we face as the lessor is to be able to meet the frequently changing requirements and needs of our tenants.

Some tenants expand their retail spaces so they can convert the shop from a purely retail area into a true experience arena. The idea is to give customers more opportunities to take the time to test the desired product on site. Ever more intensive consultation is also part of this. All these factors play an increasingly important role, particularly at a time when more and more people are shopping online.

You can find lots of additional information about sustainability in our shopping centers in our ESG Report 2021!
We provide customised solutions to meet the demand for ever more varied spaces. We can almost always offer all tenants the exact floor plan they need to make their concepts a reality in our centers, and are also able to accommodate tenants if they want to make changes to an existing retail space later on. Movable internal walls means that virtually any retail space can be adapted without major effort or expense and made bigger or smaller to suit tenant requirements. If a tenant wants to make a space smaller, this can, for example, create an opportunity to integrate a new concept into the center at this site.

It is precisely this factor that distinguishes our shopping centers from the traditional shopping street which, even today, generally offers only rigid floor plans that have to be accepted the way they are. In some cases, certain retailers wait to enter the market in a city until they are offered the right space in a shopping center because their search in the traditional pedestrian zone has proven unsuccessful. The whole of the retail sector in the inner city benefits from the resulting increase in diversity.

More than 17 million people live within the catchment areas of our shopping centers, almost 14 million of them in Germany. This represents more than 16% of the German population. A location’s catchment area is a major factor for us when it comes to selecting an investment: this is ascertained at regular intervals according to standardised rules for all shopping centers and represents the total number of potential customers for the location in question. In the challenging year 2021, our 21 locations received a total of about 109 million visitors in spite of extensive coronavirus-related restrictions and local directives. That figure was even higher in the years prior to the pandemic, at about 180 million.

Our tenancy portfolio is highly diversified: our top 10 retail tenants account for no more than around 21% of our rental income, so there is no major dependency on individual tenants.

Most of the leases that we conclude with our tenants are medium to long-term. As at 31 December 2021, the weighted residual term of the leases in our portfolio was 5.3 years, with 46% of our leases being secured until at least 2027.

Our Top 10 Tenants

H&M, one of the world’s major textile retailers is our top tenant, accounting for 2.8% of our rental income. The next spots in this league table are occupied by fashion retailer Peek & Cloppenburg, at 2.5%, and Ceconomy, with its two sales brands Media Markt and Saturn, at 2.4%.

Our tenancy portfolio is highly diversified: our top 10 retail tenants account for no more than around 21% of our rental income, so there is no major dependency on individual tenants.

Long-Term Leases

More than 17 million people live within the catchment areas of our shopping centers, almost 14 million of them in Germany. This represents more than 16% of the German population. A location’s catchment area is a major factor for us when it comes to selecting an investment: this is ascertained at regular intervals according to standardised rules for all shopping centers and represents the total number of potential customers for the location in question. In the challenging year 2021, our 21 locations received a total of about 109 million visitors in spite of extensive coronavirus-related restrictions and local directives. That figure was even higher in the years prior to the pandemic, at about 180 million.
THE TEN LARGEST TENANTS

(share of rental income in %), As at 31 December 2021

- TK Maxx 1.5%
- Thalia 1.5%
- dm drogerie markt 1.5%
- Douglas 2.0%
- C&A 2.1%
- 2.8% H&M
- 2.5% Peek & Cloppenburg
- 2.4% Ceconomy
- 2.2% New Yorker
- 2.2% Deichmann

Total of the top 10 tenants: **20.7%**
Other tenants: **79.3%**

RESIDUAL TERM OF LEASES IN PLACE

(Term of leases, share of rental income in %), As at 31 December 2021

- 2027 onwards 44%
- 5% 2022
- 10% 2023
- 11% 2024
- 10% 2025
- 2026 18%
OUR PARTNER FOR CENTER MANAGEMENT

The management of our 21 shopping centers has been outsourced to our partner ECE Marketplaces, Europe’s leading service provider for the management of shopping centers. As part of the ECE Group, which operates in the real estate and investment sectors, ECE Marketplaces offers comprehensive expertise and more than 57 years’ experience in the professional operation and marketing of shopping centers as well as their continuous further development into lively marketplaces and attractive urban districts. ECE Marketplaces manages about 200 shopping centers in Europe.

Deutsche EuroShop benefits from this experience both within Germany and abroad. Thanks to our streamlined structure, we are therefore able to focus on our core business and expertise: portfolio management.

www.ece.com

RENT OPTIMISATION RATHER THAN MAXIMISATION

One of the core tasks of center management is putting together the right combination of shops to suit the property and the local area. This mix of tenants and sectors is tailored exactly to each location and is constantly refined. It is the result of careful analysis of each local retail market.

Center management is also about identifying the wishes and needs of customers. As a result, we like to attract retailers to our centers from sectors that are rarely found in inner cities due to the rent level at prime locations, for example toy shops and specialist porcelain shops.
We set ourselves apart from the majority of building owners in pedestrian zones in one key respect: as long-term investors, it is our goal to achieve permanent optimisation rather than short-term maximisation of rents. We want to offer our customers and visitors an attractive mix. Rather than focus on each shop space in isolation, we look at the property as a whole. The rent in each case is calculated primarily on the basis of the sales potential of the sector to which the tenant belongs as well as its location within the shopping center. This also enables us to give opportunities to new businesses and niche concepts.

All sides benefit from this system: as the landlord, we are able to build a collaborative relationship of trust with our tenants for the long term; our tenants benefit from high visitor numbers due to the varied mix of offerings; and our customers appreciate the very wide choice of shops. These range from various fashion concepts to accessories, drugstores and supermarkets, right through to professional services such as dry cleaners as well as bank and post office branches.

**CULINARY DELIGHTS**

Surveys show that the food and drink offering is an increasingly important consideration for customers when choosing whether to visit a center. And it’s not just for this reason that we want to offer our visitors something special on the gastronomic front: cafés, fast-food restaurants, ice-cream parlours, etc. offer a chance for refreshment and revitalisation while shopping. The Phoenix-Center in Hamburg-Harburg, the City-Point in Kassel and the Galeria Bałtycka in Gdansk have their own food courts, with space for lots of diners to enjoy a wide variety of cuisines in a single seating area, so that friends or families can choose to eat from different outlets while still sitting together.

**FOCUS ON FASHION**

The fashion industry dominates our retail mix at around 54%. The large fashion offering at our centers is confirmed time and again in customer surveys. It is one reason why customers are willing to travel sometimes long distances from the surrounding area to enjoy the wide selection and quality of advice given.

**RETAIL MIX**

(In % of rental space), As at 31 December 2021
The individual mix of tenants provides each of our centers with a character all of its own. In our shopping centers, we always make sure that there is a healthy blend of regional and local retailers as well as national and international chains. The colourful structure of our centers offers visitors something different each time and the opportunity to satisfy a vast range of consumer needs.

DIGITAL SUSTAINABILITY

The Internet continues to influence the transformation of retailing. This trend has even been accelerated due to the pandemic. We want to offer the best of both worlds at our centers – namely offline and online experiences – and thus showcase the strengths of our tenants: atmosphere, services, fitting rooms, immediate availability of merchandise. It is not for nothing that more and more online-only retailers are learning that pure branding mostly takes place offline and that direct and personal contact with customers is often the best prerequisite even for subsequent online purchases.

Multichannel marketing also has a part to play here, enabling our tenants to combine various means of communication and distribution. For example, products that are out of stock in a store in the required size or colour can be delivered directly to customers at home. Alternatively, customers can order their goods online from home and collect them from our tenant’s store in the center.

By integrating a variety of digital services into our centers, we are responding to the challenges presented by the current pandemic as well as by online trading. These include apps and social media offerings at each individual center.

All our German shopping centers are connected to the Digital Mall developed by our partner ECE. This enables our customers to find information on the availability of products, sizes and prices in the center at any time, wherever they may be. As part of the next stage of development, customers will be able to reserve their desired products at many centers and then simply collect them later on site.
The concept of the Digital Mall is based on the idea that customers can find out what is available at their local center from home without automatically being redirected to the major e-commerce providers when searching for products over the Internet. Our online product search function now offers more than 3.7 million products from more than 1,000 stores at all ECE centers. Negotiations with many other tenants are underway. The prospects for delivering products from centers to surrounding areas look good. Initial test projects have also proven successful.
FIND ONLINE, BUY OFFLINE: THE DIGITAL MALL OFFERS OUR CUSTOMERS A SEAMLESS OMNICHANNEL EXPERIENCE.

On the websites of all German centers in our portfolio, customers can experience the variety of products offered by many shops, find out online about the offering available, and then buy the articles they want from the relevant retailer in the actual shopping center. The range currently includes more than 3.7 million products. By rolling out this project, our partner ECE has become the first operator of shopping centers in Germany to fulfill the wish expressed by many customers for an integrated, cross-channel shopping experience.

SUCCESSFUL PARTNER TENANTS

Our tenants are among the key drivers of our success. They include, for example, Aldi, Apple, Bijou Brigitte, Birkenstock, Breuninger, C&A, Christ, Deutsche Post, Deutsche Telekom, dm-drogerie markt, Douglas, Fielmann, H&M, Jack&Jones, Lego, Media Markt, Mister Spex, Nespresso, New Yorker, Nordsee, Peek & Cloppenburg, Reserved, REWE, Rituals, Saturn, Sephora, Søstrene Grene, s.Oliver, Subway, Superdry, Thalia, TK Maxx, Tommy Hilfiger, Vero Moda, Vodafone and Zara.
UNIFORM OPENING HOURS

At our centers, visitors can always rely on standard opening hours, unlike in the traditional inner city where each individual retailer decides for itself how long to stay open. No matter whether it’s a hairdresser, an optician or a travel agency, all our tenants are available to customers throughout the stated opening hours if normal store operation is possible. This too is a strategic advantage, and one that is appreciated in particular by customers who have to travel a long distance to reach us.

TOGETHERNESS IS OUR STRENGTH

Service is always centre stage at our centers. Friendly staff at service points are available to answer questions about all aspects of the center. Gift vouchers and other items can also be bought there, and many of them hire out children’s buggies. Digital touchpoints that enable communication with service staff by live video chat are the perfect complement to traditional customer information.

We are also leading the way with our 3D Wayfinders, which show users how to get to the shop they want with authentic 3D visualisation, or which can be downloaded onto personal smartphones. Thanks to the deployment of discreet security personnel, customers can feel safe at all times. Baby changing rooms, modern customer toilets and cash machines complete the services. Cleanliness and hygiene are a matter of course, not only in times of pandemic.

IT IS IMPORTANT TO OFFER CUSTOMERS A VARIETY OF NAVIGATIONAL AIDS, ESPECIALLY IN LARGE SHOPPING CENTERS.

Our modern, digital 3D Wayfinder systems help them to find exactly what they are looking for: whether that’s a shop, product, ATM or toilet. The route is displayed in an authentic, three-dimensional manner from the customer’s perspective. It can also be downloaded from the Wayfinder system onto personal smartphones using a QR code.

LEADING THE WAY WITH 3D WAYFINDER

Every one of our tenants is automatically also a member of the marketing association of the center in question. This means that each tenant pays a share of the center’s marketing costs and can play an active role in the marketing strategy committee. The marketing association plans events together with the center management, thus transforming the shopping center into a lively marketplace. Fashion shows, art exhibitions, country-themed weeks and information events dealing with a whole range of topics offer visitors new and fresh experiences time and again.

Local associations and municipal authorities are also involved in the plans and are given the opportunity to represent themselves in the center. The lavish center decorations for the Easter and Christmas periods are among the projects handled by the marketing associations.

Important areas of the work include coordinating coherent social media and advertising activities for the center as a whole as well as editing a center newspaper, which is distributed as an insert in regional daily newspapers in the catchment area and provides readers with regular and professional updates on all events and news relating to the center. Radio ads, adverts on and inside local public transport, and illuminated advertising posters also ensure that the advertising measures reach a large audience.
WOLFSBURG CELEBRATES 20 YEARS OF CITY-GALERIE

There were all kinds of reasons to celebrate at Porschestraße in Wolfsburg last year: the City-Galerie marked its 20th anniversary from 30 September to 9 October 2021 and invited everyone in Wolfsburg to join in the festivities. The big birthday bash was at the same time an opportunity to thank all customers for their loyalty. One of the main highlights alongside a cash-back promotion was “20 years – €20,000”, which saw individual visitors surprised at random with the money to pay for their purchase. Afterwards, the winners received an additional golden ticket and were entered in a draw for one of 40 €500 center vouchers. In addition, an exhibition was staged in the mall featuring many highlights from previous years and plenty of entertainment for young and old.

www.city-galerie-wolfsburg.de

PASSAU: COLOURFUL AIRSHIPS IN THE STADT-GALERIE

During the summer weeks of 2021, the Stadt-Galerie housed a particularly “airy” and colourful exhibition, created in collaboration with three primary schools in the Passau metropolitan area. The fourth-graders gave ZF at the Passau location a very special present for its 75th birthday as part of an art project. Inspired by ZF’s historical legacy, which dates back to aviation pioneer Ferdinand Graf von Zeppelin, the students designed five two-metre Zeppelin models based on their own bold and colourful ideas. Visitors to the exhibition were also able to learn about the almost forgotten “giants of the air” and one of the largest companies in the region via information panels and screens. The exhibition was accompanied by a competition organised jointly by the Stadt-Galerie Passau and ZF. The main prize was a balloon ride for two. Shopping vouchers for the Stadt-Galerie Passau were also up for grabs.

www.stadt-galerie-passau.de
PRIVATE FASHION DAYS IN DRESDEN

The first Friday of the month always marks a special shopping experience at the Altmarkt-Galerie Dresden: customers are greeted by a fun and lively shopping ambience and lots of great promotions organised by the center management together with tenants. Larissa Markus, style consultant at the Altmarkt-Galerie, plays a very special role in this. She is on hand in the stores offering the benefit of her expertise and experience with professional, customised and, of course, free styling tips. In addition to special discounts and a welcome glass of prosecco, visitors can also look forward to a goodie bag and a small surprise as a thank-you gift.

www.altmarkt-galerie-dresden.de

WARM SOCKS ON THE POLISH BALTIC COAST

Just in time for St Nicholas Day, the Galeria Bałtycka prepared a special surprise. Every customer who spent at least 100 Polish zloty (approx. 20 euros) at the center was eligible to be entered in a prize draw to win a pair of Christmas socks. The campaign was so well received that after just five days, 2,000 pairs of socks had been handed out to lucky visitors. On the back of this success, the center immediately started making plans for its next promotion, which saw the give-away of 3,000 pairs of “love socks” to mark Valentine’s Day on 14 February 2022.

www.galeria-baltycka.pl
We are the only public company in Germany that invests solely in shopping centers in prime locations. We invest only in carefully chosen properties. High quality standards and a high degree of flexibility are just as important to us as sustained earnings growth from index- and turnover-linked rental contracts. In addition, we boast a higher than average occupancy rate and professional center management – these are the pillars of our success.
CENTERS IN GERMANY

1. Main-Taunus-Zentrum, Sulzbach / Frankfurt
2. A10 Center, Wildau / Berlin
3. Altmart-Galerie, Dresden
4. Rhein-Neckar-Zentrum, Viernheim / Mannheim
5. Herold-Center, Norderstedt
6. Rathaus-Center, Dessau
7. Allee-Center, Magdeburg
8. Phoenix-Center, Hamburg
9. Billstedt-Center, Hamburg
10. Saarpark-Center, Neunkirchen
11. Forum, Wetzlar
12. Allee-Center, Hamm
13. City-Galerie, Wolfsburg
14. City-Arkaden, Wuppertal
15. City-Point, Kassel
16. Stadt-Galerie, Passau
17. Stadt-Galerie, Hameln
The Deutsche Gesellschaft für Nachhaltiges Bauen (German – Sustainable Building – Council, DGNB) awarded sustainability certificates in platinum and gold to all 21 shopping centers in our portfolio.

**Main-Taunus-Zentrum**
Sulzbach / Frankfurt (Taunus)

**A10 Center**
Wildau / Berlin

**Investments:** 52%
**Leasable space:** 124,000 m²
of which retail space:
91,000 m² (plus C&A)
**Parking:** 4,500
**No. of shops:** 170
**Occupancy rate:** 92%
**Catchment area:** 2.1 million residents

**Purchased by DES:**
September 2000
**Grand opening:** 1964
**Modernisation:** 2004
**Expansion:** 2011
**Anchor tenants:** Anson’s, Appelrath Cüpper, Apple, Breuninger, Galeria Kaufhof, H&M, Hollister, Intersport, Media Markt, Zara

**Visitors in 2021:**
4.8 million

**Address:**
Am Main-Taunus-Zentrum,
65843 Sulzbach (Taunus)
main-taunus-zentrum.de

**Investments:** 100%
**Leasable space:** 121,000 m²
of which retail space:
66,000 m²
**Parking:** 4,000
**No. of shops:** 200
**Occupancy rate:** 92%
**Catchment area:** 1.2 million residents

**Purchased by DES:**
January 2010
**Grand opening:** 1996
**Restructuring:** 2010 – 2011
**Anchor tenants:** Bambooland, Bauhaus, C&A, Hammer, H&M, Kaufland, Karstadt Sports, MediMax, Peek & Cloppenburg, Sportscheck

**Visitors in 2021:**
4.8 million

**Address:**
Chausseestraße 1,
15745 Wildau
a10center.de

**Facebook**
4.4/5 stars
34,833 fans
MainTaunus-Zentrum

**Instagram**
6,020 follower
maintaunus-zentrum

**Google**
4.4/5 stars

**Facebook**
4.3/5 stars
28,081 fans
A10Center

**Instagram**
2,142 follower
a10center.wildau

**Google**
4.4/5 stars
Altmart-Galerie
Dresden

Investments: 100%
Leasable space: 77,000 m²
of which retail space: 44,000 m²
Parking: 500
No. of shops: 200
Occupancy rate: 97%
Catchment area: 1.4 million residents
Purchased by DES: September 2000
Grand opening: 2002
Expansion: 2011
Anchor tenants: Apple, Hollister, H&M, New Yorker, REWE, Saturn, Sinn, SportScheck
Visitors in 2020: 6.8 million
Address: Webergasse 1, 01069 Dresden

Facebook 4.4/5 stars
Instagram 3.7/5 followers
Google 4.4/5 stars

altmarkt-galerie-dresden.de

Rhein-Neckar-Zentrum
Viernheim / Mannheim

Investments: 100%
Leasable space: 69,500 m²
of which retail space: 60,000 m² (plus Karstadt und C&A)
Parking: 3,800
No. of shops: 110
Occupancy rate: 92%
Catchment area: 1.6 million residents
Purchased by DES: September 2000
Grand opening: 1972
Restructuring / Expansion: 2002
Anchor tenants: Aldi, Engelhorn Active Town, H&M, Hugendubel, Müller Drogerie, Peek & Cloppenburg, TK Maxx
Visitors in 2020: 5.5 million
Address: Robert-Schumann-Straße 8a, 68519 Viernheim

Facebook 4.3/5 stars
Instagram 15.6/7 followers
Google 4.4/5 stars

rhein-neckar-zentrum-viernheim.de

Herold-Center
Norderstedt

Investments: 100%
Leasable space: 54,300 m²
of which retail space: 26,000 m² (plus Saturn)
Parking: 850
No. of shops: 140
Occupancy rate: 95%
Catchment area: 0.5 million residents
Purchased by DES: January 2013
Grand opening: 1971
Anchor tenants: C&A, H&M, Peek & Cloppenburg, REWE
Visitors in 2020: 6.2 million
Address: Berliner Allee 38 – 44, 22850 Norderstedt

Facebook 4.0/5 stars
Instagram 2.3/5 followers
Google 4.1/5 stars

herold-center.de
Rathaus-Center
Dessau

Investments: 100%
Leasable space: 52,500 m²
of which retail space: 32,900 m²
Parking: 850
No. of shops: 90
Occupancy rate: 90%
Catchment area: 0.3 million residents
Purchased by DES: November 2005
Grand opening: 1995
Anchor tenants: H&M, Modehaus Fischer, REWE, Thalia, TK Maxx
Visitors in 2020: 3.1 million
Address: Kavalierstraße 49, 06844 Dessau-Roßlau

rathauscenter-dessau.de
Facebook 4.0/5 stars
18,524 fans
rathauscenter-dessau
Instagram 4.1/5 follower
rathaus-center-dessau
Google 4.2/5 stars

Allee-Center
Magdeburg

Investments: 50%
Leasable space: 51,300 m²
of which retail space: 35,000 m²
Parking: 1,300
No. of shops: 150
Occupancy rate: 98%
Catchment area: 0.9 million residents
Purchased by DES: October 2011
Grand opening: 1998
Expansion: 2006
Anchor tenants: H&M, REWE, Saturn, Sinn, SportScheck
Visitors in 2020: 6.5 million
Address: Ernst-Reuter-Allee 11, 39104 Magdeburg

allee-center-magdeburg.de
Facebook 5.0/5 stars
53,704 fans
AlleeCenterMD
Instagram 4.6/5 follower
alleecenter-magdeburg
Google 4.3/5 stars

Phoenix-Center
Hamburg

Investments: 50%
Leasable space: 43,400 m²
of which retail space: 29,000 m²
Parking: 1,400
No. of shops: 130
Occupancy rate: 96%
Catchment area: 0.6 million residents
Purchased by DES: August 2003
Grand opening: 2004
Expansion / Restructuring: 2016
Anchor tenants: C&A, H&M, Media Markt, New Yorker, REWE, Sinn, SportScheck
Visitors in 2020: 5.4 million
Address: Hannoversche Str. 86, 21079 Hamburg

phoenix-center-harburg.de
Facebook 4.1/5 stars
26,299 fans
Phoenix-CenterHarburg
Instagram 3.3/5 follower
phoenix-centerharburg
Google 4.2/5 stars
Billstedt-Center
Hamburg

Investments: 100%
Leasable space: 42,500 m²
of which retail space: 29,500 m² (plus Primark)
Parking: 1,500
No. of shops: 110
Occupancy rate: 98%
Catchment area: 0.8 million residents
Purchased by DES: January 2011
Restructuring: 1996
Anchor tenants: C&A, H&M, Media Markt, REWE, TK Maxx
Visitors in 2020: 7.8 million
Address: Möllner Landstr. 3, 22111 Hamburg

Saarpark-Center
Neunkirchen

Investments: 50%
Leasable space: 35,600 m²
of which retail space: 33,500 m²
Parking: 1,600
No. of shops: 115
Occupancy rate: 96%
Catchment area: 0.7 million residents
Purchased by DES: October 2016
Grand opening: 1989
Restructuring: 1999 und 2009
Visitors in 2020: 3.5 million
Address: Stumiplatz 1, 66538 Neunkirchen

Forum
Wetzlar

Investments: 65%
Leasable space: 34,500 m²
of which retail space: 23,500 m²
Parking: 1,700
No. of shops: 110
Occupancy rate: 97%
Catchment area: 0.5 million residents
Purchased by DES: October 2003
Grand opening: 2005
Anchor tenants: Kaufland, Media Markt, Thalia, TK Maxx
Visitors in 2020: 4.7 million
Address: Am Forum 1, 35576 Wetzlar

billstedt-center.de
Facebook 4.0/5 Sterne
20,847 Fans
Billstedtcenter
Instagram 3.4/5 Follower
billstedtcenter_hamburg
Google 4.0/5 Sterne

saarpark-center.de
Facebook 4.2/5 stars
44,680 fans
Saarpark-Center Neunkirchen
Instagram 5.3/5 follower
saarparkcenter
Google 4.3/5 stars

forum-wetzlar.de
Facebook 4.3/5 stars
19,267 fans
ForumWetzlar
Instagram 2.3/5 follower
forumwetzlar
Google 4.3/5 stars
Allee-Center
Hamm

Investments: 100%
Leasable space: 34,000 m²
of which retail space: 21,000 m²
Parking: 1,300
No. of shops: 90
Occupancy rate: 96%
Catchment area: 0.4 million residents
Purchased by DES: April 2002
Grand opening: 1992
Renovation / Restructuring: 2003 und 2009
Anchor tenants: C&A, H&M, Peek & Cloppenburg, Saturn, TK Maxx
Visitors in 2020: 3.0 million
Address: Richard-Matthaei-Platz 1, 59065 Hamm

City-Galerie
Wolfsburg

Investments: 100%
Leasable space: 30,800 m²
of which retail space: 20,000 m²
Parking: 800
No. of shops: 100
Occupancy rate: 90%
Catchment area: 0.5 million residents
Purchased by DES: September 2000
Grand opening: 2001
Restructuring: 2011
Expansion: 2011
Anchor tenants: Hempel, New Yorker, REWE, Saturn
Visitors in 2020: 4.2 million
Address: Porschestra. 45, 38440 Wolfsburg

City-Arkaden
Wuppertal

Investments: 100%
Leasable space: 28,700 m²
of which retail space: 20,000 m²
Parking: 650
No. of shops: 80
Occupancy rate: 95%
Catchment area: 0.7 million residents
Purchased by DES: September 2000
Grand opening: 2001
Restructuring: 2011
Anchor tenants: Akzenta, H&M, Thalia, Reserved
Visitors in 2020: 5.1 million
Address: Alte Freiheit 9, 42103 Wuppertal
**City-Point Kassel**

- Investments: 100%
- Leasable space: 27,800 m²
- of which retail space: 20,000 m²
- Parking: 220
- No. of shops: 60
- Occupancy rate: 95%
- Catchment area: 0.6 million residents
- Purchased by DES: September 2000
- Grand opening: 2002
- Restructuring: 2009 und 2015
- Anchor tenants: H&M, New Yorker, Saturn, tegut
- Visitors in 2020: 4.7 million
- Address: Königsplatz 61, 34117 Kassel

**Stadt-Galerie Passau**

- Investments: 75%
- Leasable space: 27,700 m²
- of which retail space: 21,000 m²
- Parking: 500
- No. of shops: 90
- Occupancy rate: 97%
- Catchment area: 0.8 million residents
- Purchased by DES: December 2006
- Grand opening: 2008
- Anchor tenants: C&A, Saturn, Thalia, TK Maxx
- Visitors in 2020: 4.0 million
- Address: Bahnhofstr. 1, 94032 Passau

**Stadt-Galerie Hameln**

- Investments: 100%
- Leasable space: 26,000 m²
- of which retail space: 19,000 m²
- Parking: 500
- No. of shops: 85
- Occupancy rate: 92%
- Catchment area: 0.3 million residents
- Purchased by DES: November 2005
- Grand opening: 2008
- Anchor tenants: Müller Drogerie, New Yorker, Thalia
- Visitors in 2020: 3.8 million
- Address: Pferdemarkt 1, 31785 Hameln
CENTERS ABROAD

18 Olympia Center, Brno, Czech Republic
19 Galeria Bałtycka, Gdańsk, Poland
20 City Arkaden, Klagenfurt, Austria
21 Árkád, Pécs, Hungary

Olympia Center
Brno, Czech Republic

Investments: 100%
Leasable space: 85,000 m²
of which retail space:
71,000 m²
Parking: 4,000
No. of shops: 200
Occupancy rate: 93%
Catchment area: 1.2 million residents
Purchased by DES: March 2017
Grand opening: 1999
Expansion: 2011
Anchor tenants: Albert, H&M, Intersport, Peek & Cloppenburg
Visitors in 2020: 6.2 million
Address: U Dálnice 777, 664 42 Modřice, Brno, Czech Republic

olympia-centrum.cz

Facebook
4.5/5 stars
43,927 fans
olympiabrno

Instagram
5,679 followers
olympia-centrumbrno

Google
4.4/5 stars
Galeria Bałtycka  
Gdańsk, Poland

Investments: 74%  
Leasable space: 48,700 m²  
of which retail space: 43,000 m²  
Parking: 1,050  
No. of shops: 193  
Occupancy rate: 97%  
Catchment area: 1.1 million residents  
Purchased by DES: August 2006  
Grand opening: 2007  
Anchor tenants: Carrefour, H&M, Peek & Cloppenburg, Reserved, Saturn, Zara  
Visitors in 2020: 5.3 million  
Address: al. Grunwaldzka 141, 80-264 Gdańsk, Poland

City Arkaden  
Klagenfurt, Austria

Investments: 50%  
Leasable space: 36,900 m²  
of which retail space: 30,000 m²  
Parking: 880  
No. of shops: 120  
Occupancy rate: 92%  
Catchment area: 0.4 million residents  
Purchased by DES: August 2004  
Grand opening: 2006  
Visitors in 2020: 3.9 million  
Address: Heuplatz 5, 9020 Klagenfurt, Austria

Árkád  
Pecs, Hungary

Investments: 50%  
Leasable space: 35,400 m²  
of which retail space: 33,500 m²  
Parking: 850  
No. of shops: 130  
Occupancy rate: 98%  
Catchment area: 0.7 million residents  
Purchased by DES: November 2002  
Grand opening: 2004  
Anchor tenants: C&A, H&M, Media Markt, Interspar  
Visitors in 2020: 9.6 million  
Address: Bajcsy Zs. U. 11/1, 7622 Pécs, Hungary
SHARE PRICE PERFORMANCE MARKED BY VOLATILITY

After closing the year 2020 on Xetra at €18.45, the Deutsche EuroShop share started the first weeks of 2021 with no clear trend, moving in a range of around €16 to €19. The DES share then performed erratically again, before entering a modest recovery phase from the beginning of June at prices around €20. The high for the year was reached on 13 August 2021 at €21.30. As the year progressed, the share price fell again – in line with the peer group – and reached its lowest levels in the reporting year on 3 and 13 December 2021, at €14.00 in each case. On 30 December 2021, the share exited trading with a year-end price of €14.64. Deutsche EuroShop’s market capitalisation stood at €0.9 billion at the end of 2021.

TREND OF SHARE
since 1st January 2021 (indexed – 14 April 2022)

<table>
<thead>
<tr>
<th>Share price</th>
</tr>
</thead>
<tbody>
<tr>
<td>25</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>600</td>
</tr>
</tbody>
</table>

The Shopping Center Share
**PEER GROUP POSTS BETTER PERFORMANCE**

Including the dividend of €0.04 per share distributed on 23 June 2021, Deutsche EuroShop share recorded a negative performance of 20.5% (previous year: -30.2%). As such, our share price performance in 2021 was below that of the European benchmark for listed real estate companies, the EPRA index (+18.4%), and in the lower third of its European peer group ¹, which reported average gains of 11.7% (median: +15.7%). The benchmark index for smaller companies, the SDAX, gained 11.2% in the year under review.

Over the past year, German open-ended property funds achieved an average performance of +2.3% (2020: +2.5%) and attracted cash inflows of €7.2 billion (2020: €8.3 billion).

¹ Atrium European Real Estate, Carmila, Citycon, Eurocommercial Properties, Hammerson, IGD, Klépierre, Mercialys, Unibail-Rodamco-Westfield, Vastned Retail and Wereldhave

**INVESTOR RELATIONS CONFERENCES AND ROADSHOWS**

The coronavirus pandemic continued to have a significant impact on our IR work in 2021. Our Executive Board and Investor Relations team typically attend a variety of conferences throughout the year and run numerous roadshows to discuss specific topical issues as well as Deutsche EuroShop’s strategy in person with existing shareholders and to present the company to potential new investors.

Direct contact with our shareholders is extremely important to us: by engaging in frank discussions with analysts as well as fund and portfolio managers, we seek to understand the requirements of the capital market and to learn which issues are seen as most important. Conversely, many fund management companies also hinge their investment decisions on their ability to hold regular meetings with a company’s Executive Board.

In the spring of 2020, it already became clear that there would probably be no opportunities for in-person meetings for the time being and that travel would also have to be reduced to a minimum. To compensate for this, in 2021 we were once again available to our investors for virtual meetings and participated in numerous online conferences organised by banks. Online security is, of course, an important aspect here, which is why special attention is always paid to the software solutions and transmission techniques used.

In all, last year we held approximately 130 one-on-one meetings with investors from four continents. We also held numerous conference calls again, including for the publication of our quarterly and annual figures, which were streamed live on our website, where they could naturally also be viewed by anyone after the event or accessed as a podcast.

We hope to be able to ramp up our investor relations activities again over the remainder of 2022 in order to cultivate our contacts with existing investors and tap into new investor groups. For this, we will of course also continue using techniques such as virtual roadshows and conferences. You can find an overview in our financial calendar on page 58. A constantly updated version can also be found on our website at www.deutsche-euroshop.de/ir/en.

**CAPITAL MARKET CONFERENCES**

Generally organised by banks, these are conferences at which both investors and companies are given the opportunity to hold as many meetings as possible in a day.

These one-on-one or group discussions can be used to address questions in detail either on site or virtually. Corporate presentations allow the Company to present itself to a wider trade audience. In the case of hybrid events, some of the appointments take place on site, while others are organised through virtual channels.
FINANCIAL CALENDAR 2022

06.01. Oddo BHF Forum (virtual)
19.01. Kepler Cheuvreux GCC (virtual)
22.03. Preliminary Results FY 2021
12.05. Quarterly Statement 3M 2022
18.-19.05. Kempen European Property Seminar, Amsterdam
24.-25.05. Societe Generale The Nice Conference, Nice
23.06. Annual General Meeting, Hamburg
11.08. Half-year Financial Report 2022
25.08. Montega HIT Hamburger Investorentag, Hamburg
19.09. Berenberg and Goldman Sachs German Corporate Conference, Munich
19.-23.09. Baader Investment Conference, Munich
19.10. Societe Generale The Pan-European Real Estate Conference, Paris
10.11. Quarterly Statement 9M 2022
23.11. DZ BANK Equity Conference, Frankfurt

Our financial calendar is updated continuously. Please check our website for the latest events:
www.deutsche-euroshop.com/ir

ROADSHOW

A roadshow involves a team, usually consisting of an Executive Board member and an Investor Relations manager of Deutsche EuroShop, travelling together with representatives of the organising bank (such as analysts and client advisors) to a financial hub to visit existing or interested potential investors in person and inform them about the Company’s current development and/or strategy. Investors have the opportunity to meet the management personally and ask them questions. This allows up to 10 meetings to be held in one city on a single day. Alternatively, all appointments can be organised as virtual meetings.
ANNUAL GENERAL MEETING

Deutsche EuroShop’s Annual General Meeting (AGM) was held on 18 June 2021, albeit as a purely virtual event without the physical presence of shareholders for the second time due to the pandemic. For this, we set up a complete AGM studio in Hamburg, where only a small team of technicians and specialists gathered alongside the Supervisory Board Executive Committee, the Executive Board and the Company’s proxy subject to strict hygiene regulations.

Registered shareholders and their proxies could follow the entire AGM, including the Q&A session and votes, by joining a live audiovisual broadcast via a password-protected online service. An average of about 100 people watched the live stream of the virtual AGM.

CEO Wilhelm Wellner informed the shareholders about the events and results of the previous financial year. In his speech, Mr Wellner talked in detail about the impact of the coronavirus pandemic and in particular of the lockdowns on the business model. Shareholders also received extensive information on the current economic climate and the state of the shopping-center transaction market. Other topics included the progress made in the implementation of the Digital Mall in our properties, current negotiations with tenants and, of course, an outlook for the future.

Shareholders were given an opportunity to submit questions online in advance via a portal. In all, we received 96 questions from a total of ten individuals or institutions, each of which was answered by the Executive Board and Supervisory Board. These also included various questions from the SdK and DSW, the German associations for the protection of small shareholders and securities holders respectively.

We had already made the speech by the CEO available on our website three days before the right to ask questions ended, so that questions could be asked on the basis of this speech. The associated presentation was made available to the general public shortly after the event at the web address given below. This site also contains an archive of agendas and other information relating to previous AGMs.

The agenda included the resolution on the approval of the remuneration system for the Executive Board and the confirmation of the remuneration and resolution on the remuneration system for the members of the Supervisory Board. The attendance at the time of the vote on all agenda items was 64.2%.

The AGM for financial year 2021 is scheduled to take place on 23 June 2022 and is planned to be held as a virtual event once more. As part of this, it is important for us to provide our shareholders with the means to participate in a safe, informative and uncomplicated manner. You will be sent all the necessary documents by post or e-mail in good time. We will also keep you updated about this on our website. In future, in order to promote sustainability and reduce costs, we would like to switch increasingly to electronic mailing of invitations and hope we will receive your consent to do so if you have not already given this to us. www.deutsche-euroshop.com/AGM

COVERAGE OF SHARE RECORDS DECLINE

Our shares are regularly covered by 11 analysts from respected German and international institutions, and their recommendations introduce us to new groups of investors. Due to the discontinuation or relocation of research at individual banks, the number of institutions offering coverage of Deutsche EuroShop saw a further decline. Information on the recommendations can be found at: www.deutsche-euroshop.de /Investor-Relations/Share/Research

The analysts are currently neutral to positive on the prospects for the DES share.

1 As at: 14 April 2022
2 Baader Bank, Bank of America, Berenberg Bank, Deutsche Bank, DZ Bank, Green Street Advisors, HSBC, Kempen, Kepler Cheuvreux and M.M. Warburg and ODDO BHF.
The number of investors shrank by almost 13% in 2021. Deutsche EuroShop now has around 19,000 shareholders¹ (previous year: 21,800). This development, in which many smaller positions have merged into a few large ones, is also visible in the shareholder structure: Alexander Otto retains a 20.0% stake in Deutsche EuroShop AG, the Dutch pension fund PGGM increased its stake markedly from 5.1% to 9.5%, State Street continues to hold 5.0%, BlackRock 3.6% and Johannes Schorr 3.3%. In addition, other institutional investors hold about 34.4% of the shares (previous year: 35.9%) and private investors hold 24.2% (previous year: 24.4%).

¹ As at: 14 April 2022
FIGURES FOR THE DEUTSCHE EUROSHOP SHARE

German securities no. / ISIN: 748 020 / DE 000 748 020 4
Ticker symbol: DEQ
Share capital in €: 61,783,594.00
Number of shares (no-parvalue registered shares): 61,783,594
Indices: SDAX, EPRA, GPR 250, MSCI Small Cap, HASPAK, F.A.Z.-Index
Official market: Prime Standard
OTC markets: Berlin-Bremen, Dusseldorf, Hamburg, Hanover, Munich and Stuttgart

STOCK MARKET PERFORMANCE

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>DES share</td>
<td>-20.5%</td>
<td>-30.2%</td>
</tr>
<tr>
<td>DAX</td>
<td>+15.8%</td>
<td>+3.6%</td>
</tr>
<tr>
<td>SDAX</td>
<td>+11.2%</td>
<td>+18.0%</td>
</tr>
<tr>
<td>EURO STOXX 50 (Europe)</td>
<td>+21.0%</td>
<td>-5.1%</td>
</tr>
<tr>
<td>Dow Jones (USA)</td>
<td>+18.7%</td>
<td>+6.3%</td>
</tr>
<tr>
<td>Nikkei (Japan)</td>
<td>+4.9%</td>
<td>+16.0%</td>
</tr>
</tbody>
</table>
In a shareholder identification process, we regularly analyse the international distribution of our shares. Over the past year, there were no changes in the regional breakdown. Investors from Germany continue to hold a clear majority in Deutsche EuroShop, almost unchanged at just under 60%, although the German stake has fallen by around three percentage points. Overall, the shareholder structure is still dominated by European investors (around 85%), with Dutch investors leading the pack. North American investors currently hold 14.6% of the shares in DES.

The Executive Board, together with the Supervisory Board, has resolved to propose to the (virtual) Annual General Meeting scheduled for 23 June 2022, to pay a dividend of €1.00 per share for financial year 2021.

### AWARDS FOR REPORTING QUALITY
The European Public Real Estate Association (EPRA) has again recognised the transparency of our reporting in terms of sector-specific financial ratios and on the topic of sustainability with a Gold Award.

Further awards for our capital market communications can be found on our website at: [www.deutsche-euroshop.de / Investor-Relations / Contact / Awards](http://www.deutsche-euroshop.de / Investor-Relations / Contact / Awards)
10 reasons to invest in Deutsche EuroShop shares

01. The only public company in Germany to invest solely in shopping centers

02. Prime locations

03. Proven, conservative strategy

04. Cash flow that can be planned over the long term

05. Shareholder-friendly dividend policy

06. Experienced management team

07. Solid performance track record

08. High occupancy rate

09. Inflation-protected rental agreements

10. Solidity combined with potential

WOULD YOU LIKE MORE INFORMATION?

Please visit our website or call us:

Patrick Kiss and Nicolas Lissner
Phone: +49 (0)40 – 41 35 79 20/-22
Fax: +49 (0)40 – 41 35 79 29
E-mail: ir@deutsche-euroshop.de
Internet: www.deutsche-euroshop.com/ir

to invest in Deutsche EuroShop shares

Nicolas Lissner
Patrick Kiss

All share price information relates to Xetra
1 proposal
2 Source: Bloomberg, adjusted data, as of 19 April 2022
MARKETING

ANTICIPATION OF SHARED EXPERIENCES WHILE SHOPPING

In 2021, to coincide with the publication of our most recent financial figures, we placed advertisements in the print and online trade press aimed at specific target groups. After a challenging start to the year with extended lockdowns, some of which were imposed until June with only brief periods of respite, people began to yearn for more normality, shared experiences and a return to shopping in bricks-and-mortar retail stores. We depicted this yearning in four typical scenarios in our series of ads entitled “Anticipation” (“Vorfreude” in German).

MEDIA ATTENTION DECLINING

The extended closure periods and a relative “dearth of news” led to rather passive media relations at Deutsche EuroShop. Accordingly, our media presence declined, and was primarily evident around the dates of earnings announcements. The print circulation of the economic and financial media reporting on our companies decreased by around 68% year on year from 10.8 million to 3.4 million copies, while the equivalent advertising value through reports in newspapers and magazines fell to €0.69 million (-80%, previous year: €3.42 million).

In addition to share marketing, we focus on refining and maintaining the Deutsche EuroShop brand. Our goal is to boost the awareness and recognition of the brand even further. Deutsche EuroShop has established itself as the brand for investments in shopping centers.
Our website, www.deutsche-euroshop.com, has been extremely popular for years. It is always ranked among the best in the index and within the European real estate sector for both the information it provides and its user-friendliness. In order to ensure that it remains at this high level, we updated the design and functions of the website in 2019. At a time when personal contact had to be minimised to stem the pandemic, our online presence received an extra boost as an information channel. This was also reflected in a sharp rise in page views (+67%), which were once again significantly higher than in the first year of the pandemic.
SOCIAL MEDIA
ALSO BOOMING

Social media has established itself as a channel of communication – even for capital market participants. For many years, we have shown ourselves to be open to technical innovations and we actively use social media to provide our investors and interested parties with news and supplementary information about Deutsche EuroShop. Perhaps we can establish contact with you through one or more of these platforms too – we would be happy to see you there:

Twitter
Follow us on Twitter:
www.twitter.com/DES_AG

Facebook
Become a fan on Facebook:
www.facebook.com/euroshop

Instagram
See photos and videos from DES at:
www.instagram.com/deutscheeuroshop

IR Mall
Our Investor Relations blog:
www.ir-mall.com

Flickr
View our uploaded photos on the online platform Flickr:
www.flickr.com/desag

SlideShare
See our presentations and reports on SlideShare:
www.slideshare.net/desag

YouTube
Watch our videos on YouTube:
www.youtube.com/DeutscheEuroShop

TOP 10 CENTER ON FACEBOOK

Altmarkt-Galerie Dresden, Dresden
87,633 FANS

Galeria Bałtycka, Gdansk, Poland
71,625 FANS

Rhein-Neckar-Zentrum
59,037 FANS

Allee-Center Magdeburg, Magdeburg
53,704 FANS

City-Point Kassel, Kassel
51,193 FANS

Saarpark-Center, Neunkirchen
44,680 FANS

Olympia Center, Brynn, Czech Republic
43,927 FANS

Árkád Pécs, Hungary
43,086 FANS

Stadt-Galerie Passau, Passau
35,650 FANS

Main-Taunus-Zentrum
34,833 FANS

754 thousand fans
35 million people reached
6.1 million visits

78 thousand followers
5 thousand posts
81% of which mobile

Twitter
Follow us on Twitter:
www.twitter.com/DES_AG

Facebook
Become a fan on Facebook:
www.facebook.com/euroshop

Instagram
See photos and videos from DES at:
www.instagram.com/deutscheeuroshop

IR Mall
Our Investor Relations blog:
www.ir-mall.com

Flickr
View our uploaded photos on the online platform Flickr:
www.flickr.com/desag

SlideShare
See our presentations and reports on SlideShare:
www.slideshare.net/desag

YouTube
Watch our videos on YouTube:
www.youtube.com/DeutscheEuroShop
Glossary

Advertising value equivalence
Index number for the assessment of the monetary value of an editorial article. It is based on the advertising rate of the medium.

Annual financial statement
Under German (HGB) accounting principles, the annual financial statements consist of a company’s balance sheet, profit and loss account, the notes to the financial statements and the management report. The annual financial statements of a public company are prepared by its executive board, audited by a certified public accountant (in Germany: Wirtschaftsprüfer) and adopted by the supervisory board.

Benchmark
A standard of comparison, e.g. an index which serves as a guideline.

Cash flow per share (CFPS)
The cash flow per share is calculated by dividing the cash flow by the number of shares issued by a company. The cash flow per share is taken as the basis for calculating the price/cash flow ratio.

Class of assets
Division of the capital and real estate market into different classes of assets or asset segments.

Collection Ratio
The collection ratio measures the ratio of incoming payments to rent and service charge receivables from tenants.

Consumer price index
Also called the cost-of-living index, this is calculated in Germany by the Federal Statistical Office on a monthly basis. The CPI is the most important statistical indicator of a change in prices; the price of a basket of goods during a given period is compared with the price of the same basket during the base year. This change is also known as the inflation rate.

Core
Designation of a real estate investment and/or individual properties as well as the name of an investment style. The term refers to the relationship between risk and return. Core designates mature, transparent, sufficiently large markets or high-quality, well-situated properties that are fully let on a long-term basis to tenants with strong credit ratings. Other return/risk categories are value-added and opportunistic.

Corporate governance
The rules for good, value-driven corporate management. The objective is to control the company’s management and to create mechanisms to obligate executives to act in the interests of their shareholders.

Covenants
A clause in a loan agreement which pertains to and contractually defines the binding warranties to be adhered to by the borrower during the term of a loan.

Coverage
Information provided on a listed public company by banks and financial analysts in the form of studies and research reports.

DAX
Germany’s premier equity index. The composition of the DAX is established by Deutsche Börse AG on the basis of the share prices of the 40 largest German companies listed in the Prime Standard in terms of market capitalisation and market turnover.

Discounted-cashflow-model (DCF)
Method for the assessment of companies which is used to determine the future payments surpluses and discount them to the valuation date.

Dividend
The share of the distributed net profit of a company to which a shareholder is entitled in line with the number of shares he or she holds.
EBIT
Earnings before interest and taxes. DES calculation: EBT excluding net finance costs and measurement gains/losses (also see the consolidated income statement on page 32 of the Financial Report 2019).

EBT
Earnings before Taxes.

EBT (excluding measurement gains / losses)
DES calculation: EBT less measurement gains/losses (including at-equity profit/loss) and less the deferred taxes included in at-equity profit/loss.

E-commerce
Direct commercial relationship between supplier and buyer via the internet including the provision of services.

EPRA
European Public Real Estate Association: EPRA is an Amsterdam-based organisation that represents the interests of the major European real estate companies in the public sphere and supports the development and market presence of European real estate corporations.

EPRA earnings
EPRA earnings represent sustained operating earnings and thus lay the foundation for a real estate company’s ability to pay a dividend. To calculate this, the profit/loss for the year is adjusted to reflect any income components that have no sustained, recurring impact on operational performance. The DES calculation is performed using the currently valid version of the EPRA Best Practice Recommendations, which can be found at www.epra.com/finance/financial-reporting/guidelines

EPRA NTA
EPRA NTA: The EPRA NTA represents the net asset value based on a long-term business model. Here, Group equity is adjusted for assets and liabilities that are unlikely to be realised if held over the long term. Intangible assets are eliminated in the process. The DES calculation is performed using the currently valid version of the EPRA Best Practice Recommendations, which can be found at www.epra.com/finance/financial-reporting/guidelines

Fair value
The Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price).

Food court
Catering area of a shopping center, in which different vendors sell food at stations about a common seating area.

Free cash flow
The surplus cash generated from operating activities recognised in the profit and loss account. This expresses a company’s internal financing power, which can be used for investments, the repayment of debt, dividend payments and to meet funding requirements.

Funds from operations (FFO)
Inflow of funds from operations used to finance our ongoing investments in portfolio properties, scheduled repayments on our bank loans and the annual distribution of dividends.

DES calculation: Consolidated profit after adjustment for measurement gains/losses (including at-equity profit/loss), the non-cash expense of conversion rights and deferred tax expense.

Gearing
Ratio which shows the relationship between liabilities and equity.

Hedge accounting
Financial mapping of two or more financial instruments that hedge one another.

Ifo business climate index
The ifo Business Climate Index is an important forward indicator for economic development in Germany. In order to calculate the index, the ifo Institute asks approximately 7.000 companies every month for their assessment of the economic situation and their short-term corporate planning.

Interest rate swap
Exchange of fixed and variable interest payable on two nominal amounts of capital for a fixed period. By means of an interest rate swap, interest rate risks may be controlled actively.

International financial reporting standards (IFRS)
International Financial Reporting Standards are based on International Accounting Standards (IASs). Since 1 January 2005, listed companies have been required to apply IFRSs. IASs/IFRSs focus on the decision-usefulness of accounts. The key requirement with regard to the annual financial statements is fair presentation that is not qualified by aspects of prudence or risk provision.

Loan-to-value ratio (LTV ratio)
Ratio of net financial liabilities (financial liabilities less cash and cash equivalents) to non-current assets (investment properties and investments accounted for using the equity method).
Mall
Row of shops in a shopping center.

Market capitalisation
The current quoted price for a share multiplied by the number of shares listed on the stock.

MDAX
German mid-cap index comprising the 50 most important securities after the 40 DAX members.

Measurement gains / losses
DES calculation: Measurement gains / losses comprise unrealised changes in the market value of properties held as a financial investment (investment properties) before taxes. In the case of fully consolidated companies, the portion of the company that does not belong to the Group is deducted. Measurement gains / losses of associates and joint ventures accounted for using the equity method are contained in the at-equity profit / loss.

Measurement gains / losses (including at-equity profit / loss)
DES calculation: Measurement gains / losses plus the measurement gains / losses included in at-equity profit / loss.

Multi channeling
Using a combination of online and offline communication tools in marketing.

Net asset value (NAV)
The value of an asset after deduction of liabilities. With regard to shares, the NAV constitutes their intrinsic value. The net net asset value (NNAV) is calculated by deducting deferred taxes from the NAV.

Net finance costs
Net finance costs at DES comprise the following income statement items: Share of the profit or loss of associates and joint ventures accounted for using the equity method, interest expense and income, the share of profit attributable to limited partners, income from investments and all other financial income and expenditure.

Peer-group
A share price performance benchmark consisting of companies from similar sectors, put together on the basis of individual criteria.

Performance
The term performance describes the percentage appreciation of an investment or a securities portfolio during a given period.

Retail space
Space in a building and /or an open area that is used for sales by a retail operation and that is accessible to customers. Service areas required for operational and legal purposes are not taken into account, nor are stairways or shop windows. The retail space is part of the leasable space of a business.

Roadshow
Corporate presentations to institutional investors.

Savings ratio
Share of savings of the income available in households.

SDAX
The small-cap index comprising the 70 most important securities after the members of the DAX (40 members) and the MDAX (50 members).

Subprime
Mortgage loan to borrower with a low degree of creditworthiness.

TecDAX
The successor to the NEMAX 50, comprising the 30 largest German listed technology securities in terms of market capitalisation and market turnover.

Volatility
Statistical measure for price fluctuations. The greater the fluctuations in the price of a security, the higher its volatility.

Xetra
An electronic stock exchange trading system that, in contrast to floor trading, uses and open order book, thus increasing market transparency. The trading hours are currently 9,00 a.m. to 5,30 p.m.
## Multi-Year Overview

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>178.2</td>
<td>188.0</td>
<td>200.8</td>
<td>202.9</td>
<td>205.1</td>
<td>218.5</td>
<td>225.0</td>
<td>231.5</td>
<td>224.1</td>
<td>211.8</td>
</tr>
<tr>
<td>EBIT</td>
<td>151.6</td>
<td>165.8</td>
<td>177.5</td>
<td>176.3</td>
<td>178.6</td>
<td>192.4</td>
<td>199.1</td>
<td>197.5</td>
<td>161.2</td>
<td>152.5</td>
</tr>
<tr>
<td>Net finance costs (excluding measurement gains/losses)</td>
<td>-56.1</td>
<td>-52.3</td>
<td>-52.5</td>
<td>-49.3</td>
<td>-44.1</td>
<td>-39.1</td>
<td>-38.2</td>
<td>-34.3</td>
<td>-33.6</td>
<td>-26.9</td>
</tr>
<tr>
<td>EBIT (excluding measurement gains/losses)</td>
<td>95.5</td>
<td>113.4</td>
<td>125.0</td>
<td>127.0</td>
<td>134.5</td>
<td>153.3</td>
<td>160.9</td>
<td>163.1</td>
<td>127.6</td>
<td>125.6</td>
</tr>
<tr>
<td>Measurement gains/losses</td>
<td>7.9</td>
<td>58.4</td>
<td>89.7</td>
<td>267.7</td>
<td>145.5</td>
<td>12.9</td>
<td>-58.3</td>
<td>-120.0</td>
<td>-429.6</td>
<td>-54.7</td>
</tr>
<tr>
<td>Consolidated profit</td>
<td>122.5</td>
<td>171.0</td>
<td>177.4</td>
<td>309.3</td>
<td>221.8</td>
<td>134.3</td>
<td>79.4</td>
<td>112.1</td>
<td>-251.7</td>
<td>59.9</td>
</tr>
<tr>
<td>Funds from Operations (FFO)</td>
<td>86.4</td>
<td>112.0</td>
<td>120.5</td>
<td>123.4</td>
<td>129.9</td>
<td>148.1</td>
<td>150.4</td>
<td>149.6</td>
<td>123.3</td>
<td>122.3</td>
</tr>
<tr>
<td>FFO per share in €</td>
<td>1.68</td>
<td>2.08</td>
<td>2.23</td>
<td>2.29</td>
<td>2.41</td>
<td>2.54</td>
<td>2.43</td>
<td>2.42</td>
<td>2.00</td>
<td>1.98</td>
</tr>
<tr>
<td>Earnings per share in €</td>
<td>2.36</td>
<td>3.17</td>
<td>3.29</td>
<td>5.73</td>
<td>4.11</td>
<td>2.31</td>
<td>1.29</td>
<td>1.81</td>
<td>-4.07</td>
<td>0.97</td>
</tr>
<tr>
<td>EPRA Earnings per share in €</td>
<td>1.35</td>
<td>1.74</td>
<td>1.84</td>
<td>2.18</td>
<td>2.29</td>
<td>2.42</td>
<td>2.39</td>
<td>2.56</td>
<td>2.02</td>
<td>1.97</td>
</tr>
<tr>
<td>Equity</td>
<td>1,606.1</td>
<td>1,642.4</td>
<td>1,751.2</td>
<td>2,061.0</td>
<td>2,240.7</td>
<td>2,574.9</td>
<td>2,573.4</td>
<td>2,601.5</td>
<td>2,314.8</td>
<td>2,377.8</td>
</tr>
<tr>
<td>Liabilities</td>
<td>1,741.5</td>
<td>1,752.5</td>
<td>1,741.0</td>
<td>1,790.6</td>
<td>1,873.8</td>
<td>2,052.1</td>
<td>2,036.8</td>
<td>1,957.1</td>
<td>1,922.6</td>
<td>1,901.0</td>
</tr>
<tr>
<td>Total assets</td>
<td>3,347.6</td>
<td>3,394.9</td>
<td>3,492.2</td>
<td>3,851.6</td>
<td>4,114.5</td>
<td>4,627.0</td>
<td>4,610.2</td>
<td>4,558.6</td>
<td>4,237.4</td>
<td>4,278.8</td>
</tr>
<tr>
<td>Equity ratio in %</td>
<td>48.0</td>
<td>48.4</td>
<td>50.1</td>
<td>53.5</td>
<td>54.5</td>
<td>55.6</td>
<td>55.8</td>
<td>57.1</td>
<td>54.6</td>
<td>55.6</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>161.0</td>
<td>40.8</td>
<td>58.3</td>
<td>70.7</td>
<td>64.0</td>
<td>106.6</td>
<td>116.3</td>
<td>148.1</td>
<td>266.0</td>
<td>328.8</td>
</tr>
<tr>
<td>Net asset value (EPRA)</td>
<td>1,538.9</td>
<td>1,650.4</td>
<td>1,789.4</td>
<td>2,135.2</td>
<td>2,322.6</td>
<td>2,668.4</td>
<td>2,667.5</td>
<td>2,613.4</td>
<td>2,309.7</td>
<td>2,374.5</td>
</tr>
<tr>
<td>Net asset value per share in € (EPRA)</td>
<td>28.53</td>
<td>30.59</td>
<td>33.17</td>
<td>39.12</td>
<td>43.24</td>
<td>43.19</td>
<td>43.17</td>
<td>42.30</td>
<td>37.38</td>
<td>38.43</td>
</tr>
<tr>
<td>Dividend per share in €</td>
<td>1.20</td>
<td>1.25</td>
<td>1.30</td>
<td>1.35</td>
<td>1.40</td>
<td>1.45</td>
<td>1.50</td>
<td>0.00</td>
<td>0.04</td>
<td>1.00*</td>
</tr>
</tbody>
</table>

* Including the share attributable to equity-accounted joint ventures and associates

---

### Quarterly Figures 2021

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>51.9</td>
<td>53.0</td>
<td>52.9</td>
<td>54.0</td>
</tr>
<tr>
<td>Net operating income (NOI)</td>
<td>32.5</td>
<td>39.4</td>
<td>41.8</td>
<td>40.5</td>
</tr>
<tr>
<td>EBIT</td>
<td>31.4</td>
<td>39.1</td>
<td>41.0</td>
<td>41.1</td>
</tr>
<tr>
<td>EBIT (excluding measurement gains/losses)</td>
<td>23.7</td>
<td>32.0</td>
<td>34.8</td>
<td>35.2</td>
</tr>
<tr>
<td>EPRA Earnings</td>
<td>23.1</td>
<td>31.2</td>
<td>33.9</td>
<td>33.8</td>
</tr>
<tr>
<td>FFO</td>
<td>22.5</td>
<td>31.8</td>
<td>33.9</td>
<td>34.1</td>
</tr>
<tr>
<td>EPRA Earnings per share in €</td>
<td>0.37</td>
<td>0.51</td>
<td>0.55</td>
<td>0.54</td>
</tr>
<tr>
<td>FFO per share in €</td>
<td>0.36</td>
<td>0.52</td>
<td>0.55</td>
<td>0.55</td>
</tr>
</tbody>
</table>

* Including the share attributable to equity-accounted joint ventures and associates

---

A comparison with the years 2011 to 2018 is therefore only possible to a limited extent.

---

1 Including the share attributable to equity-accounted joint ventures and associates
2 undiluted
3 incl. non controlling interests
4 proposal
5 In 2020, there was a change in the disclosure of revenue with adjustment of the comparative figure for the previous year 2019.
DISCLAIMER

Information on wording: Wherever any terms indicating the male gender only (he, him, etc.) have, in the interests of simplicity, been used in this Magazine, such references should be construed as referring equally to the male, female and divers gender. Author contributions: Sections of text bearing an author’s name do not necessarily reflect the views of Deutsche EuroShop AG. The authors in question are responsible for the content of the texts. Trademarks: All trademarks and brand or product names mentioned in this Annual Report are the property of their respective owners. This applies in particular to DAX, MDAX, SDAX and Xetra, which are registered trademarks and the property of Deutsche Börse AG. Rounding and rates of change: Percentages and figures stated in this report may be subject to rounding differences. The prefixes before rates of change are based on economic considerations: improvements are indicated by a plus (+); deteriorations by a minus (−). Forward-looking statements: This Annual Report contains forward-looking statements based on estimates of future developments by the Executive Board. The statements and forecasts represent estimates based on all of the information available at the current time. If the assumptions on which these statements and forecasts are based do not materialise, the actual results may differ from those currently being forecast. Publications for our shareholder: Annual Report/Financial Report (in English and German), Quarterly Statement 3M, Quarterly Statement 9M and Interim Report H1 (in English and German). Online Magazine: The Deutsche EuroShop Magazine can be downloaded in PDF format or accessed as an interactive online version at www.deutsche-euroshop.com. This Magazine is also available in German. In the event of conflicts the German-language version shall prevail.

Convenience Translation – the German version is the only binding version