



smartphoto group NV

Annual General Meeting  
of Shareholders

May 12, 2021

# AGENDA

1. Discussion of the consolidated annual accounts concerning the financial year 2020
2. Discussion of the annual report of the Board of Directors with respect to the statutory and consolidated annual accounts concerning the financial year closed on December 31, 2020
3. Discussion and approval of the remuneration policy
4. Discussion and approval of the remuneration report
5. Approval variable remuneration of Acortis BV, permanently represented by Mr Stef De corte, according to article 7:91 of the Belgian Companies and Associations Code
6. Discussion of the reports of the Auditor with respect to the statutory and consolidated annual accounts concerning the financial year closed on December 31, 2020
7. Discussion and approval of the statutory annual accounts concerning the financial year closed on December 31, 2020, including the appropriation of the result, as proposed by the Board of Directors
8. Discharge of liability to the directors and the Auditor concerning the financial year closed on December 31, 2020
9. Miscellaneous

# Agenda item 1

Discussion of the consolidated annual accounts concerning the financial year 2020



# Presentation smartphoto group

## Our mission

We help socially active young mums and families make high-quality, affordable, personalised products using smart and simple apps and websites.

 SMART SIMPLE SMILE

## Our values

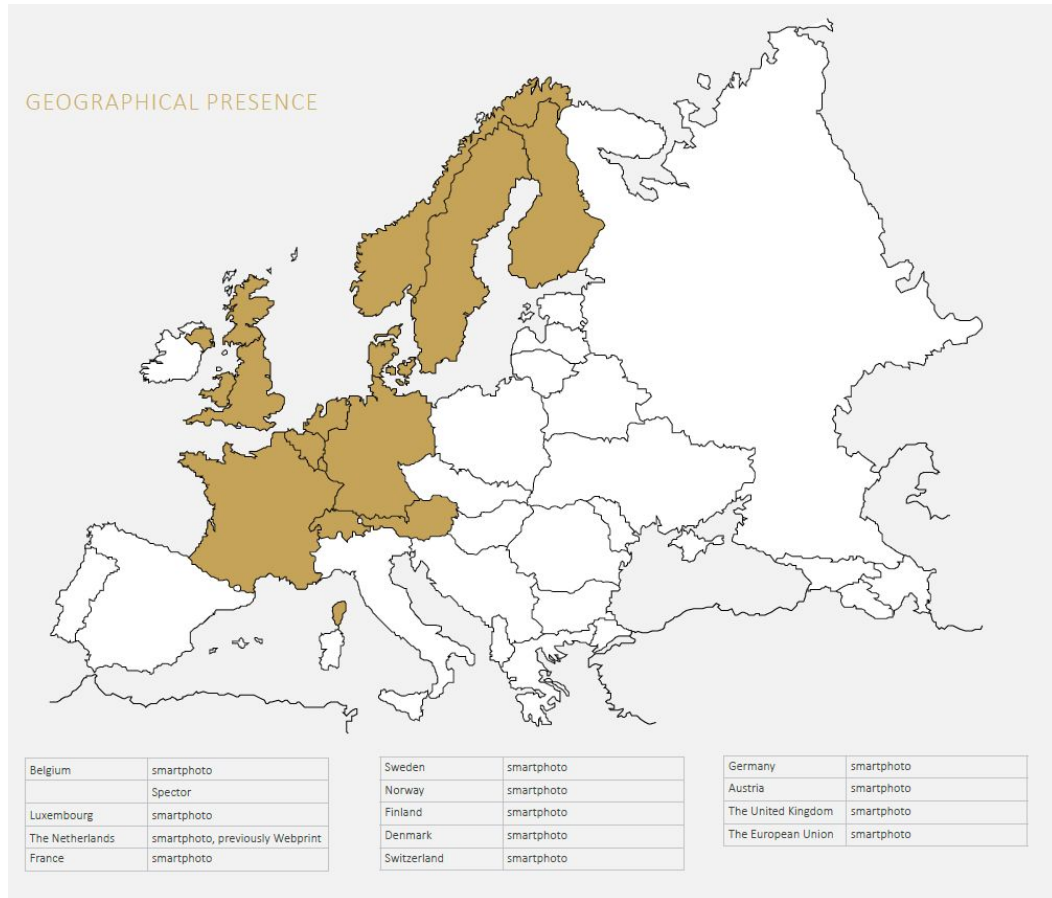
Affordable products  
High quality  
Providing solutions

Easy to make  
Fast service  
Accessibility

Fun to make  
Fun to receive and share  
Inspiring

# smartphoto

- ❑ Innovative e-commerce company, active in 12 European countries
- ❑ Production is centralised in Wetteren:
  - Kwatrecht (existing building)
  - Vantegem (start-up additional production building Q3 2020)
- ❑ Local teams in Hengelo, Muttenz and Malmö providing customer service and marketing assistance
- ❑ Fully hosted on the Google Cloud platform
- ❑ Strong focus on mobile
- ❑ More focus on the customer and a more human smartphoto in this digital world

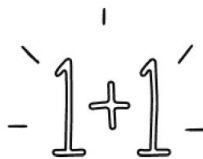


# smartphoto, an innovative e-commerce company

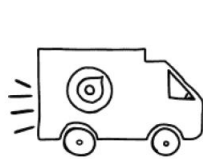
- ❑ **Top 10 e-commerce** in Belgium (across all sectors)
- ❑ 4 times in a row winner of the **BeCommerce Award** in our category
- ❑ **Top 5 photo e-commerce** in Europe
- ❑ Over 1 million **unique visitors** per month, sometimes peaking at 2 million
- ❑ From prints to a full e-commerce website with currently over **500 different products**
- ❑ Fully hosted on the **Google Cloud platform**: increasing scalability, handle the peaks throughout the year even more easily, and increasing the data security level



The largest range  
of photo products



Super easy  
to make







Fastest delivery  
in Belgium



Made a typo?  
Free reprints!!

# smartphoto, an innovative e-commerce company

- Thanks to our **smart guarantee**, a free reprint, even when the customer made a typo

<p>Late delivery?</p>  <p>Have you not received your parcel 10 days after you received a confirmation of shipment? Your order will be reshipped for FREE!</p>	<p>Damage?</p>  <p>The packaging and contents of your parcel were damaged during transport? Your order will be reshipped for FREE!</p>	<p>Made a typo?</p>  <p>Have you forgotten a word in the text or have you accidentally selected the wrong photos? Adjust your photo product yourself. Your order will be reshipped for FREE!</p>	<p>Any other problem?</p>  <p>Your photo product does not meet your expectations or has an imperfection? Your order will be reshipped for FREE!</p>
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- Great Place To Work<sup>®</sup>



To listen to how our employees feel within our company and within their team, we launched an employee survey that was conducted in collaboration with Vlerick Business School and the Great Place To Work<sup>®</sup> Institute Belgium.

- first participation for smartphoto group,
- and immediately awarded with the Great Place To Work<sup>®</sup> certificate in recognition of our people-oriented organisational culture and employee satisfaction.

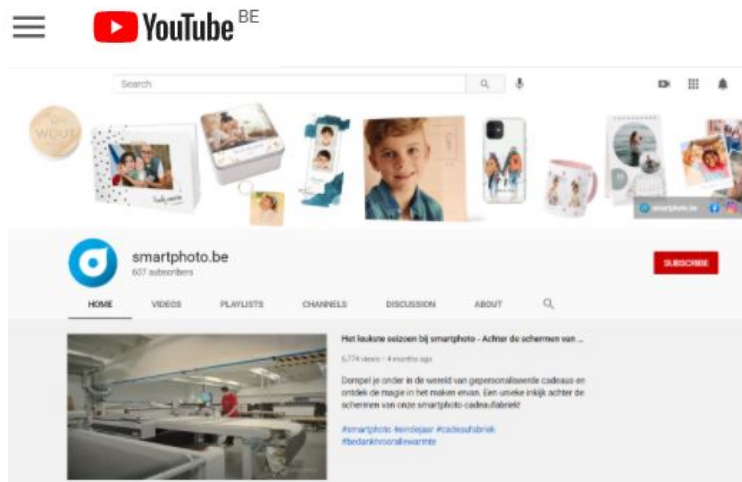
# Our pillars

- ❑ Increasing focus on **mobile**
- ❑ Increasing number of **personalised** products
  - ❑ With photo
  - ❑ With symbol, name or quote
  - ❑ Engraved
- ❑ Even **faster delivery**
  - ❑ Each product is unique, produced within **an average of 48 hours**
  - ❑ More than **2.7 million parcels a year**, on peak days up to 40,000 items
  - ❑ Fast **delivery** throughout Europe **within a few days** of production
  - ❑ 2020: introducing **'Ordered today, delivered tomorrow'** for a large number of products, both in Belgium and in the Netherlands  
-> further expansion in 2021





# Our contact with customers via social media



# 2020 Annual results

Smartphoto group again achieves very strong growth in turnover and profitability

## Dividend proposal

- ❑ **Revenue** showed a **double-digit growth of 19.2%** from EUR 51,466 (000) in 2019 to EUR 61,364 (000) in 2020.
- ❑ Improved marketing efficiency leads to an **EBITDA growth of 34.9%** from EUR 8,790 (000) in 2019 to EUR 11,860 (000) in 2020.
- ❑ **Net result** evolves from EUR 6,926 (000) in 2019 to **EUR 8,397 (000)** in 2020.
- ❑ Increase in **net cash** of EUR 5,019 (000) (+61.1%) from EUR 8,211 (000) in 2019 to **EUR 13,229 (000)** in 2020, despite the dividend payment, further purchase of treasury shares and the start-up of the new factory.
- ❑ Proposal to pay a **gross dividend** for 2020 of **0.60 euro per share** (or an increase of 9%).

# 2020 annual results

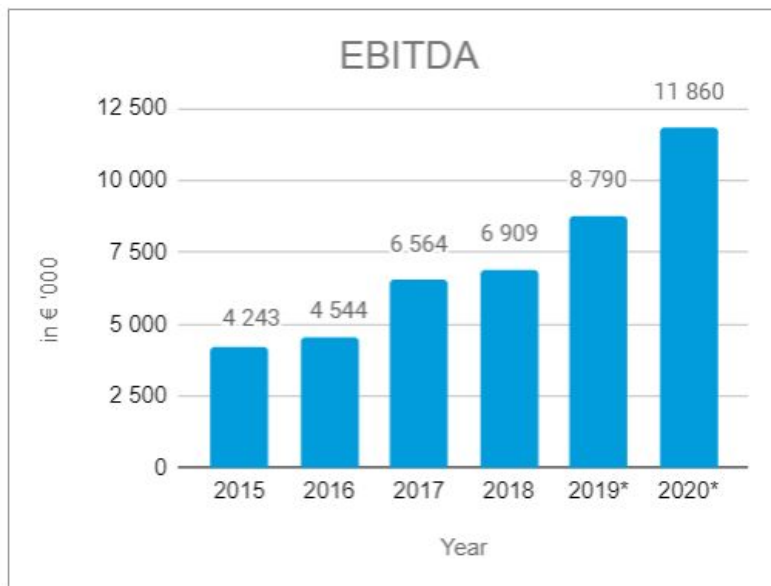
## 2020 consolidated key figures

	(in €' 000)	2019	2020	Δ in % 2020
Revenue		51 466	61 364	19,2%
Profit/loss (-) from operating activities (EBIT)		5 108	8 343	63,33%
Depreciation, amortisation, write-downs and provisions from operating activities		3 682	3 517	-4,48%
<i>Profit/loss (-) from operating activities, corrected for depreciation, amortisation, write-downs and provisions (EBITDA)</i>		<b>8 790</b>	<b>11 860</b>	<b>34,92%</b>
Financial result		-250	-477	-91,10%
Write-offs and provisions from financial items		58	138	137,85%
Profit/loss (-) before tax		4 858	7 865	61,90%
<i>Profit/loss (-) before taxes, corrected for depreciation, amortisation, write-downs and provisions</i>		<b>8 598</b>	<b>11 520</b>	<b>33,98%</b>
Income taxes expense (-)/income		2 068	532	-74,29%
Deferred taxes		-2 533	-1 218	51,93%
Profit/loss (-) for the period		6 926	8 397	21,24%
Profit/loss (-) for the period, corrected for depreciation, amortisation, write-downs, provisions and deferred taxes		<b>8 133</b>	<b>10 834</b>	<b>33,21%</b>
Profit/loss (-) for the period attributable to equity holders of the parent company		6 926	8 397	21,24%

### Evolution 2020 (delta with 2019)

EBIT	+ 3 235
Depr., amort., write-downs and provisions from operating act.	- 165
<b>EBITDA</b>	<b>+ 3 070</b>
Financial result	- 227
Write-offs and provisions from operating activities	+ 80
Income taxes expense (-)/income	- 1 536
Deferred taxes	+ 1 315
Profit for the period	+ 1 471
<i>Profit for the period, corrected for depr., amort., write-downs, provisions and deferred taxes</i>	<b>+ 2 701</b>

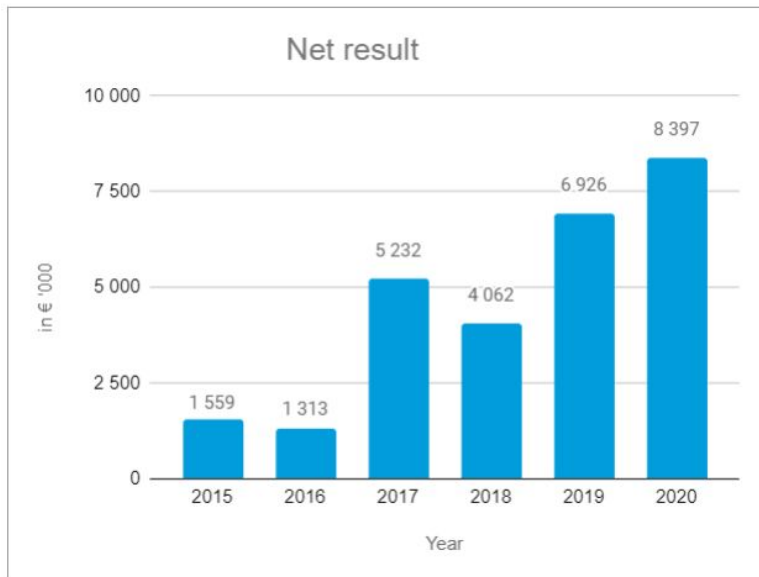
## Evolution EBITDA



(\*) As of 2019, IFRS 16 is applicable

Increase of the EBITDA in 2020 of 34,9% from EUR 8 790 (000) in 2019 to EUR 11 860 (000) in 2020

## Evolution net result



Increase of the net result in 2020 of 21,2% from EUR 6 926 (000) in 2019 to EUR 8 397 (000) in 2020

- Continued focus on **expanding** our **product range**
- **More efficient marketing**
- Launch of a super-fast delivery service for a number of products, '**Ordered today, delivered tomorrow**'

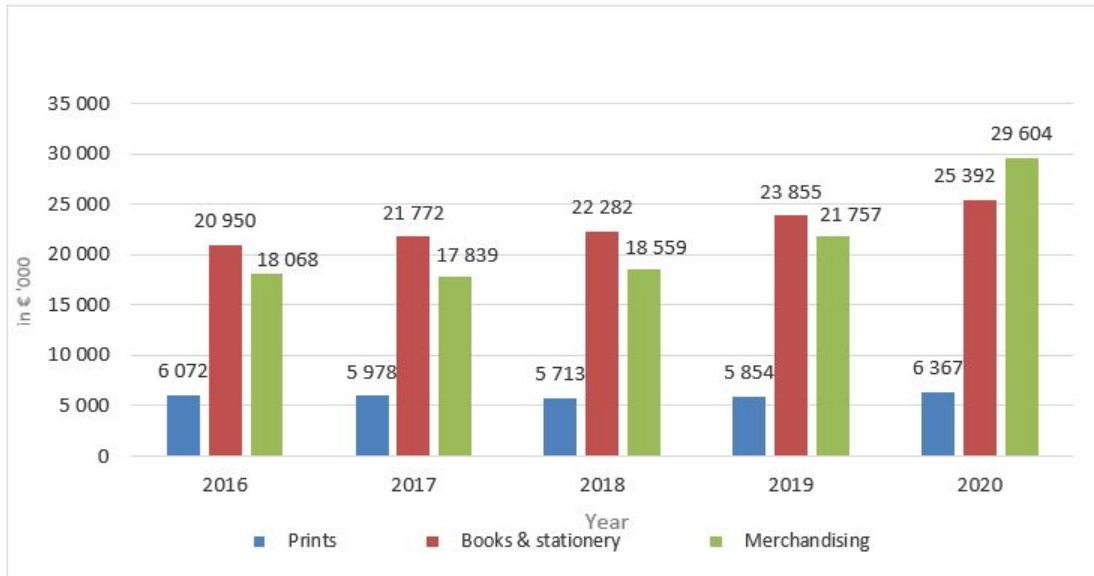
## Result from operating activities

	(in € '000)	2019	2020
Revenue		51 466	61 364
Other operating income		753	1 083
Changes in inventory of finished goods and work in progress		4	13
Capitalisation of internally generated intangible assets		553	489
Trade goods, raw materials and consumables		-16 382	-20 319
Employee expenses		-11 631	-12 147
Depreciation, amortisation, write-downs and impairment		-3 044	-3 491
Other operating expenses		-16 611	-18 650
Profit/loss (-) from operating activities		5 108	8 343

Increase in revenue of EUR 51 466 (000) to EUR 61 364 (000) with a **double-digit growth of 19.2%** by:

- Increasing focus on **expanding** our **product range** of personalised products and gifts
- Launch in the first half year of a super-fast delivery service for a number of products, '**Ordered today, delivered tomorrow**'

## Information about products and services



### Investing in innovative, mobile solutions

→ Focus on **mobile**:

- by making our websites accessible from all kinds of devices where the display of the site adapts to any type of screen (smartphone, tablet, laptop, PC, mac)

An example of this is our 'Mobile first' editor for gifts

- in product development

→ Over 500 different products available on our website, which is fully hosted on the **Google Cloud platform**:

- increasing scalability
- increasing data security level

## Financial result

(in € '000)	2019	2020
Financial expenses from interest-bearing financial liabilities	-73	-105
Financial expenses from lease liabilities	-76	-65
Net gain/loss (-) on realisation of other receivables and non-current financial assets	-36	-32
Net exchange gains/losses (-)	-64	-275
Other financial income/expenses (-)	-1	
Financial expenses-net	-250	-477

Change in financial result - 227  
 from EUR -250 (000) to EUR -477 (000)  
 mainly due to:

- Increasing financial expenses from interest-bearing financial liabilities - 31
- Decreasing financial expenses from lease liabilities + 10
- Negative impact of the exchange gains/losses (-) - 211

The net exchange rate losses in 2020 amount to EUR - 275 (000) and mainly consist of:

- Exchange rate losses arising from the translation differences following the deconsolidation of ExtraFilm A/S - 144
- Negative impact of exchange rate fluctuations related to the SEK, CHF and NOK - 131

## Income taxes

	(in € '000)	2019	2020
Current taxes expense (-)/income			
Taxes on the result for the financial year		-535	-665
Adjustments to taxes for preceding periods		70	-21
		-465	-686
Deferred taxes			
Originating and reversal of temporary differences		2 533	1 218
		2 533	1 218
Income taxes expense (-)/income recognised in the statement of profit or loss		2 068	532

Current taxes expense (-)/income - 686  
 Deferred taxes + 1 218  
 consisting of:

Deferred tax assets

- increase + 1 777
- reversal - 74
- change with regard to provisions for pension plans - 19
- use - 89

Deferred tax liabilities

- increase - 377

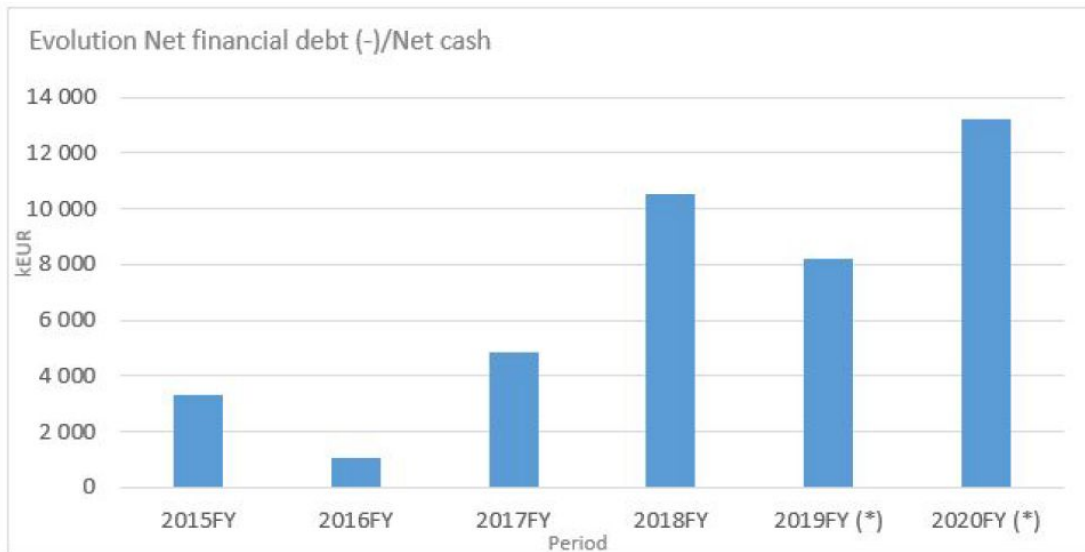


# Key figures statement of financial position

	(in € '000)	2019	2020	Δ in % 2020
Total assets		64 221	71 095	10.7%
Gross financial debt (-)		-6 215	-4 717	24.1%
Net financial debt (-)/Net cash		8 211	13 229	61.1%
Total equity		40 458	45 477	12.4%
Solvency ratio		63.0%	64.0%	1.5%
Current ratio		115.8%	122.7%	5.9%



## Evolution net financial debt (-)/net cash



(\*) As of 2019, IFRS 16 is applicable and lease liabilities are included in the non-current and current liabilities.

Evolution from a **cash surplus** of EUR 8 211 (000) to EUR 13 229 (000) **+ 5 019**

- Realised **substantial free cash flow** from regular activities, in particular in the second half of 2020
- Offset by:
  - **Investments** in property, plant and equipment and intangible assets for EUR 2 492 (000)
  - **Dividend** payment to the shareholders for EUR 2 131 (000)
  - **Purchase of treasury shares** for EUR 2 765 (000)

# Assets

ASSETS	(in €)	2019	2020
<u>Non-current assets</u>			
Property, plant & equipment		13 546	16 552
Right-of-use assets		2 025	1 395
Goodwill		16 151	16 151
Intangible assets		2 653	2 803
Other financial assets			
Trade and other receivables		74	74
Deferred tax assets		9 427	11 057
<b>Total non-current assets</b>		<b>43 877</b>	<b>48 032</b>
<u>Current assets</u>			
Inventories		2 442	2 481
Trade and other receivables		3 416	2 613
Other financial assets		3	3
Cash and cash equivalents		14 425	17 946
Current tax assets		57	20
<b>Total current assets</b>		<b>20 343</b>	<b>23 063</b>
<b>TOTAL ASSETS</b>		<b>64 221</b>	<b>71 095</b>

## Non-current assets

Increase in property, plant & equipment + 3 006

- Investments + 1 898
  - start up of the additional production building in Vantegem (Wetteren)
  - renovations with regard to the building in Kwatrecht (Wetteren)
  - investments in production machines
- Revaluation surplus with regard to the land and buildings in Wetteren + 2 447
- Depreciations of the period - 1 313
- Disposals and decommissioning - 26

Decrease of right-of-use assets - 630

- Investments + 239
- Depreciations of the period - 872
- Other - 3

Increase in intangible assets + 150

- Investments mainly in + 1 083
  - mobile applications
  - migration to the cloud platform
  - automations implementation of new designs
  - optimization of the user experience (UX) website of which EUR 489 (000) internally generated
- Depreciations of the period - 934

Net increase deferred tax assets + 1 630

# Assets

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<b>TOTAL ASSETS</b>		<b>64 221</b>	<b>71 095</b>

## Current assets

**Inventories** + 39

Remained more or less stable, notwithstanding a 19.2% increase in revenue

Decrease of the **trade and other receivables** - 804

Increase in **cash and cash equivalents** + 3 521

EQUITY AND LIABILITIES	(in €)	2019	2020
<u>Total equity</u>			
Capital		41 381	41 381
Reserves and retained earnings/ accumulated loss (-)		-8 031	-1 765
Revaluation surplus		5 640	6 956
Treasury shares (-)		-595	-3 360
Currency translation adjustments		2 062	2 265
Shareholder's equity		40 458	45 477
<b>Total equity</b>		<b>40 458</b>	<b>45 477</b>
<u>Non-current liabilities</u>			
Interest-bearing financial liabilities		3 307	2 836
Lease liabilities		1 207	767
Employee benefit liabilities		986	1 015
Deferred tax liabilities		693	2 199
<b>Total non-current liabilities</b>		<b>6 194</b>	<b>6 818</b>
<u>Current liabilities</u>			
Interest-bearing financial liabilities		868	470
Lease liabilities		833	643
Trade and other payables		13 387	14 823
Employee benefit liabilities		2 168	2 418
Tax liabilities		314	447
<b>Total current liabilities</b>		<b>17 569</b>	<b>18 800</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>64 221</b>	<b>71 095</b>

## Total equity

Strengthening of equity from  
EUR 40 458 (000) to EUR 45 477 (000) **+ 5 020**

- Increase of **net profit** of the fiscal year **+ 8 397**
- Revaluation of the land and buildings **+ 1 316**
- Dividend over 2019 **- 2 131**
- Purchase of treasury shares  
(155 994 shares) **- 2 765**
- Movement in currency translation  
adjustments **+ 203**

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Total current liabilities		17 569	18 800
TOTAL EQUITY AND LIABILITIES		64 221	71 095

Current and non-current liabilities + 1 855

Decrease in interest-bearing financial liabilities - 868

- Repayments in 2020 - 868

Decrease in lease liabilities - 630

- Lease liabilities entered into in 2020 + 239
- Repayments in 2020 - 871
- Impact of the exchange rate + 2

Increase in trade and other payables + 1 436

Increase in employee benefit liabilities + 279

- Increase in other employee benefit liabilities + 250
- Increase in pension obligations + 29

Increase in deferred tax liabilities + 1 506

- Deferred taxes on the revaluation surplus + 1 130
- Taxable temporary differences + 377

Increase in current trade and other payables + 1 435

mainly due to:

- Increase of suppliers' debts + 555
- Debt related to value added taxes + 870

# Outlook 2021

In 2021, we will continue to **focus on growth**

- the launch of **new products**
- the continued focus on the sale of **products** such as gifts, wall decoration and books
- even **more mobile-friendly websites** including an editor specifically developed for smartphone users
- significant expansion of the range of **products** that can be **delivered the next day**

**The impact of the measures concerning the Covid-19 virus** (corona virus)

- no negative impact on the prospects for 2021
- all necessary measures are taken

# Agenda item 1

Discussion of the consolidated annual accounts concerning the 2020 financial year

Questioning



# Agenda item 2

Discussion of the **annual report of the Board of Directors** with respect to the statutory and consolidated annual accounts concerning the financial year closed on December 31, 2020

Annual report of the Board of Directors with respect to the **statutory annual accounts**

-> disclosed in the statutory annual accounts

Annual report of the Board of Directors with respect to the **consolidated annual accounts**

-> disclosed in the 2020 **Annual report** (as from page 21 to 64)



# Agenda item 3

## Discussion and approval of the remuneration policy

- Drawn up in accordance with the Belgian companies and associations Code and the stipulations of the Belgian Corporate Governance Code (“2020 Code”)
- Submitted for approval, for the first time, to this Annual General Meeting of Shareholders Thereafter, for every material change, and at least every 4 years.

### Remuneration non-executive directors

- A fixed annual amount, increased by 100% for the Chairman of the Board of Directors
- No variable remunerations, such as bonuses and stock options
- No benefits in kind, nor benefits linked to pensions
- There are no shares granted to the non-executive directors, which is a deviation from principle 7.6 of the 2020 Code
- No separate remunerations for the members of the committees, except for the members of the Audit Committee: they each receive an additional annual fixed remuneration
- No agreement which provides for any benefit upon termination of their mandate as directors
- No remuneration for the executive management for their membership of the Board of Directors

## Remuneration executive director

- The remuneration is determined by the Board of Directors at the recommendation of the Remuneration Committee
  - The managing director of smartphoto group NV, who is the only executive director of smartphoto group NV, holds the position of Chief Executive Officer (CEO)
- ❑ **Fixed remuneration**
    - A remuneration for the responsibility related to the position and for certain competencies and experience in that position
    - Base salary is compared to remunerations of comparable positions
    - Is evaluated annually
  - ❑ **Variable remuneration**
    - Performance-related as an incentive to support the short and long term performance of the group
    - Directly linked to the achievement of the objectives of smartphoto group, as a consolidated whole
    - Amounts to, in principle, one quarter or less of the total annual remuneration  
It is possible to deviate from this. If > 25% of the total remuneration, it should, according to Article 7:91 of the Belgian CCA:
      - > or be spread over two, or even three years,
      - > or it will be explicitly submitted to the General Meeting for approval
    - Is determined by the Remuneration Committee based on the financial performance and the success of the strategic initiatives.

- Consists of a cash bonus which depends on the realised performance of the Company against the objectives pursued, divided in two categories:
    - financial targets, including EBITDA, and
    - non financial targets
  - In case a variable remuneration is granted based on incorrect financial data, there is no specific contractual clawback clause
- ☐ **Termination benefits**
- An agreement that - only upon termination at the request of the Company - provides for a financial compensation of twelve months

### Publication of the remuneration policy

Based on Article 7:89/1, §4 of the Belgian CCA, this remuneration policy will be disclosed without delay on the Company's website [www.smartphotogroup.com](http://www.smartphotogroup.com), after voting by the Annual General Meeting of Shareholders, together with the date and the conclusions of the voting.

The full remuneration policy is provided as from April 9, 2021 via the convocation documents to the AGM  
-> see <https://www.smartphotogroup.com/en/investor-relations/shareholders-information/shareholders-meetings/2021/annual-general-meeting-of-shareholders-of-may-12-2021/>

# Agenda item 4

## Discussion and approval of the remuneration policy

-> disclosed in the [2020 Annual Report](#) (from page 44 to 45)

### ❑ Remuneration non-executive directors in 2020

Non-executive directors -> each a fixed remuneration of EUR 12,500 per year  
Chairman of the BoD -> additional fixed remuneration of EUR 12,500 per year  
Members of the Audit Committee -> additional fixed remuneration of EUR 2,500 per year  
=> Total for 2020 = EUR 95 000

### ❑ Remuneration of the executive director in 2020

The **total remuneration** for the executive director the 2020 financial year amounts to **EUR 535 (000)** and includes:

- The fixed remuneration for EUR 385 (000)
- The variable remuneration for EUR 147 (000), which consists of a cash bonus which depends on the realised performance of the Company against the objectives pursued
- The other remuneration components for EUR 3 (000).

No guarantees or loans have been provided by smartphoto group NV or related companies to the executive director.

## □ Remuneration of the executive director in 2020 (continuation)

### Deviations from the 2020 Code

The remuneration of the executive director is a deviation from principle 7.8 of the 2020 Code, which stipulates that the variable part of the executive director's remuneration package is linked to the overall performance of the company and the individual performances. Notwithstanding the fact that the variable remuneration of the executive director is in principle linked to the overall performance of the Company, it is **the individual performance of the executive director that underlies** the achievement of these overall goals. In fact, it is to his credit as managing director who is in charge of the day-to-day management of the Company.

Contrary to principle 7.12 of the 2020 Code, there is no clawback clause between Mr Stef De corte, permanent representative of Acortis BV and the Company to reclaim paid variable remuneration, or to withhold payment of variable remuneration, nor are circumstances specified in which this would be appropriate, insofar legally enforceable.

Regardless of the aforementioned remuneration, Acortis BV, permanently represented by Mr Stef De corte, holds 5 250 shares smartphoto group NV as per December 31, 2020. Contrary to principle 7.9 of the 2020 Code, no minimum threshold has been set for shares that should be held.

### Severance payment

There is an agreement between Mr Stef De corte and the Company that - only upon termination on request of the Company - provides for a financial compensation of twelve months.

## Remuneration of the executive director in 2020 (continuation)

### Information about the remuneration policy in accordance with Article 7:91 of the Belgian CCA

The remuneration policy stipulates that the variable remuneration is 1/4<sup>th</sup> or less of the total annual remuneration.

For the 2020 financial year, the **variable remuneration component amounts to 27% of the total remuneration** and the fixed remuneration amounts to 72% of the total remuneration. In accordance with the remuneration policy and the Belgian Companies and Associations Code, the Board of Directors, on the advice of the Remuneration Committee, explicitly requests the approval of the General Meeting of Shareholders. => See Agenda item 5 hereafter

### Other information corresponding to Article 3.6, §3 of the Belgian CCA

Evolution of the remuneration	2016	2017	2018	2019	2020
Yearly remuneration non-executive directors <sup>(1)</sup>	0%	0%	0%	0%	0%
Executive director <sup>(2)</sup>	10.0%	-8.1%	2.2%	2.2%	12.0%
Changes in the performance of the Company <sup>(3)</sup>	7.1%	44.5%	5.3%	27.2%	34.9%
Changes in the average remuneration of the other employees <sup>(4)</sup>	8.4%	-2.1%	0.4%	4.7%	-3,1%
Ratio between the highest and lowest remuneration <sup>(5)</sup>	9.6%	9.8%	10.2%	10.3%	10.2%

- (1) The evolution of the annual remuneration of the non-executive directors is calculated by dividing the annual remuneration for a non-executive director for the financial year by the annual remuneration for the previous financial year.
- (2) The evolution of the annual remuneration of the executive director is calculated by dividing the annual remuneration (fixed and variable) for the executive director for the financial year by the annual remuneration for the previous financial year.
- (3) The change in performance of the Company is calculated by dividing the EBITDA for the financial year by the EBITDA for the previous financial year.
- (4) Changes in average remuneration (expressed as full time equivalents) of the other employees.
- (5) Ration between the fixed remuneration of the executive director and the lowest remuneration (in full time equivalents) of the other employees.

## Agenda item 5

# Approval variable remuneration of Acortis BV, permanently represented by Mr Stef De corte, according to article 7:91 of the Belgian CCA

The remuneration policy stipulates, according to Article 7:91 Belgian CCA, that the variable remuneration is 1/4<sup>th</sup> (25%) or less of the total annual remuneration.

Since the **variable remuneration component** for the 2020 financial year amounts to **27% of the total remuneration** and the fixed remuneration amounts to 72% of the total remuneration, the Board of Directors, on the advice of the Remuneration Committee, explicitly requests the approval of the General Meeting of Shareholders.



# Agenda item 6

Discussion of the **reports of the Auditor** with respect to the statutory and consolidated annual accounts concerning the financial year closed on **December 31, 2020**

The report of the Auditor with respect to the **statutory annual accounts**

-> disclosed in the statutory annual accounts

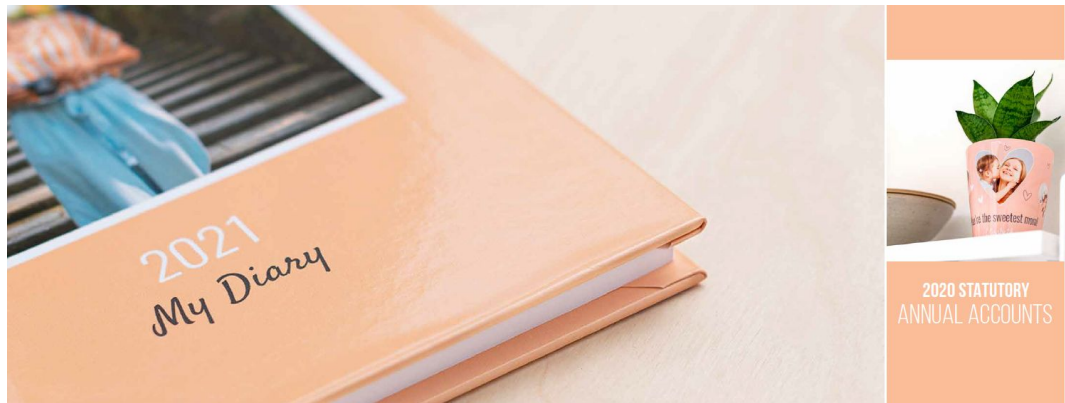
The report of the Auditor with respect to the **consolidated annual accounts**

-> disclosed in the 2020 Annual report (pages 72 to 80)



# Agenda item 7

Discussion and approval of the **statutory annual accounts** concerning the financial year closed on December 31, 2020, including the appropriation of the result, as proposed by the Board of Directors



# Discussion of the statutory annual accounts as per 31.12.2020

ASSETS (in €)	2019	2020
<b>FIXED ASSETS</b>	<b>70 314 825</b>	<b>70 403 956</b>
Intangible fixed assets	13 210 154	12 509 852
Tangible fixed assets	501 913	392 346
Land and buildings	338 989	309 943
Property, plant and equipment	162 924	82 403
Financial fixed assets	56 602 758	57 501 758
Affiliated companies	56 584 758	57 483 758
Participating interest	44 284 758	44 683 758
Amounts receivable	12 300 000	12 800 000
Other financial assets	18 000	18 000
Amounts receivable and cash guarantees	18 000	18 000

EVOLUTION FIXED ASSETS (in € '000) + 89

Decrease of the intangible fixed assets - 700

mainly due to:

- Investments + 1 851
- Depreciations of the period - 2 551

Decrease of the tangible fixed assets - 110

mainly due to:

- Investments + 36
- Depreciations of the period - 100
- Sales and disposals - 46

Increase of the financial fixed assets + 899

mainly due to:

- Investments in affiliated companies + 399
- Increase in the amounts receivable of the affiliated companies via transfer from other receivables + 500

# Discussion of the statutory annual accounts as per 31.12.2020

ASSETS (in €)	2019	2020
<b>CURRENT ASSETS</b>	<b>16 218 576</b>	<b>20 533 077</b>
Amounts receivable within one year	3 598 908	3 128 524
Trade debtors	2 183 183	2 053 081
Other amounts receivable	1 415 725	1 075 443
Current investments	538 064	3 313 498
Own shares	534 867	3 310 301
Other investments and deposits	3 197	3 197
Cash at bank and in hand	11 977 965	13 910 244
Deferred charges and accrued income	103 639	180 811
<b>TOTAL ASSETS</b>	<b>86 533 401</b>	<b>90 937 033</b>

EVOLUTION CURRENT ASSETS (in € '000) + 4 315  
mainly due to:

- Decrease of the **trade debtors and other amounts receivable** - 470
- Increase of the **own shares** + 2 775  
Increase from 37 139 own shares to 193 133 own shares (+ 155 994 shares)
  - 114 413 shares purchased based on the share purchase programme with start date May 2, 2019
  - 41 581 shares purchased based on the share purchase programme with start date September 17, 2020
- Increase in **cash at bank and in hand** + 1 932
- Increase in **deferred charges and accrued income** + 77

# Discussion of the statutory annual accounts as per 31.12.2020

EQUITY AND LIABILITIES (in €)	2019	2020
<b>EQUITY</b>	<b>63 704 181</b>	<b>66 056 143</b>
Capital	41 381 403	41 381 403
Issued capital	41 381 403	41 381 403
Reserves	8 938 454	10 319 213
Reserves not available	4 673 008	7 448 441
Legal reserve	4 138 140	4 138 140
Purchase of own shares	534 868	3 310 301
Untaxed reserves	2 910 640	2 870 772
Available reserves	1 354 806	
Accumulated profits/losses (-)	13 384 324	14 355 527

## EVOLUTION IN EQUITY (in € '000)

Increase in equity + 2 352

- Increase in accumulated profit
  - Profit of the period + 4 641
  - Transfer to other reserves - 1 421
  - Proposed dividend of EUR 0.60 per share entitled to dividend - 2 249
- Increase in the reserves
  - Increase in the reserves which are not available + 2 775
  - Decrease in the untaxed reserves - 40
  - Decrease in the available reserves - 1 355

# Discussion of the statutory annual accounts as per 31.12.2020

LIABILITIES (in €)	2019	2020
AMOUNTS PAYABLE	22 829 220	24 880 890
Amounts payable after more than one year	2 085 288	1 740 097
Financial debts	2 085 288	1 740 097
Financial debts	1 889 305	1 576 314
Other debts	195 983	163 783
Amounts payable within one year	20 606 604	23 002 275
Current portion of amounts payable after more than one year falling due within one year	710 416	312 991
Trade debts	7 370 422	8 682 073
Suppliers	7 370 422	8 682 073
Taxes, remuneration and social security	1 416 896	1 753 447
Taxes	566 906	847 019
Remuneration and social security	849 990	906 428
Other amounts payable	11 108 870	12 253 764
Accruals and deferred income	137 328	138 518
TOTAL LIABILITIES	86 533 401	90 937 033

## EVOLUTION IN AMOUNTS PAYABLE (in € '000)

Increase of the amounts payable mainly due to:	+ 2 052
○ Decrease of the financial debts	- 743
○ Increase in trade debts	+ 1 312
○ Increase in taxes, remuneration and social security	+ 337
○ Increase in other amounts payable related to affiliated companies	+ 1 145
○ Increase in the accruals and deferred income	+ 1



# Discussion of the statutory annual accounts as per 31.12.2020

(in €)	2019	2020
Operating income	29 940 814	36 347 746
Turnover	28 959 273	35 391 764
Produced fixed assets	465 788	404 112
Other operating income	515 753	551 870
Operating charges	-28 705 465	-34 251 565
Goods for resale, raw materials and consumables	-13 372 892	-17 807 750
Purchases	-13 372 892	-17 807 750
Services and other goods	-7 694 985	-8 170 156
Remuneration, social security and pensions	-4 747 446	-5 131 035
Amortisations of and other amounts written down on formation expenses, intangible and tangible fixed assets	-2 535 879	-2 650 945
Amounts written down on stocks, contracts in progress and trade debtors: additions(-)/write-backs	96 312	-31 575
Other operating charges	-406 457	-460 104
Operating profit/loss (-)	1 235 349	2 096 181

## PROFIT AND LOSS ACCOUNT (in € '000)

### Activities of smartphoto group NV

- commercial activities to external customers
- providing support services with regard to management, marketing and ICT

### Evolution 2020

Operating income	+ 6 407
Operating charges	+ 5 546
Operating profit	+ 861 (+ 69.7%)

# Discussion of the statutory annual accounts as per 31.12.2020

(in €)	2019	2020
Financial income	3 764 820	8 358 782
Recurring financial income	3 764 820	3 148 582
Income from financial fixed assets	2 989 389	2 320 714
Income from current assets	775 087	818 306
Other financial income	344	9 562
Non-recurring financial income		5 210 200
Financial charges	- 395 812	-5 642 264
Recurring financial charges	-395 812	-432 064
Debt charges	-122 026	-125 419
Amounts written down on current assets other than stocks, contracts in progress and trade debtors: additions	-260 479	-271 383
Other financial charges	-13 307	-35 262
Non-recurring financial charges		-5 210 200
Profit/Loss(-) for the period before taxes	4 604 357	4 812 699

## PROFIT AND LOSS ACCOUNT (in € '000)

Evolution financial result - 652  
mainly due to:

- Decrease of income from financial fixed assets - 669
- Increase of income from current assets + 43
- Increase of other financial income + 9
- Increase of debt charges - 3
- Increase of amounts written down on current assets - 11
- Increase other financial charges - 22

Evolution Profit for the period + 208



# Discussion of the statutory annual accounts as per 31.12.2020

(in €)	2019	2020
Income taxes on the result	-108 354	-211 447
Taxes	-164 084	-211 447
Adjustments of income taxes and write-back of tax provisions	55 730	
Profit/Loss(-) of the period	4 496 003	4 601 252
Transfer from untaxed reserves	39 760	39 868
Profit/Loss(-) of the period available for appropriation	4 535 763	4 641 120

## PROFIT AND LOSS ACCOUNT (in € '000)

Evolution taxes - 103

Evolution profit of the period available for appropriation + 105

# Discussion of the statutory annual accounts as per 31.12.2020

(in €)	2019	2020
Profit/Loss(-) to be appropriated	15 515 713	18 025 444
Profit/Loss (-) of the period available for appropriation	4 535 763	4 641 120
Profit/Loss (-) of the preceding period brought forward	10 979 950	13 384 324
Appropriations to equity to other reserves		1 420 627 1 420 627
Profit/Loss(-) to be carried forward	13 384 324	14 355 527
Profit to be distributed	2 131 389	2 249 290
Compensation for contributions	2 131 389	2 249 290

## APPROPRIATION ACCOUNT (in €)

Profit of the period available for appropriation	4 641 120
Profit of the preceding period brought forward	13 384 324
Appropriations to equity	- 1 420 627
Compensation for contributions	- 2 249 290
Proposal of the Board of Directors to a dividend payment of EUR 0.60 per share (3 941 950 shares - 193 133 own shares = 3 748 817 shares entitled to dividend as per March 26, 2021)	
Profit to be carried forward	14 355 527

# Agenda item 8

Discharge of liability to the directors and the Auditor concerning the financial year closed on December 31, 2020



# Agenda item 9

## Miscellaneous

