

AFFLELOU

Press release

Afflelou and its subsidiaries (the “Group”) publishes its second quarter results for the 2024/2025 fiscal year, as of and for the three months ended January 31, 2025.

Paris, March 20, 2025

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- Sales¹ at €238.8 million in the second quarter of the 2024/25 fiscal year, up 3.3% from the second quarter of the prior fiscal year
 - Adjusted EBITDA² at €31.2 million for the quarter, up 4.5% from the prior comparable period
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Commercial performance of AFFLELOU

Network sales reached €238.8 million in the second quarter of the current fiscal year, as compared to €231.1 million in the second quarter of the prior fiscal year, driven by positive performance in each of our geographical areas, representing total growth in network sales of 3.3% for the past quarter and 4.5% for the first half of the current fiscal year. In France, our optical business continued to demonstrate solid growth, apart from December 2024. In Spain, the flood episode in the Valencia region was compensated by a rapid recovery during November and December. Finally, the Other countries area continued to deliver strong growth, with a particularly strong performance in our Belgium network.

In the past 2024 calendar year, the ALAIN AFFLELOU optical banner recorded growth of 3.9% in France, affirming our solid position vis-à-vis market estimates of +1.4% (Xerfi) and +4.3% (Gfk). Meanwhile, our hearing aid banner recovered with growth of 7.7%, compared to the +1.8% as estimated by Xerfi. In Spain, our ALAIN AFFLELOU optical banner recorded growth of 4.1% while our hearing aid business continued to deliver strong growth with a 27.1% increase in network sales.

As of January 31, 2025, the Group had 1,466 stores, representing a net increase of 44 stores compared to January 31, 2024 and an increase of ten stores compared to July 31, 2024.

AFFLELOU’s financial performance

Adjusted EBITDA grew to €31.2 million in the second quarter of the current fiscal year, up from €29.8 million in the same period the prior year, and to €60.4 million in the first half of the current fiscal year as compared to €57.1 million for the same period the prior year.

In France, our profitability increased by 5.3%, reaching €25.2 million, up from €24.0 million a year before. This growth was driven by the solid performance of our network and improved results from our directly

¹ Network sales comprise sales (excluding VAT) to end customers by all of the Group’s distribution channels, including directly-owned stores. Sales of the franchisees are based on monthly sales reports provided by the franchisees pursuant to their reporting obligations under franchise agreements.

² Adjusted EBITDA is defined as operating income from ordinary activities as presented in the Group’s consolidated financial statements, before (i) depreciation and amortization of property, plant and equipment, and intangible assets, (ii) changes in provisions for trade receivables and inventories, and (iii) management fees, management long term incentives and acquisition price supplements, if applicable in each case.

owned stores, resulting in a cumulative growth of 6.4% in our Adjusted EBITDA since the start of the fiscal year. In Spain, we recorded an Adjusted EBITDA of €5.2 million, up from €5.1 million the previous year, representing growth of 3.1% in the second quarter and 2.8% in the first half of the current fiscal year. This increase reflects strong overall growth in network sales during each period, despite being slightly attenuated by lower performance at our directly owned stores. Finally, Adjusted EBITDA in our Other countries segment slightly decreased to €0.7 million, down from €0.8 million in the comparable quarter of the previous year, which was primarily due to our Portuguese area. Meanwhile, Belux and Switzerland continued to show solid growth.

Due to its profitability, the Group's net debt adjusted for sublease liabilities was €595.5 million as of January 31, 2025, compared to €608.3 million as of July 31, 2024.

Anthony Afflelou, Chief Executive Officer of AFFLELOU Group, stated: *“Network sales continued to deliver solid growth during the past quarter. Our French network reported strong performance apart from a temporary interruption in December which was since balanced by the growth in January and quite good sales in February. The dynamism of our network was also reflected in Spain, despite the floods episode in Valencia region. Finally the Other countries area continued to benefit from a strong growth especially in Belgium, where we are currently starting the rollout of the hearing aids business. We of course continue to monitor closely the outlook of our business and push our differentiating initiatives like Magic and teleophthalmology innovation, which we believe contribute significantly to the outperformance of our main markets.”*

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. The Group operates 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 and 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 franchise banner of optical products (in terms of store numbers) and the fourth largest (in terms of network revenue). The Group, which is continuing its global expansion, is present worldwide, with 1,456 stores in 20 countries as of July 31, 2024.

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Forward Looking Statements

This press release may include forward looking statements. These forward looking statements can be identified by the use of forward looking terminology, including the terms as “believe”, “expect”, “anticipate”, “may”, “assume”, “plan”, “intend”, “will”, “should”, “estimate”, “risk” and or, in each case, their negative, or other variations or comparable terminology. These forward looking statements include all matters that are not historical facts and include statements regarding the Company's or any of its affiliates' intentions, beliefs or current expectations concerning, among other things, the Company's or any of its affiliates' results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which they operate. By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward looking statements are not guarantees of future performance and that the Company's or any of its affiliates' actual results of operations, financial condition and liquidity, and the development of the industries in which they operate may differ materially from those made in or suggested by the forward looking statements contained in this press release. In addition, even if the Company's or any of its affiliates' results of operations, financial condition and liquidity, and the development of the industries in which they operate are consistent with the forward looking statements contained in this press release, those results or developments may not be indicative of results or developments in subsequent periods.

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