

AFFLELOU

PRICING OF €560.0 MILLION SENIOR SECURED NOTES DUE 2029

Paris, France — July 17, 2024. Afflelou, (the "**Issuer**"), announces today that it has priced its offering of Senior Secured Notes due 2029 (the "**Notes**").

The Notes will be issued in an aggregate principal amount of €560.0 million, will bear interest at an annual rate of 6.000% and will be issued at 100.000% of their nominal value. The offering of the Notes is expected to close on or about July 25, 2024, subject to customary closing conditions.

The Issuer intends to use the proceeds from the offering of the Notes to (i) repay the Issuer's €460.0 million aggregate principal amount of 4.250% senior secured fixed rate notes due 2026 (the "**Existing Senior Secured Notes**") and €75.0 million aggregate principal amount of senior subordinated floating rate notes due 2027 (the "**Existing Subordinated Notes**"), which is expected to consist of a combination of (a) funding the consideration to be paid in connection with the tender offer in respect of the Existing Senior Secured Notes held by eligible holders outside the United States in reliance on Regulation S under the U.S. Securities Act of 1933, as amended (the "**Tender Offer**") which will settle concurrently with the Offering, (b) funding the satisfaction and discharge on or about the closing date of the Offering (the "**Issue Date**") and subsequent redemption of the Existing Senior Secured Notes not repurchased and cancelled in the Tender Offer, if any, on May 19, 2025 and (c) funding the redemption price to redeem the Existing Subordinated Notes on or about the Issue Date, (ii) fund, along with €86.9 million of cash on balance sheet the distribution to Afflelou's shareholders; and (iii) pay commissions, fees and expenses incurred in connection with the foregoing.

Notice of conditional redemption in full in respect of the Existing Subordinated Notes has been delivered to holders thereof via Euroclear Bank SA/NV and Clearstream Banking S.A.

* * *

Holders of Existing Subordinated Notes are urged to refer to the notice of conditional redemption for more information regarding the conditions precedent to such redemption, redemption price, record date and redemption date. This press release does not constitute a notice of conditional redemption thereof.

The offering is being made by means of an offering memorandum. This announcement does not constitute an offer to sell or the solicitation of an offer to buy the Notes or any other security and shall not constitute an offer, solicitation or sale in the United States or in any jurisdiction in which, or to any persons to whom, such offering, solicitation or sale would be unlawful. There is no assurance that the offering will be completed or, if completed, as to the terms on which it will be completed.

The Notes and the related guarantees have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. The Afflelou group does not intend to conduct a public offering of securities in the United States.

Promotion of the Notes in the United Kingdom is restricted by the Financial Services and Markets Act 2000 (the "**FSMA**"), and accordingly, the Notes are not being promoted to the general public in the United Kingdom. This announcement is only addressed to and directed at persons who (i) are outside the United Kingdom, (ii) have professional experience in matters relating to investments (being investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**")), (iii) fall within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Financial Promotion Order, or (iv) to the extent that doing so does not prejudice the lawful distribution of the announcement to the foregoing, are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) in connection with the issue or sale of any Notes may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). The Notes will only be available to relevant persons and this announcement must not be acted on or relied on by anyone who is not a relevant person.

In addition, if and to the extent that this announcement is communicated in, or the offer of securities to which it relates is made in, any European Economic Area member state or in the United Kingdom, this announcement and the offering of any securities described herein are only addressed to and directed at persons in that member state or in the United Kingdom (as applicable) who are "qualified investors" within the meaning of Regulation (EU) 2017/1129 (including, for the avoidance of doubt, as it forms part of domestic UK law by virtue of the European Union (Withdrawal) Act 2018) and must not be acted on or relied on by other persons in that member state.

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**EU MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, and without prejudice to the obligations of the Issuer in accordance with EU MiFID II, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (COBS), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("UK MiFIR"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any distributor should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. No key information document required by Regulation (EU) No 1286/2014 (as amended, the "EU PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared. Offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. No key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the United Kingdom has been prepared. Offering or selling the Notes or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the UK PRIIPs Regulation.

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.

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 1,418 stores in 19 countries as of July 31, 2023.

* * *

Investor relations contact AFFLELOU André Verneyre / averneyre@afflelou.net + 33 01 49 37 73 50
Press contact AFFLELOU François Boursicot / fboursicot@afflelou.net +33 1 49 37 72 19