

**UNITED IMAGING GROUP
GmbH & Co. KG
Benno-Strauss-Strasse 39
90763 Fürth, Germany**

In the pandemic year 2020, sales increased again. The revenue of the UNITED IMAGING GROUP GmbH & Co. KG in 2020 was €404.6 million euros. Compared to the previous year, this results in an increase in sales of €25.1 million or 6.6%. At €251.8 million, warehouse revenue is €29.7 million higher than the previous year's figure (+13.4%) and route revenue (central settlement) shows a decrease of €4.6 million to €152.8 million (-2.9%).

Consolidated sales including foreign sales of all subsidiaries are up 2.3% on the previous year at €465 million.

Despite the pandemic, 2020 was the seventh business year in a row with an increase in sales. In view of the extreme challenges of the last year, the company is more than satisfied with this result, although the original revenue expectation was, of course, significantly higher in view of the newly acquired europafoto members.

The most significant sales increases were achieved in the product range areas of system cameras (+ 44.7%), lenses (+ 11.1%), video cameras (+ 27.1%) and video accessories (+ 101.1%). And the exclusive Voigtländer brand was also able to record pleasing sales growth (+ 6.5%) with its range of lenses. Sales of SLR cameras (-3.1%) and compact cameras (-19.2%) continued to decline.

The annual result is traditionally only published on the occasion of the shareholders' meeting in June. But we can already announce that the result will definitely be above the level of the previous year.

Slight decrease in membership

As of December 31, 2020, the UNITED IMAGING GROUP GmbH & Co. KG had 1,259 members (previous year: 1,329) with 1,623 sales outlets. This is 70 members fewer than in the previous year.

As of December 31, 2020, UIG had 378 shareholders (15 fewer than at the end of 2019). 6 additions compared to 21 departures. The reasons for the departure of shareholders are still financial reasons or operational tasks, which have, of course, been accelerated for some members as a result of the government's lockdown measures and sluggish subsidies.

Despite all the challenges, the pandemic also had some positive aspects

The entire last year and the past weeks of the second lockdown were an extreme challenge and burden for all UIG members and also for the UNITED IMAGING GROUP,

and for many retailers this was associated with a painful slump in sales. Many employees in the photo shops and in the head office were on reduced hours work, the liquidity of the shops was very limited and the multitude of constantly changing regulations and information on state aid was difficult to keep track of for everyone involved.

The pandemic has also forced retailers to get creative and many retailers have used the last year very actively to expand their online activities and to deal with completely new ranges such as vlogging accessories and streaming equipment. Many have proactively advertised the UIG drop shipment and thus set up a pick-up service during the lockdown. A passport photo emergency service was available wherever permitted. And counseling sessions were often conducted over the phone or video chat. Many customers stuck to their regional specialist dealer and even if the contact with the customers was very limited overall, he was often very personal and intensive with the regular customers.

This is also reflected in the GfK figures, which show a significantly declining market for 2020, but also a significantly increased share of specialist retailers (+ 10% compared to the previous year). Despite the significantly reduced frequency in the city centers and two lockdown phases, 45.5% of all photo sales were made in photo retailers last year.

It goes without saying that the UNITED IMAGING GROUP did everything to support the members in these difficult times. The most important help was certainly in the financial area. During the lockdown phases, the entire direct debit of the merchant invoices due was suspended for weeks. An area with important information on the corona pandemic has been set up in the RIO extranet. Here the dealer found all the relevant information on the political requirements and aid packages; but also many marketing ideas for the Corona period. On the part of marketing, the dealers received support, particularly in the online area. For example, the UIG Info Box format was launched - a weekly, virtual meeting - to support retailers in particular with their online advertising. Countless social media posts have been made available, and there have been tutorials and webinars on Instagram and Facebook.

Numerous webinars and information videos on new range topics were also offered by the Trends & Training area; including, for example, a UIG streaming day with six exciting, interactive information modules.

Managing Director Michael Gleich says: "With this bundle of measures, we have given our members maximum support and relief. In particular, the suspension of direct debit was of course a great help for the members, which contributed significantly to securing liquidity. But also the many small building blocks such as webinars, social media posts or the procurement of masks and disinfectants have helped our members to concentrate on the essentials during this challenging time - to master the crisis financially and to generate sales despite lockdown and consumer reluctance . "

Info-Box-Special replaces the spring roadshow 2021

Unfortunately, due to the pandemic, no UIG roadshow with personal discussions could take place this spring.

Regardless of this, it was important for the company to inform the members at least virtually about the current developments in the UIG headquarters and about upcoming projects. That is why a virtual information appointment took place on March 16 at 11 a.m. to replace the roadshow - the UIG Info Box Special.

In this context, the UIG management and the heads of purchasing, marketing, sales and trends & training provided information on current topics and were there to answer questions from the members.

The extensive package of trade fair offers, which is usually part of a roadshow, has, however, been postponed. It is only compiled for the retailers when the retail stores have reopened across the board and the retailer, as a result, has a greater demand for goods.

Large re-opening campaign for the UIG photo retailers

The UNITED IMAGING GROUP is planning a major re-opening campaign for April to support members in reopening their stores with highly attractive offers.

The core element is a campaign supplement under the motto "We're back", whose tightly calculated offers can be obtained by all campaign participants at very attractive special conditions.

What is completely new is that this campaign insert is being accompanied by the UIG for the first time with a Germany-wide online campaign and print advertisements. This massive advertising pressure should generate additional attention for the promotional products and increase customer frequency in the shops. All ad words, Google display banners and social media modules are displayed in the regional environment of the insert participants and then lead to regional landing pages on which only the dealers of the region concerned are named.

This innovative concept approach is financed in cooperation with the industry and all major industrial partners have already shown great interest in becoming part of this campaign.

Outlook

The positive development of the past financial year has so far been continued in 2021. The innovations in the area of system cameras were very popular in the first two months and the streaming equipment is still very popular.

Nonetheless, the UIG is anticipating a slight decline in sales or, at best, stagnating sales for the year as a whole. The impact of the virus mutants is currently difficult to assess and the interruption of the supply chains in the Far East and the associated poor availability of goods are still a major problem. And even when booking vacation trips, which are a major source of inspiration for the purchase of new cameras and lenses, it will be a long time before the level of the time before Corona is reached again.

Fürth 16 March, 2021