

Press Release

New Look Vision Group Inc Reports Record Results for the Fourth Quarter and Year End Fiscal 2019 and Provides Actions in Response to COVID-19

Montréal, Québec, March 19, 2020: New Look Vision Group Inc. ("**New Look Vision**" or the "**Company**") (TSX: BCI), a leader in the Canadian retail optical industry with 394 stores across Canada and Florida, reported financial results today for the 13 and 52 week periods ended December 28, 2019 ("Q4 2019"). This press release should be read in conjunction with the Company's management discussion and analysis (the "MD&A") and consolidated financial statements for fiscal 2019, which are available on the Company's website at www.newlookvision.ca/investors and have been posted on SEDAR at www.sedar.com.

Q4 2019 Financial and Operational Highlights

- Revenues increased by 3.9% over last year to reach a record \$73.9 million.
- Comparable store sales orders^(a) were up by 3.6% compared to the fourth quarter of last year, marking the 22nd consecutive quarter of comparable store sales growth.
- Adjusted EBITDA attributed to shareholders^(a) reached \$14.3 million, an increase of 3.7% over last year and 3.4% on a per diluted share basis to \$0.91. The increase is principally due to improved performance from existing stores and improved employee productivity that lead to lower remuneration expenses.
- Net earnings attributed to shareholders reached \$5.0 million, compared to \$3.1 million last year, the increase being attributable to higher EBITDA^(a) and lower financial expenses. Net earnings on a per diluted share basis were \$0.32 compared to \$0.20 last year, an increase of 60.0%.

2019 Financial and Operating Results

- Annual revenues increased by 2.3% to reach a record \$297.9 million, resulting mainly from comparable store sales growth as well as from newly acquired stores, offset by revenue from scheduled store closures.
- Comparable store sales orders^(a) were up by 2.3% compared to last year.
- Adjusted EBITDA attributed to shareholders^(a) reached \$55.9 million, an increase of \$1.4 million or 2.5% over last year and increased 2.3% on a per diluted share basis to \$3.57.
- Net earnings attributed to shareholders were \$18.8 million, an increase of 32.1% over last year. This increase is driven by higher EBITDA, lower financial expenses and depreciation. Net earnings per diluted share increased 31.9% to \$1.20.
- Adjusted net earnings attributed to shareholders^(a) increased by 13.5% to \$26.1 million or 13.6% on a per diluted share basis. The increase is mainly attributable to a higher adjusted EBITDA^(a).
- Cash flows related to operating activities reached \$43.6 million, an increase of \$8.8 million or 25.4% over last year and increased 25.1% on a per diluted share basis to \$2.79.
- The Company invested \$8.9 million in Bespoke Eyewear and the technical component that underpins the omnichannel strategy.
- The total debt was reduced by \$9.8 million through voluntary and contractual repayments, improving the net debt to adjusted EBITDA attributed to shareholders^(a) ratio to 2.60, compared to 2.76 last year.

Actions in response to COVID-19

New Look Vision has initiated partial or full store closures across its network in response to COVID-19. Preventing the virus' spread, protecting professionals, employees and clients while maintaining a minimum access to vision care and products are the key factors driving these decisions. The Company established an emergency pay program to supplement unemployment insurance for the employees placed on temporary leave.

In view of the current uncertainty driven by reduced store capacity and regulatory restrictions, the Board of Directors has elected to suspend the regular quarterly dividend and the corresponding dividend reinvestment plan for Q4 2019.

The Company believes it is well positioned to withstand the current disruption given its efficient operations and strong balance sheet. New Look Vision continues to diligently control its cost structure while actively monitoring market conditions.

President & CEO's comments

Antoine Amiel, the President and CEO of New Look Vision, stated that: "*New Look Vision had a strong fourth quarter capping a strong FY2019. This was the 22nd consecutive quarter of same store sales growth. 2019 saw an increased pace of comparable store sales growth, increased profitability and store network expansion notably in the USA. Those results materialized into further deleveraging of our balance sheet giving the Company a solid footing to withstand the COVID-19 disruption and uncertainty.*

New Look Vision responded swiftly to the onset of COVID-19. We have reduced our store network capacity to participate in the collective effort to stem the pandemic's spread and to protect our teams and customers, while keeping open a minimum access to vision care and products for those in need. We have implemented a supplemental pay program for our employees placed on temporary leave. We have downsized our cost structure and taken cash conservation measures. We are actively monitoring the situation and will adjust our stance proactively. While our stores and manufacturing activities are reduced, our development initiatives are on-going to continue building a competitive advantage.

Our thoughts are with those most affected by the current crisis".

Dividend Approval

The Company's Board of Directors has suspended the regular quarterly dividend and the corresponding dividend reinvestment plan until further notice, effective immediately.

As of February 29, 2020, New Look Vision had 15,660,199 Class A common shares issued and outstanding.

Attachments

- Table A - Highlights
- Table B - Consolidated statement of earnings and comprehensive income
- Table C - Reconciliation of net earnings to adjusted EBITDA and adjusted EBITDA attributed to shareholders
- Table D - Reconciliation of net earnings attributed to shareholders to adjusted net earnings attributed to shareholders
- Table E - Reconciliation of free cash flow and adjusted cash flows related to operating activities

a) EBITDA, adjusted EBITDA, adjusted EBITDA attributed to shareholders, adjusted net earnings, free cash flow, adjusted cash flows related to operating activities and comparable store sales orders 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 394 stores operating mainly under the New Look Eyewear, Vogue Optical, Greiche & Scaff and Iris banners 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 December 28, 2019, December 29, 2018 and December 30, 2017

In thousands of Canadian dollars, except per share amounts

	2019	2018	2019	2018	2017
	13 weeks	13 weeks	52 weeks	52 weeks	52 weeks
Revenues	\$73,929	\$71,140	\$297,865	\$291,032	\$229,151
Variance %	3.9%		2.3%		
Variance in comparable store sales orders^{(a)(b)}	3.6%	0.8%	2.3%	1.3 %	
Adjusted EBITDA attributed to shareholders^(b)	\$14,271	\$13,760	\$55,851	\$54,468	\$41,980
Variance %	3.7%		2.5%	29.7 %	
% of revenues	19.3%	19.3%	18.8%	18.7 %	18.3 %
Per share (diluted)	\$0.91	\$0.88	\$3.57	\$3.49	\$2.95
Variance %	3.4%		2.3%	18.3 %	
Net earnings attributed to shareholders	\$5,039	\$3,108	\$18,754	\$14,193	\$10,060
Variance %	62.1%		32.1%	41.1 %	
% of revenues	6.8%	4.4%	6.3%	4.9 %	4.4 %
Net earnings per share					
Per share (diluted)	\$0.32	\$0.20	\$1.20	\$0.91	\$0.71
Variance %	60.0%		31.9%	28.2 %	
Adjusted net earnings attributed to shareholders^(b)	\$7,865	\$5,371	\$26,080	\$22,973	\$18,106
Variance %	46.4%		13.5%	26.9 %	
% of revenues	10.6%	7.5%	8.8%	7.9 %	7.9 %
Per share (diluted)	\$0.50	\$0.34	\$1.67	\$1.47	\$1.27
Variance %	47.1%		13.6%	15.7 %	
Cash flows related to operating activities	\$7,343	\$7,423	\$43,607	\$34,786	\$32,013
Variance %	(1.1%)		25.4%	8.7 %	
Per share (diluted)	\$0.47	\$0.48	\$2.79	\$2.23	\$2.25
Variance %	(2.1%)		25.1%	(0.9)%	
Free cash flow^{(b)(c)}	\$3,829	\$5,842	\$33,757	\$25,992	\$21,929
Variance %	(34.5%)		29.9%	18.5 %	
Per share (diluted)	\$0.24	\$0.37	\$2.16	\$1.66	\$1.54
Variance %	(35.1%)		30.1%	7.8 %	
Total debt			\$150,973	\$160,737	\$173,278
Net debt / Adjusted EBITDA attributed to shareholders^{(b)(d)}			2.60	2.76	3.80
Cash dividend per share^(e)	\$0.15	\$0.15	\$0.60	\$0.60	\$0.60
Number of stores^(f)			378	373	379

- a) Comparable stores are stores which have been operating for at least 12 months. 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 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 tables C, D and E for the definitions and reconciliations.
- 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 ten stores net of five closures.

NEW LOOK VISION GROUP INC.
Consolidated Statement of Earnings and Comprehensive Income
for the years ended December 28, 2019 and December 29, 2018

In thousands of Canadian dollars, except per share amounts

	2019	2018	2019	2018
	13 weeks	13 weeks	52 weeks	52 weeks
	\$	\$	\$	\$
Revenues	73,929	71,140	297,865	291,032
Materials consumed	15,598	14,879	65,264	63,882
Employee remuneration expenses	25,836	25,044	101,529	99,058
Other operating expenses	20,805	18,847	80,589	79,506
Earnings before depreciation, amortization, loss on disposal, financial expenses, and income from investments in joint ventures and associates	11,690	12,370	50,483	48,586
Depreciation, amortization and loss on disposal	4,657	4,557	17,999	19,978
Financial expenses, net of interest revenue	1,434	3,485	8,719	9,720
Earnings before income from investments in joint ventures and associates and income taxes	5,599	4,328	23,765	18,888
Income from investments in joint ventures and associates	1,116	426	2,633	1,849
Earnings before income taxes	6,715	4,754	26,398	20,737
Income taxes				
Current	958	1,366	6,108	6,045
Deferred	770	332	892	298
Total income taxes	1,728	1,698	7,000	6,343
Net earnings and comprehensive income	4,987	3,056	19,398	14,394
Net earnings and comprehensive income attributed to:				
Non-controlling interest	(52)	(52)	644	201
Shareholders of New Look Vision	5,039	3,108	18,754	14,193
	4,987	3,056	19,398	14,394
Net earnings per share				
Basic	0.32	0.20	1.20	0.91
Diluted	0.32	0.20	1.20	0.91

NEW LOOK VISION GROUP INC.
Reconciliation of Net Earnings to Adjusted EBITDA and Adjusted EBITDA Attributed to Shareholders
for the periods ended December 28, 2019 and December 29, 2018

In thousands of Canadian dollars, except per share amounts

	13 weeks		52 weeks	
	Dec. 28, 2019	Dec. 29, 2018	Dec. 28, 2019	Dec. 29, 2018
	\$	\$	\$	\$
Net earnings	4,987	3,056	19,398	14,394
Depreciation, amortization and loss on disposal	4,657	4,557	17,999	19,978
Financial expenses, net of interest revenue	1,434	3,485	8,719	9,720
Income taxes	1,728	1,698	7,000	6,343
EBITDA^(a)	12,806	12,796	53,116	50,435
Equity-based compensation ^(b)	122	217	731	1,052
Net gain from changes in fair value of foreign exchange contracts	—	—	(4)	(42)
Acquisition-related costs ^(c)	648	68	1,748	1,398
Other non-comparable items ^(d)	1,243	489	967	1,277
Adjusted EBITDA^(a)	14,819	13,570	56,558	54,120
<i>Variance in \$</i>	1,249		2,438	
<i>Variance in %</i>	9.2%		4.5%	
<i>% of revenues</i>	20.0%	19.1%	19.0%	18.6%
Per share (basic)	0.95	0.87	3.62	3.49
Per share (diluted)	0.95	0.87	3.61	3.47

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		52 weeks	
	Dec. 28, 2019	Dec. 29, 2018	Dec. 28, 2019	Dec. 29, 2018
	\$	\$	\$	\$
Adjusted EBITDA ^(a)	14,819	13,570	56,558	54,120
Income from investments in joint ventures and associates	(1,116)	(426)	(2,633)	(1,849)
EBITDA from investments in joint ventures and associates	930	760	3,612	3,425
EBITDA attributed to non-controlling interest	(362)	(144)	(1,686)	(1,228)
Adjusted EBITDA attributed to shareholders^(a)	14,271	13,760	55,851	54,468

- a) 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.
- b) Equity-based compensation represents the fair value of New Look Vision stock options vested in the period.
- c) Acquisition-related costs are composed of wages and professional fees specifically incurred in the business acquisition process, whether an acquisition is completed or not.
- d) 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 Earnings Attributed to Shareholders to Adjusted Net Earnings Attributed to Shareholders
for the periods ended December 28, 2019 and December 29, 2018

In thousands of Canadian dollars, except per share amounts

	13 weeks		52 weeks	
	Dec. 28, 2019	Dec. 29, 2018	Dec. 28, 2019	Dec. 29, 2018
	\$	\$	\$	\$
Net earnings attributed to shareholders	5,039	3,108	18,754	14,193
Amortization of acquired intangibles	1,653	1,658	6,565	7,073
Acquisition-related costs	648	68	1,748	1,398
Equity-based compensation	122	217	731	1,052
Other non-comparable items	1,243	489	967	1,277
Related income taxes	(840)	(169)	(2,685)	-2,020
Adjusted net earnings attributed to shareholders^(a)	7,865	5,371	26,080	22,973
<i>Variance in \$</i>	2,494		3,107	
<i>Variance in %</i>	46.4%		13.5%	
<i>% of revenues</i>	10.6%	7.5%	8.8%	7.9%
Per share amount				
Basic	0.50	0.35	1.67	1.48
Diluted	0.50	0.34	1.67	1.47

a) Adjusted net 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, and other non-comparable items which may vary significantly from quarter to quarter. Investors should be cautioned that adjusted net 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 December 28, 2019 and December 29, 2018

In thousands of Canadian dollars, except per share amounts

	13 weeks		52 weeks	
	Dec. 28, 2019	Dec. 29, 2018	Dec. 28, 2019	Dec. 29, 2018
	\$	\$	\$	\$
Earnings before income taxes	6,715	4,754	26,398	20,737
Adjustments:				
Depreciation, amortization and loss on disposal	4,657	4,557	17,999	19,978
Equity-based compensation expense	122	217	731	1,052
Financial expenses	1,577	3,570	9,154	10,015
Interest revenue	(143)	(85)	(435)	(295)
Other	74	183	(134)	(59)
Income from investments in joint ventures and associates	(1,116)	(426)	(2,633)	(1,849)
Cash flows from operating activities, before income taxes paid and changes in working capital items	11,886	12,770	51,080	49,579
Income taxes paid	(866)	(1,645)	(4,714)	(8,016)
Cash flows related to operating activities, before changes in working capital items	11,020	11,125	46,366	41,563
Changes in working capital items	(3,677)	(3,702)	(2,759)	(6,777)
Cash flows related to operating activities	7,343	7,423	43,607	34,786

Free cash flow

	13 weeks		52 weeks	
	Dec. 28, 2019	Dec. 29, 2018	Dec. 28, 2019	Dec. 29, 2018
	\$	\$	\$	\$
Cash flows related to operating activities	7,343	7,423	43,607	34,786
Acquisitions of property, plant and equipment	(3,514)	(1,581)	(9,850)	(8,794)
Free cash flow^(a)	3,829	5,842	33,757	25,992

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		52 weeks	
	Dec. 28, 2019	Dec. 29, 2018	Dec. 28, 2019	Dec. 29, 2018
	\$	\$	\$	\$
Cash flows related to operating activities	7,343	7,423	43,607	34,786
Income taxes paid	866	1,645	4,714	8,016
Changes in working capital items	3,677	3,702	2,759	6,777
Acquisition-related costs	648	68	1,748	1,398
Other non-comparable items	1,243	489	967	1,277
Adjusted cash flows related to operating activities^(a)	13,777	13,327	53,795	52,254

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. 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.