

**PRESS RELEASE – Regulated information - Inside information**

Wetteren, June 16, 2021 – 5:45 p.m.

**smartphoto group****Update following the Covid-19 impact**

- After exceptionally strong sales of books and prints in the first half of 2020, the demand for these products fell back to a normal level in 2021.
- The further increase in the gifts category compensates for this setback.
- For the half-yearly figures, smartphoto therefore expects a turnover that is rather stable compared to 2020.
- With the opening of the new factory and the expansion of the teams to support the growth, fixed costs rose, which will affect profitability in the first half of the year.
- Despite limited visibility for the next few months, amongst others due to Covid-19, the expectation remains that smartphoto will grow in revenue and EBITDA on a full year basis.
- Net cash continues to evolve positively.

**Explanation**

Smartphoto group, the innovative e-commerce group from Wetteren, had a strong first quarter in 2021, following the exceptionally strong year of 2020.

For the months of April and May 2021, the easing measures regarding the Covid-19 virus (corona virus) led to normal sales volumes in books and prints compared to 2020.

The gift category, which was further expanded with new products, continued to grow strongly.

For the half-yearly figures as at 30 June 2021, smartphoto group therefore expects a revenue that will remain rather stable compared to 30 June 2020.

Traditionally, revenue in the first half of the year is low compared to the second half. Due to the combination of, on the one hand, the flat revenue in the first six months of the year and, on the other hand, the increased fixed costs as a result of the additional factory building becoming operational in September 2020, and the expansion of the teams to support the growth, smartphoto group expects a lower EBITDA for the first half of the year compared to the first half of 2020.

**Outlook 2021<sup>(1)</sup>**

Despite the lower profitability in the first 6 months of 2021, the management and the Board of Directors expect that there will be year-on-year growth in both revenue and EBITDA for 2021.

Not only is the second half of the year traditionally the most important for the activities of smartphoto group, but the return to opportunities such as travelling and having family gatherings and parties, will lead to an increase in demand for photo products and personalised gifts.

The further expansion of the range of personalised products and gifts, supported by more efficient marketing, will contribute to the expected growth in revenue and profitability. In 2021, superfast delivery for a number of products, 'Ordered today, delivered tomorrow', will also be further expanded.



## Definitions

EBITDA= Profit/Loss from operating activities, corrected for depreciation, amortisation, write-downs and provisions.

Net cash= Total cash and cash equivalents less current and non-current interest bearing financial liabilities and lease liabilities.

## About smartphoto group

Smartphoto group, the innovative e-commerce group, operates in 12 European countries and primarily targets consumers. The shares of smartphoto group are traded on Euronext Brussels (ISIN BE0974323553, ticker symbol SMAR).

Smartphoto group is active in B2C e-commerce with affordable, high-quality personalised products such as photo books, personalised gifts, cards, calendars, wall decoration and prints.

## Financial calendar

August 25, 2021 <sup>(2)</sup>	after trading hours	Half-year results and half-yearly financial report for 2021
January 28, 2022 <sup>(2)</sup>	after trading hours	Trading update 2021
March 3, 2022 <sup>(2)</sup>	before trading hours	Annual results 2021
May 11, 2022	at 2 p.m.	Annual General Meeting of Shareholders

## For additional information

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<sup>(1)</sup> This press release contains forward-looking information based on current internal estimates and expectations. The forward-looking statements involve inherent risks and speak only as of the date they are communicated. It cannot be excluded that actual results differ materially from the forward-looking expectations contained in this release.

<sup>(2)</sup> Indicative dates.

This press release is a free English translation of the official Dutch version.