

Press Release

New Look Vision Group Inc. Reports Results for the Second Quarter of Fiscal 2020 and Provides Update On Actions in Response to COVID-19, Store Re-Openings and New Financing Arrangements

Montréal, Québec, August 6, 2020: New Look Vision Group Inc. ("New Look Vision" or the "Company") (TSX: BCI), a leader in the Canadian retail optical industry with stores across Canada and stores in Florida, reported financial results today for the 13 and 26 week periods ended June 27, 2020 ("Q2 2020") and provided updates on actions in response to COVID-19, store re-openings, and new financing arrangements. This press release should be read in conjunction with the Company's management discussion and analysis (the "MD&A") and interim consolidated financial statements for the second quarter of 2020, which are available on the Company's website at www.newlookvision.ca/investors and have been posted on SEDAR at www.sedar.com.

Q2 2020 Financial and Operational Highlights

Q2 2020 highlights, which were significantly impacted by COVID-19, are as follows:

- Revenues decreased by 64.9% to \$27.4 million, resulting principally from COVID-19 temporary store closures, as well as scheduled store closures offset by revenue from newly acquired stores.
- Adjusted EBITDA attributed to shareholders^(a) was \$1.2 million, a decrease of \$14.1 million or 92.3% from last year and decreased 91.8% on a per diluted share basis to \$0.08.
- Net loss attributed to shareholders was \$12.4 million, a decrease of 281.5% from last year.
- Adjusted net (loss)/earnings attributed to shareholders^(a) decreased by 231.7% to (\$9.7) million or (\$0.62) on a per diluted share basis.
- Cash flows related to operating activities reached \$5.5 million, a decrease of \$4.7 million or 46.3% from last year and decreased 47.0% on a per diluted share basis to \$0.35.
- During the quarter, the Company successfully secured \$73.9 million of additional bank and subordinated debt financing.
- The Board of Directors suspended the regular quarterly dividend and the corresponding dividend reinvestment plan until further notice, effective March 19, 2020 in order to improve liquidity during the COVID-19 period.

Year-to-date Financial and Operating Results

It should be noted that the Company has adopted IFRS 16 Leases effective Q1 2020. The Company has applied a modified retrospective approach; the operating results of previous fiscal periods have not been restated. Occupancy costs previously recorded as operating expenses are now recorded through depreciation of right-of-use assets and interest expenses on lease liabilities.

- Year-to-date revenues and adjusted EBITDA attributed to shareholders^(a) were \$95.5 million and \$16.6 million respectively, which represent decreases of 36.2% and 38.9% respectively from last year.
- The increase in the number of stores in the last twelve months reflects the acquisition of 19 stores net of five planned closures and the sale of one clinic.
- Net (loss)/earnings attributed to shareholders were (\$12.7) million or (\$0.81) per diluted share, compared to \$8.9 million last year or \$0.57 per diluted share.
- Adjusted net (loss)/earnings attributed to shareholders^(a) decreased to (\$8.3) million, a decrease of \$19.6 million, as compared to last year. Adjusted net (loss)/earnings attributed to shareholders^(a) reached (\$0.53) per diluted share, down 173.6% from \$0.72 in 2019.
- Cash flows related to operating activities reached \$19.0 million, a decrease of 16.7% as compared to last year and decreased 17.1% on a per diluted share basis to \$1.21.

Actions in response to COVID-19

New Look Vision has and continues to respond swiftly to the crisis along three principles: participation, protection and responsibility.

1. Participation in stemming the pandemic spread by closing a large number of locations early on (stores, offices, factories and distribution centers).
2. Protection for our employees with a supplemental pay program for those placed on temporary leave. Protection of our financial autonomy with immediate cash burn optimization (expense freeze, CAPEX postponement, dividend suspension, executive pay reduction) and expansion of our available funding from both our lenders. As a result, the Company is confident that it has the necessary financial resource to sustain the ongoing impact of the pandemic.
3. Responsibility, as eye care professionals, to keep open a minimum number of stores to serve those in urgent need of eye care and eyewear. The Company launched the Guardian Angel program on March 25th giving hospital personnel the opportunity to replace broken eyewear quickly. Our central lens processing facility retooled to produce safety eyewear for use in health care facilities.

Throughout the shutdown, teams working on strategic initiatives, both internal and external, have carried on.

New Look Vision continues to diligently control its cost structure while actively monitoring market conditions.

Network Re-Opening

Gradual store reopening started on May 4th in line with local and professional regulations. Ahead of reopening stores, the Company issued stringent health and safety procedures, undertook extensive training in the form of in-store rehearsals and is providing each location with prescribed personal protection equipment. By the end of the second quarter, the Company's entire store network had re-opened.

New Financing Arrangements

In Q2 2020, the Company successfully secured an additional \$73.9 million in bank and subordinated debt financing to strengthen its balance sheet and boost liquidity for both working capital and acquisition and development purposes. As at June 27, 2020, as a result, it had \$47.1 million of cash on hand and undrawn credit and subordinated debt facilities of \$52.7 million.

President & CEO's comments

Antoine Amiel, the President and CEO of New Look Vision, stated that: *"The second quarter started after most of the Company's retail stores stopped operating mid-March. Gradual reopening started mid-May and was completed by June 21st when the last local retail operation restrictions were lifted. In March, the Company implemented a high impact cash conservation plan which yielded minimum cash burn throughout the 90+ day physical retail shutdown. This, in addition to revenues generated online, is reflected in the strong cash position at quarter's end, given the circumstances. Retail operations re-started in each market as soon as local regulatory restrictions allowed and under all-encompassing safety first internal protocols. Trade has been brisk since the re-start. Strengthened by its resilience, financial and organizational strengths throughout the COVID-19 disruption, the Company has resumed its profitable growth journey, organic and external. I am, more than ever, in awe of the New Look Vision Group people's fortitude through the ordeal and dedication to eyecare and eyewear since the re-start. They deserve the highest praise and deepest gratitude."*

Status of Dividend

The Board of Directors suspended the regular quarterly dividend and the corresponding dividend reinvestment plan until further notice, effective March 19, 2020.

The decision to declare a dividend is made quarterly when the financial statements for a quarter or a financial year are made available to the Board of Directors. Although there is no guarantee that a dividend will be declared in the future, New Look Vision and its predecessor, Benvest New Look Income Fund, have regularly paid a dividend or distribution since 2005 through 2019.

As at July 31, 2020, New Look Vision had 15,660,199 Class A common shares issued and outstanding.

Attachments

- Table A - Highlights
- Table B - Impact of IFRS 16
- Table C - Consolidated Statement of Earnings
- Table D - Reconciliation of Net (Loss)/Earnings to Adjusted EBITDA and Adjusted EBITDA Attributed to Shareholders
- Table E - Reconciliation of Net (Loss)/Earnings Attributed to Shareholders to Adjusted Net Earnings Attributed to Shareholders
- Table F - Reconciliation of Free Cash Flow and Adjusted Cash Flows Related to Operating Activities

a) *EBITDA, adjusted EBITDA, adjusted EBITDA attributed to shareholders, adjusted net (loss)/earnings, free cash flow and adjusted cash flows related to operating activities are not recognized measures under IFRS and may not be comparable to similar measures used by other entities.*

About New Look Vision Group Inc. New Look Vision is a leader in the eye care industry in Canada with a network of 391 stores operating mainly under the New Look Eyewear, Vogue Optical, Greiche & Scaff, Iris, and Edward Beiner banners (in the US) and laboratory facilities using state-of-the-art technologies. Tax information regarding payments to shareholders is available at www.newlookvision.ca in the Investors section.

All statements other than statements of historical fact contained in this press release are forward-looking statements, including, without limitation, statements regarding the future financial position, business strategy, projected costs and plans and objectives of, or involving New Look Vision. Readers can identify many of these statements by looking for words such as “believe”, “expects”, “will”, “intends”, “projects”, “anticipates”, “estimates”, “plans”, “may”, “would” or similar words or the negative thereof. Forward-looking statements are subject to risks, uncertainties and assumptions. Although management of New Look Vision believes that the plans, intentions or expectations represented in such forward-looking statements are reasonable, there can be no assurance that they will prove to be correct. Some of the factors which could affect future results and could cause results to differ materially from those expressed in the forward-looking statements contained herein include: pending and proposed legislative or regulatory developments, competition from established competitors and new market entrants, technological change, interest rate fluctuations, general economic conditions, acceptance and demand for new products and services, and fluctuations in operating results, as well as other risks included in New Look Vision’s current Annual Information Form (AIF) which can be found at www.sedar.com. The forward-looking statements included in this press release are made as of the date hereof, and New Look Vision undertakes no obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise, except as provided by law.

For additional information please see our website at www.newlookvision.ca. For enquiries, please contact Lise Melanson (514) 877-4119.

NEW LOOK VISION GROUP INC.
Highlights
 for the periods ended June 27, 2020 and June 29, 2019

In thousands of Canadian dollars, except per share amounts

	13 weeks			26 weeks		
	June 27, 2020	June 27, 2020 (excl. IFRS 16)	June 29, 2019	June 27, 2020	June 27, 2020 (excl. IFRS 16)	June 29, 2019
Revenues	\$27,423	\$27,423	\$78,053	\$95,457	\$95,457	\$149,519
<i>Variance %</i>	<i>(64.9 %)</i>	<i>(64.9 %)</i>		<i>(36.2 %)</i>	<i>(36.2 %)</i>	
Variance in comparable store sales	—	—	1.6 %	—	—	2.1 %
Adjusted EBITDA attributed to shareholders^(b)	\$1,181	(\$4,834)	\$15,269	\$16,584	\$5,116	\$27,151
<i>Variance %</i>	<i>(92.3 %)</i>	<i>(131.7 %)</i>		<i>(38.9 %)</i>	<i>(81.2 %)</i>	
<i>% of revenues</i>	<i>4.3 %</i>	<i>(17.6 %)</i>	<i>19.6 %</i>	<i>17.4 %</i>	<i>5.4 %</i>	<i>18.2 %</i>
Per share (diluted)	\$0.08	(\$0.31)	\$0.98	\$1.06	\$0.33	\$1.74
<i>Variance %</i>	<i>(91.8 %)</i>	<i>(131.6 %)</i>		<i>(39.1 %)</i>	<i>(81.0 %)</i>	
Net (loss)/earnings attributed to shareholders	(\$12,380)	(\$11,827)	\$6,820	(\$12,697)	(\$11,643)	\$8,890
<i>Variance %</i>	<i>(281.5 %)</i>	<i>(273.4 %)</i>		<i>(242.8 %)</i>	<i>(231.0 %)</i>	
<i>% of revenues</i>	<i>(45.1 %)</i>	<i>(43.1 %)</i>	<i>8.7 %</i>	<i>(13.3 %)</i>	<i>(12.2 %)</i>	<i>5.9 %</i>
Net (loss)/earnings per share						
Per share (diluted)	(\$0.79)	(\$0.76)	\$0.44	(\$0.81)	(\$0.74)	\$0.57
<i>Variance %</i>	<i>(279.5 %)</i>	<i>(272.7 %)</i>		<i>(242.1 %)</i>	<i>(229.8 %)</i>	
Adjusted net (loss)/earnings attributed to shareholders^(b)	(\$9,705)	(\$9,152)	\$7,370	(\$8,272)	(\$7,218)	\$11,288
<i>Variance %</i>	<i>(231.7 %)</i>	<i>(224.2 %)</i>		<i>(173.3 %)</i>	<i>(163.9 %)</i>	
<i>% of revenues</i>	<i>(35.4 %)</i>	<i>(33.4 %)</i>	<i>9.4 %</i>	<i>(8.7 %)</i>	<i>(7.6 %)</i>	<i>7.5 %</i>
Per share (diluted)	(\$0.62)	(\$0.58)	\$0.47	(\$0.53)	(\$0.46)	\$0.72
<i>Variance %</i>	<i>(231.9 %)</i>	<i>(223.4 %)</i>		<i>(173.6 %)</i>	<i>(163.9 %)</i>	
Cash flows related to operating activities	\$5,505	\$4,893	\$10,249	\$18,982	\$12,917	\$22,792
<i>Variance %</i>	<i>(46.3 %)</i>	<i>(52.3 %)</i>		<i>(16.7 %)</i>	<i>(43.3 %)</i>	
Per share (diluted)	\$0.35	\$0.31	\$0.66	\$1.21	\$0.82	\$1.46
<i>Variance %</i>	<i>(47.0 %)</i>	<i>(53.0 %)</i>		<i>(17.1 %)</i>	<i>(43.8 %)</i>	
Free cash flow^{(b)(c)}	\$4,466	\$3,854	\$8,532	\$14,388	\$8,323	\$18,799
<i>Variance %</i>	<i>(47.7 %)</i>	<i>(54.8 %)</i>		<i>(23.5 %)</i>	<i>(55.7 %)</i>	
Per share (diluted)	\$0.29	\$0.25	\$0.55	\$0.92	\$0.53	\$1.20
<i>Variance %</i>	<i>(47.3 %)</i>	<i>(54.5 %)</i>		<i>(23.3 %)</i>	<i>(55.8 %)</i>	
Total debt				\$223,735	\$223,735	\$154,486
Net debt / Adjusted EBITDA attributed to shareholders^{(b)(d)}				3.90	5.22	2.69
Cash dividend per share^(e)	—	—	\$0.15	—	—	\$0.30
Number of stores^(f)				391	391	378

- a) Comparable stores are stores which have been operating for at least 12 months. Due to the exceptional circumstances in the quarter whereby the majority of the Company's stores were closed for most of the period, management deems the period to be non-comparable and is therefore not reporting a comparable store sales metric. Revenues are recognized at time of delivery of goods to customers, however management measures the comparable store performance on the basis of sales orders, whether delivered or not.
- b) Adjusted EBITDA attributed to shareholders, adjusted net (loss)/earnings attributed to shareholders, free cash flow and comparable store sales orders are not recognized measures under IFRS and may not be comparable to similar measures used by other entities. Refer to Table D and Table E for the reconciliations of these measures to net (loss)/earnings, and to Table F for the reconciliation of cash flows.
- c) Free cash flow is defined as cash flows related to operating activities, less acquisitions of property, plant and equipment.
- d) Net debt is defined as total debt less cash. Adjusted EBITDA attributed to shareholders represents the amount over the last four rolling quarters.
- e) The amounts of dividends shown in the table above refer to amounts declared in the periods.
- f) The increase in the number of stores in the last twelve months reflects the acquisition of 19 stores net of five planned closures and the sale of one clinic.

NEW LOOK VISION GROUP INC.
Impact of IFRS 16
for the periods ended June 27, 2020 and June 29, 2019

In thousands of Canadian dollars, except per share amounts

The Company has adopted IFRS 16 Leases effective Q1 2020. This standard replaces IAS 17 Leases. The Company has applied a modified retrospective approach; the operating results of previous fiscal periods have not been restated. The adoption of this standard has impacted the Company's financial results in 2020. Certain occupancy-related expenses previously recorded under the caption other operating expenses are now recorded as depreciation and interest expense.

This change has resulted in a reduction to Other operating expenses with a corresponding increase in EBITDA when compared to the same metrics under IAS 17. Depreciation and financial expenses have increased as a result of the application of the standard.

The impact of IFRS 16 on the key metrics in the second quarter and year-to-date period ended June 27, 2020 is summarized in the table below:

	13 weeks					26 weeks				
	June 27, 2020	Impact of IFRS 16	June 27, 2020 (excl. IFRS 16)	June 29, 2019	Change (excl. IFRS 16)	June 27, 2020	Impact of IFRS 16	June 27, 2020 (excl. IFRS 16)	June 29, 2019	Change (excl. IFRS 16)
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Adjusted EBITDA attributed to shareholders ^(a)	\$1,181	\$6,015	(\$4,834)	\$15,269	(\$20,103)	\$16,584	\$11,468	\$5,116	\$27,151	(\$22,035)
% of revenues	4.3 %	21.9 %	(17.6 %)	19.6 %	(37.2 %)	17.4 %	12.0 %	5.4 %	18.2 %	(12.8 %)
Per share (diluted)	\$0.08	\$0.38	(\$0.31)	\$0.98	(\$1.29)	\$1.06	\$0.73	\$0.33	\$1.74	(\$1.41)
Net (loss)/earnings attributed to shareholders	(\$12,380)	(\$553)	(\$11,827)	\$6,820	(\$18,647)	(\$12,697)	(\$1,054)	(\$11,643)	\$8,890	(\$20,533)
% of revenues	(45.1 %)	(2.0 %)	(43.1 %)	8.7 %	(51.8 %)	(13.3 %)	(1.1 %)	(12.2 %)	5.9 %	(18.1 %)
Per share (diluted)	(\$0.79)	(\$0.04)	(\$0.76)	\$0.44	(\$1.20)	(\$0.81)	(\$0.07)	(\$0.74)	\$0.57	(\$1.31)
Adjusted net (loss)/earnings attributed to shareholders ^(a)	(\$9,705)	(\$553)	(\$9,152)	\$7,370	(\$16,522)	(\$8,272)	(\$1,054)	(\$7,218)	\$11,288	(\$18,506)
% of revenues	(35.4 %)	(2.0 %)	(33.4 %)	9.4 %	(42.8 %)	(8.7 %)	(1.1 %)	(7.6 %)	7.5 %	(15.1 %)
Per share (diluted)	(\$0.62)	(\$0.04)	(\$0.58)	\$0.47	(\$1.05)	(\$0.53)	(\$0.07)	(\$0.46)	\$0.72	(\$1.18)
Cash flows related to operating activities	\$5,505	\$612	\$4,893	\$10,249	(\$5,356)	\$18,982	\$6,065	\$12,917	\$22,792	(\$9,875)
Per share (diluted)	\$0.35	\$0.04	\$0.31	\$0.66	(\$0.35)	\$1.21	\$0.39	\$0.82	\$1.46	(\$0.64)
Free cash flow ^(a)	\$4,466	\$612	\$3,854	\$8,532	(\$4,678)	\$14,388	\$6,065	\$8,323	\$18,799	(\$10,476)
Per share (diluted)	\$0.29	\$0.04	\$0.25	\$0.55	(\$0.30)	\$0.92	\$0.39	\$0.53	\$1.20	(\$0.67)

a) Adjusted EBITDA attributed to shareholders, adjusted net (loss)/earnings attributed to shareholders and free cash flow are not recognized measures under IFRS and may not be comparable to similar measures used by other entities. Refer to Table D and Table E for the reconciliations of these measures to net (loss)/earnings, and to Table F for the reconciliation of cash flows.

NEW LOOK VISION GROUP INC.
Consolidated Statement of Earnings
 for the periods ended June 27, 2020 and June 29, 2019

In thousands of Canadian dollars, except per share amounts

	13 weeks		26 weeks	
	June 27, 2020	June 29, 2019	June 27, 2020	June 29, 2019
	\$	\$	\$	\$
Revenues	27,423	78,053	95,457	149,519
Materials consumed	8,475	17,094	24,113	32,746
Employee remuneration expenses	8,265	26,056	31,882	50,829
Other operating expenses	11,509	19,638	25,809	40,138
Earnings before depreciation, amortization, loss on disposal, financial expenses, and income from investments in joint ventures and associates	(826)	15,265	13,653	25,806
Depreciation, amortization and loss on disposal	9,972	4,444	19,285	8,864
Financial expenses, net of interest revenue	6,175	2,297	11,804	5,535
Earnings (loss) before income from investments in joint ventures and associates and income taxes	(16,973)	8,524	(17,436)	11,407
Income from investments in joint ventures and associates	128	729	313	1,058
Earnings (loss) before income taxes	(16,845)	9,253	(17,123)	12,465
Income taxes				
Current	(2,827)	2,061	(1,855)	3,116
Deferred	(1,460)	143	(2,438)	115
Total income taxes	(4,287)	2,204	(4,293)	3,231
Net earnings (loss)	(12,558)	7,049	(12,830)	9,234
Net earnings (loss) attributed to:				
Non-controlling interest	(178)	229	(133)	344
Shareholders of New Look Vision	(12,380)	6,820	(12,697)	8,890
	(12,558)	7,049	(12,830)	9,234
Net earnings (loss) per share				
Basic	(0.79)	0.44	(0.81)	0.57
Diluted	(0.79)	0.44	(0.81)	0.57

NEW LOOK VISION GROUP INC.
Reconciliation of Net (Loss)/Earnings to Adjusted EBITDA and Adjusted EBITDA Attributed to Shareholders
for the periods ended June 27, 2020 and June 29, 2019

In thousands of Canadian dollars, except per share amounts

	13 weeks			26 weeks		
	June 27, 2020	June 27, 2020 (excl. IFRS 16)	June 29, 2019	June 27, 2020	June 27, 2020 (excl. IFRS 16)	June 29, 2019
	\$	\$	\$	\$	\$	\$
Net (loss)/earnings	(12,558)	(11,978)	7,049	(12,830)	(11,749)	9,234
Depreciation, amortization and loss on disposal	9,972	4,939	4,444	19,285	9,542	8,864
Financial expenses, net of interest revenue	6,175	4,675	2,297	11,804	8,870	5,535
Income taxes	(4,287)	(4,062)	2,204	(4,293)	(3,878)	3,231
EBITDA^(a)	(698)	(6,426)	15,994	13,966	2,785	26,864
Equity-based compensation ^(b)	104	104	277	272	272	483
Net loss from changes in fair value of foreign exchange contracts	—	—	12	—	—	12
Acquisition-related costs ^(c)	428	428	359	860	860	747
Other non-comparable items ^(d)	948	948	(1,095)	1,118	1,118	(954)
Adjusted EBITDA^(a)	782	(4,946)	15,547	16,216	5,035	27,152
<i>Variance in \$</i>	<i>(14,765)</i>	<i>(20,493)</i>		<i>(10,936)</i>	<i>(22,117)</i>	
<i>Variance in %</i>	<i>(95.0 %)</i>	<i>(131.8 %)</i>		<i>(40.3 %)</i>	<i>(81.5 %)</i>	
<i>% of revenues</i>	<i>2.9 %</i>	<i>(18.0 %)</i>	<i>19.9 %</i>	<i>17.0 %</i>	<i>5.3 %</i>	<i>18.2 %</i>
Per share (basic)	0.05	(0.32)	1.00	1.04	0.32	1.74
Per share (diluted)	0.05	(0.32)	0.99	1.04	0.32	1.74

The following table represents the adjusted EBITDA available to New Look Vision shareholders, which takes into consideration the investments in joint ventures and associates.

	13 weeks			26 weeks		
	June 27, 2020	June 27, 2020 (excl. IFRS 16)	June 29, 2019	June 27, 2020	June 27, 2020 (excl. IFRS 16)	June 29, 2019
	\$	\$	\$	\$	\$	\$
Adjusted EBITDA ^(a)	782	(4,946)	15,547	16,216	5,035	27,152
Income from investments in joint ventures and associates	(128)	(197)	(729)	(313)	(382)	(1,058)
EBITDA from investments in joint ventures and associates	984	512	1,036	1,381	909	1,894
EBITDA attributed to non-controlling interest	(457)	(203)	(585)	(700)	(446)	(837)
Adjusted EBITDA attributed to shareholders^(a)	1,181	(4,834)	15,269	16,584	5,116	27,151

- EBITDA, adjusted EBITDA and adjusted EBITDA attributed to shareholders are not recognized measures under IFRS and may not be comparable to similar measures used by other entities. New Look Vision believes that EBITDA, adjusted EBITDA and adjusted EBITDA attributed to shareholders are useful financial metrics as they assist in determining the ability to generate cash from operations. Investors should be cautioned that EBITDA, adjusted EBITDA and adjusted EBITDA attributed to shareholders should not be considered as an alternative to net earnings or cash flows as determined under IFRS.
- Equity-based compensation represents the fair value of New Look Vision stock options vested in the period.
- Acquisition-related costs are composed of wages and professional fees specifically incurred in the business acquisition process, whether an acquisition is completed or not.
- Other non-comparable items include one-time expenses (income) connected with personnel costs related to acquisition, restructuring and transition related matters.

NEW LOOK VISION GROUP INC.
Reconciliation of Net (Loss)/Earnings Attributed to Shareholders to Adjusted Net (Loss)/Earnings Attributed to Shareholders
for the periods ended June 27, 2020 and June 29, 2019

In thousands of Canadian dollars, except per share amounts

	13 weeks		June 29, 2019	26 weeks		June 29, 2019
	June 27, 2020	June 27, 2020 (excl. IFRS 16)		June 27, 2020	June 27, 2020 (excl. IFRS 16)	
	\$	\$	\$	\$	\$	\$
Net (loss)/earnings attributed to shareholders	(12,380)	(11,827)	6,820	(12,697)	(11,643)	8,890
Amortization of acquired intangibles	1,788	1,788	1,659	3,436	3,436	3,261
Acquisition-related costs	428	428	359	860	860	747
Equity-based compensation	104	104	277	272	272	483
Other non-comparable items	948	948	(1,095)	1,118	1,118	(954)
Related income taxes	(593)	(593)	(650)	(1,261)	(1,261)	(1,139)
Adjusted net (loss)/earnings attributed to shareholders^(a)	(9,705)	(9,152)	7,370	(8,272)	(7,218)	11,288
<i>Variance in \$</i>	<i>(17,075)</i>	<i>(16,522)</i>		<i>(19,560)</i>	<i>(18,506)</i>	
<i>Variance in %</i>	<i>(231.7 %)</i>	<i>(224.2 %)</i>		<i>(173.3 %)</i>	<i>(163.9 %)</i>	
<i>% of revenues</i>	<i>(35.4 %)</i>	<i>(33.4 %)</i>	<i>9.4 %</i>	<i>(8.7 %)</i>	<i>(7.6 %)</i>	<i>7.5 %</i>
Per share amount						
Basic	(0.62)	(0.58)	0.47	(0.53)	(0.46)	0.72
Diluted	(0.62)	(0.58)	0.47	(0.53)	(0.46)	0.72

a) Adjusted net (loss)/earnings attributed to shareholders are not a recognized measure under IFRS and may not be comparable to similar measures used by other entities. New Look Vision believes that this disclosure provides useful information as it allows the comparison of net results excluding amortization of acquired intangibles, acquisition-related costs, equity-based compensation, other non-comparable items and related income taxes, which may vary significantly from quarter to quarter. Investors should be cautioned that adjusted net (loss)/earnings should not be considered as an alternative to net earnings as determined under IFRS.

NEW LOOK VISION GROUP INC.
Reconciliation of Free Cash Flow and Adjusted Cash Flows Related to Operating Activities
for the periods ended June 27, 2020 and June 29, 2019

In thousands of Canadian dollars, except per share amounts

	13 weeks			26 weeks		
	June 27, 2020	June 27, 2020 (excl. IFRS 16)	June 29, 2019	June 27, 2020	June 27, 2020 (excl. IFRS 16)	June 29, 2019
	\$	\$	\$	\$	\$	\$
Earnings/(loss) before income taxes	(16,845)	(16,040)	9,253	(17,123)	(15,627)	12,465
Adjustments:						
Depreciation, amortization and loss on disposal	9,972	4,939	4,444	19,285	9,542	8,864
Equity-based compensation	104	104	277	272	272	483
Financial expenses	6,301	4,801	2,380	12,073	9,139	5,696
Interest revenue	(126)	(126)	(83)	(269)	(269)	(161)
Other	(302)	(302)	(16)	(1,014)	(1,014)	(85)
Income from investments in joint ventures and associates	(128)	(197)	(729)	(313)	(382)	(1,058)
Income taxes received (paid)	89	89	(1,066)	(1,084)	(1,084)	(2,745)
Cash flows related to operating activities, before changes in working capital items	(935)	(6,732)	14,460	11,827	577	23,459
Changes in working capital items	6,440	11,625	(4,211)	7,155	12,340	(667)
Cash flows related to operating activities	5,505	4,893	10,249	18,982	12,917	22,792

Free cash flow

	13 weeks			26 weeks		
	June 27, 2020	June 27, 2020 (excl. IFRS 16)	June 29, 2019	June 27, 2020	June 27, 2020 (excl. IFRS 16)	June 29, 2019
	\$	\$	\$	\$	\$	\$
Cash flows related to operating activities	5,505	4,893	10,249	18,982	12,917	22,792
Acquisitions of property, plant and equipment	(1,039)	(1,039)	(1,717)	(4,594)	(4,594)	(3,993)
Free cash flow^(a)	4,466	3,854	8,532	14,388	8,323	18,799

- a) Free cash flow is not a recognized measure under IFRS and may not be comparable to similar measures used by other entities. New Look Vision believes that this disclosure provides useful information as it provides insight on operating cash flows available after considering necessary capital investments. Investors should be cautioned that free cash flow should not be considered as an alternative to cash flows related to operating activities as determined under IFRS.

Adjusted cash flows related to operating activities

	13 weeks			26 weeks		
	June 27, 2020	June 27, 2020 (excl. IFRS 16)	June 29, 2019	June 27, 2020	June 27, 2020 (excl. IFRS 16)	June 29, 2019
	\$	\$	\$	\$	\$	\$
Cash flows related to operating activities	5,505	4,893	10,249	18,982	12,917	22,792
Income taxes paid	(89)	(89)	1,066	1,084	1,084	2,745
Changes in working capital items	(6,440)	(11,625)	4,211	(7,155)	(12,340)	667
Acquisition-related costs	428	428	359	860	860	747
Other non-comparable items	948	948	(1,095)	1,118	1,118	(954)
Adjusted cash flows related to operating activities^(a)	352	(5,445)	14,790	14,889	3,639	25,997

a) Adjusted cash flows related to operating activities are not a recognized measure under IFRS and may not be comparable to similar measures used by other entities. New Look Vision believes that this disclosure provides useful information as it allows the comparison of net operating cash flows excluding income taxes paid, changes in working capital items, acquisition-related costs and other non-comparable items, which may vary significantly from quarter to quarter. Certain occupancy-related expenses previously recorded in the cash flows related to operating activities are now presented in the cash flows related to financing activities. Investors should be cautioned that adjusted cash flows related to operating activities should not be considered as an alternative to cash flows related to operating activities as determined under IFRS.