

# AFFLELOU

## Afflelou Recent Developments Information

Paris, France – January 26, 2022

Afflelou's recent trading in November and December 2021 continued to demonstrate growth, with network sales up year on year. In November 2021, network sales grew by 9.8% and in December 2021, network sales grew by 1.4%, in each case as compared to the same month in 2020. In November 2021, each of Afflelou's network across the geographies in which it operates contributed to growth, while strong growth in the French hearing aids business continued (with growth of over 35%). In December 2021, network sales in France grew by 2.7% as compared with December 2020 and the French hearing aids business again grew strongly, by over 45%.

In December 2021, Mr. Alain Afflelou's family holding entered into a definitive agreement to acquire the Afflelou stake indirectly held by Apax France. Following this transaction, Mr. Alain Afflelou's family holding increased its direct and indirect ownership stake to 29%, reinforcing his commitment to the company he founded in 1972, while Lion Capital held a stake of 41% and CDPQ held a stake of 30%. Along with the private placement of €50.0 million in aggregate principal amount of additional senior secured notes due 2026 which took place today to make a dividend distribution to shareholders of the Afflelou group for €64 million (including estimated fees and expenses), Mr. Alain Afflelou financed the transaction with a significant new cash equity injection. Afflelou's abbreviated capital structure following these transactions is as follows:

	<b>As of October 31, 2021</b>	
	<b>Issuer Historical</b>	<b>Issuer As Adjusted</b>
	<b>Unaudited</b>	
	<b>(€ millions)</b>	
Cash and cash equivalents.....	59	45
Super Senior Revolving Credit Facility <sup>(1)</sup> .....	—	—
Additional Senior Secured Notes due 2026 <sup>(2)</sup> .....	—	50
Existing Senior Secured Notes due 2026 <sup>(3)</sup> .....	410	410
Other borrowings and accrued interest .....	9	9
<b>Gross secured debt.....</b>	<b>419</b>	<b>469</b>
<b>Net secured debt.....</b>	<b>360</b>	<b>424</b>
Senior Subordinated Notes due 2027 <sup>(3)</sup> .....	75	75
IFRS 16 leases <sup>(4)</sup> .....	70	70
<b>Total gross debt (net of subleases) .....</b>	<b>564</b>	<b>614</b>
<b>Total net debt.....</b>	<b>505</b>	<b>569</b>
<b>LTM EBITDA .....</b>	<b>100.0</b>	<b>100.0</b>

(1) The Issuer's Super Senior Revolving Credit Facility provides for borrowings for up to €30 million. The Issuer expects that the Revolving Credit Facility will be undrawn on the closing date of the placement of the Additional Senior Secured Notes due 2026.

(2) Represents principal amount to be issued.

(3) Represents principal amount outstanding.

(4) Excludes €16.7 million of sublease liabilities.

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This press release constitutes a public disclosure of inside information by André Verneyre, Director (Financing and Investor Relations) of Afflelou under Regulation (EU) 596/2014 (16 April 2014) and Implementing Regulation (EU) No 2016/1055 (10 June 2016).

This announcement contains certain forward-looking statements with respect to certain of the Afflelou group's current expectations and projections about future events. These statements reflect management's beliefs and expectations and involve a number of risks, uncertainties and assumptions (including the completion of the transactions described in this announcement) that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statement. The information contained in this announcement is subject to change without notice and, except as required by applicable law, the Afflelou

group does not assume any responsibility or obligation to update publicly or review any of the forward-looking statements contained in it. Readers should not place undue reliance on forward-looking statements, which speak only as at the date of this announcement.

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**About Afflelou:**

Founded in Bordeaux in 1972 by Alain Afflelou, the Group is one of Europe's leading franchisors of optical products and hearing aids. In 2019, the Group operated the largest franchise network of optical products (in terms of store numbers) and the Alain Afflelou banner ranked third in France with a 10% market share (in terms of store numbers), in a historically fragmented market that includes many independent retailers. The Group has a long-standing presence in France, but also a strong foothold in Spain, where it operates the largest banner of optical products (in terms of store numbers) and the fourth largest (in terms of revenue). The Group, which is continuing its global expansion, is present worldwide, with 1,449 stores in 18 countries as of July 31, 2021

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