

GrandVision reports strong 2Q and HY21 results with revenue and adj. EBITA acceleration

Schiphol, the Netherlands – 6 August 2021. GrandVision N.V. publishes its Second Quarter and Half Year 2021 results.

Due to the exceptional nature of the year 2020, GrandVision (the "Company") is also including comparisons versus 2019 in this press release.

Second quarter and half year 2021 highlights

- Comparable revenue in the second quarter progressively returning to pre-pandemic levels at -1.2% versus 2019. In June, total revenue was the highest in GrandVision's history
- Adjusted EBITA recovery in 2Q21, reaching €138 million (2Q20: -€65m and 2Q19: €129m), with June delivering a record EBITA
- In HY21, comparable revenue increased 33.6% versus HY20 and fell short by 5.9% versus HY19. Adjusted EBITA was €217 million in HY21 (HY20: -€24m and HY19: €237m)
- HY21 adj. EPS was €0.85 (HY20: -€0.70 and HY19: €0.29)
- GrandVision's net debt position as of 30 June 2021 was €556 million (HY20: €755m)
- The Company's rating on Sustainalytics' ESG benchmark improved for the second year in a row. GrandVision is now ranked number 1 at this retail industry cluster benchmark

The Half Year 2021 Financial Report is available at www.grandvision.com.

Key figures

in millions of EUR (unless stated otherwise)	HY21	HY20	HY19	At reported rate	Changes versus prior year		
					At constant exchange rate	Organic growth	Impact from acquisitions/ divestments
Revenue	1,891	1,453	1,995	30.2%	32.3%	34.6%	-2.3%
Comparable growth (%)	33.6%	-29.1%	3.8%				
Comparable growth base 2019 (%)	-5.9%						
Adjusted EBITA	217	- 24	237	1019.2%	1040.4%	1036.0%	4.4%
Adjusted EBITA margin (%)	11.5%	-1.6%	11.9%	1313bps			
Net result	231	- 212	74	209.1%			
Net result attributable to equity holders	215	- 212	66	201.3%			
Adjusted earnings per share, basic (in €)	0.85	- 0.70	0.29	221.0%			
Earnings per share, basic (in €)	0.85	- 0.84	0.26	201.3%			
System wide sales	2,074	1,591	2,178	30.4%			
Number of stores (#)	7,265	7,271	7,265	-0.1%			

Comparable growth base 2019 is defined as revenue growth from the stores, excluding the Hold Separate Organization, which were comparable in 2019 and are still being operated as per 30 June, 2021

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in millions of EUR (unless stated otherwise)	2Q21	2Q20	2Q19	At reported rate	Changes versus prior year		
					At constant exchange rate	Organic growth	Impact from acquisitions/ divestments
Revenue	993	526	1,021	88.6%	90.3%	92.8%	-2.4%
Comparable growth (%)	94.3%	-49.3%	2.5%				
Comparable growth base 2019 (%)	-1.2%						
Adjusted EBITA	138	- 65	129	312.9%	316.8%	315.9%	0.9%
Adjusted EBITA margin (%)	13.9%	-12.3%	12.7%	2626bps			
System wide sales	1,087	595	1,115	82.6%			

Comparable growth base 2019 is defined as revenue growth from the stores, excluding the Hold Separate Organization, which were comparable in 2019 and are still being operated as per 30 June, 2021

Management comments

Stephan Borchert, GrandVision's CEO said: "In the first half of 2021, GrandVision has once again reconfirmed its inherent strength and resilience and its ability of mastering the ongoing challenges of the COVID-19 pandemic.

Despite a slower start in 1Q21, particularly due to major disruptions in France, GrandVision has significantly accelerated its performance in the second quarter of 2021 with June showing strong performance across all segments and delivering its highest monthly revenue and adjusted EBITA in history.

Our skilled employees in stores and service units all over the world, our focus on best-in-class customer value propositions and satisfaction as well as our strong operational efficiency have all equally contributed to these robust results.

Also, we have further progressed on our strategic plan of delivering a seamless connection between our customer-facing omnichannel front-end and back-end operations; we envision our first fully integrated country to go live beginning of 2022.

As in previous quarters, we have retained our focus around the Company's CSR initiatives. I am pleased to share that GrandVision is now ranked number 1 on the Sustainalytics ESG Retail industry cluster benchmark. We also launched our first global Diversity & Inclusion policy during the second quarter and hosted a worldwide summit reaching more than 24,000 employees.

On 1 July, EssilorLuxottica completed its acquisition of HAL's interest in GrandVision. We are excited to lead GrandVision into a new chapter and welcome EssilorLuxottica as our new majority shareholder. The combination of GrandVision and EssilorLuxottica will create a truly global eyecare and eyewear company which we are proud to be part of. Given the compelling strategic rationale of this transaction, we are excited about the future prospects of this combination."

2021 Outlook

GrandVision navigates with confidence in the second half of the year, expecting the Company to achieve comparable revenue at least at 2019 levels with improved absolute adjusted EBITA versus 2019. This assumes that no further COVID-19 related restrictions will be introduced in the second half of the year.

Transaction between HAL and EssilorLuxottica closed

On 1 July 2021, GrandVision announced the closing of the transaction between EssilorLuxottica SA and HAL for the sale of HAL's 76.72% interest in GrandVision for a price equal to €28.42 per share.

EssilorLuxottica announced that it will launch a mandatory cash public offer (the "Mandatory Public Offer") for the remaining outstanding shares in GrandVision, in accordance with the applicable Dutch public offer rules. The price of the Mandatory Public Offer will be €28.42 per share. EssilorLuxottica confirmed that it will submit a request for review and approval of the offer memorandum for the Mandatory Public Offer with the Netherlands Authority for the Financial Markets (AFM) no later than 23 September 2021. Settlement of the Mandatory Public Offer is expected to take place within six months from the announcement date.

FINANCIAL RECOGNITION OF THE REMEDIES

The antitrust approval in the European Union for the transaction between HAL and EssilorLuxottica is conditioned on the divestment of GrandVision's 35 GrandOptical stores in Belgium, 142 Eye Wish stores in the Netherlands, 72 stores from the "GrandVision by" retail banner in Italy.

As of 23 March 2021, the so-called Hold Separate Organization (HSO) is managed by Hold Separate Managers. The HSO is excluded from consolidation as of 1 April 2021, as GrandVision no longer has control over these divestments, and the relevant assets and liabilities of divestments will be derecognized from the consolidated Balance Sheet. Instead, the fair value of these divestments was reported as "Investments in Associates" on the consolidated Balance Sheet until the moment these operations are classified as held for sale at the end of June 2021. In 2Q21, the total net result of the EU divestments is reported as part of the Company's EBITA as "Result of Associates" in GrandVision's Consolidated Income Statement. A provisional Fair Value uplift of €95 million has been recognized in the net result in the HY21 financial report with no impact on the operating result.

On 1 July 2021, following the commitment with the Chilean market regulator FNE (Fiscalía Nacional Económica) to divest the 97 stores of GrandVision's Chilean operations operating under the banner Rotter Y Kraus, GrandVision's Chilean operations were sold to HAL. On 29 June 2021, the criteria for held for sale classification were met and assets and liabilities are reported in lines 'Assets held for sale' and 'Liabilities held for sale', respectively.

Group financial review

in millions of EUR	HY21	HY20	HY19
Revenue	1,891	1,453	1,995
Cost of sales and direct related expenses	- 529	- 431	- 547
Gross profit	1,363	1,022	1,448
Selling and marketing costs	- 940	- 838	- 996
General and administrative costs	- 229	- 379	- 294
Share of result of associates	3	- 1	- 0
Operating result	196	- 196	158
Gain on remeasurement of the investment retained	95	-	-
Financial income	3	1	2
Financial costs	- 21	- 33	- 28
Net financial result	- 17	- 32	- 26
Result before tax	274	- 229	132
Income tax	- 43	17	- 59
Result for the period	231	- 212	74
Attributable to:			
Equity holders	215	- 212	66
Non-controlling interests	16	1	8
	231	- 212	74

GrandVision's first half 2021 results are impacted by the Hold Separate Organization (HSO) recognition as of 1 April 2021, as explained in the 'Financial Recognition of the Remedies' section of this report. The relevant metrics to understand the business performance are comparable growth, which by definition excludes the effect from the HSO in the Netherlands, Belgium and Italy, versus 2020 and 2019 and the reported adjusted EBITA.

REVENUE

Revenue increased by 32.3% at constant exchange rates to €1,891 million in HY21 (HY20: €1,453 million) or +30.2% at reported rates. Comparable revenue increased +33.6% in HY21 versus HY20 and declined 5.9% versus HY19.

The beginning of 2021 was marked by the continued COVID-19 related restrictions in some of our largest markets such as France. Footfall promptly returned to our stores with the lifting of measures towards the end of May. Revenue in June was the highest in GrandVision's history, exceeding pre-pandemic levels with mid-double-digit comparable growth versus 2019.

Our retail banners' online revenue increased by 66% in HY21 versus HY20. The digital influenced store sales continued the positive trend increasing by 122% year-to-date.

In 2Q21, the gradual improvement in comparable revenue nearly offset the challenges faced during the first quarter of the year. The Company's revenue accelerated strongly following the easing of the COVID-19 restrictions in key markets towards the quarter-end.

GrandVision's revenue at constant exchange rates increased by 90.3% versus 2Q20 to €993 million in 2Q21 (2Q20: €526 million). On a comparable basis, revenue in 2Q21 increased 94.3% versus a year ago and decreased 1.2% versus 2Q19.

ADJUSTED EBITA

In the first half of the year, GrandVision delivered a sequential improvement despite the COVID-19 restrictions that persisted for most of the period. The cost efficiency initiatives that we took last year contributed to the positive margin trend. Following the reopening of our French store network in mid-May, the operating leverage strongly improved in June. As a result, June recorded the highest adjusted EBITA in GrandVision's history.

In HY21, the adjusted EBITA increased from -€24 million in HY20 to €217 million in HY21 while remaining below 2019 levels (HY19: €237 million). The underlying performance reinforces the strength of our business and ability to return to pre-pandemic profit levels. In HY21, the adjusted EBITA was positively impacted by government grants, mainly in the G4 segment, accounting for €10 million (HY20: €50 million), and lower occupancy costs related to the COVID-19 pandemic including the effect from temporary store closures.

2Q21 adjusted EBITA increased to €138 million in HY21 from -€65 million in HY20 and €129 million in HY19.

OPERATING RESULT

The operating result increased from -€196 million in HY20 to €196 million in HY21, driven by improved EBITA as COVID-19 related restrictions started to ease. In addition, the lower non-recurring items and impairments compared with HY20 contributed to the improved operating result.

in millions of EUR	HY21	HY20	HY19
Adjusted EBITA	217	- 24	237
Non-recurring items	- 4	- 44	- 10
EBITA	213	- 68	227
Amortization and impairments	- 17	- 129	- 69
Operating result	196	- 196	158

Non-recurring items of -€4 million in HY21 (-€44 million in HY20) were mainly related to expenses connected with the acquisition of HAL's interest in GrandVision by EssilorLuxottica. This was mostly offset by the €10.3 million provision release related to the favorable award the Company obtained in the proceedings initiated by the French Competition Authority (Autorite de la Concurrence) in 2015.

Amortization and impairments were -€17 million in HY21, significantly lower than the previous year due to the impairments recorded in 2020 and 2019.

The HY20 included €75 million in goodwill impairments related to our businesses in the US, Italy, Colombia and Peru triggered by the severe impact of the COVID-19 pandemic on business performance in these markets. Additionally, a €35 million impairment was related mainly to the customer databases in the UK, the US and Italy. In HY19, the Company recognized a goodwill impairment of €51 million related to the US business.

FINANCIAL RESULT

The financial result increased to -€17 million in HY21 compared to -€32 million in HY20, mainly reflecting non-operational FX gain due to the lower volatility of currencies compared with the previous year and the conversion of the lease contracts in Turkey into local currency.

INCOME TAX

Income tax decreased from a tax gain of €17 million in HY20 to a tax expense of -€43 million in HY21, due to the top-line recovery versus the COVID-impacted HY20 period.

The estimated weighted average annual effective income tax rate used for the six months ended 30 June 2021 is 15.7% versus -7.4% for the six months ended in 30 June, 2020. The change is due to the pandemic's negative impact on results of the Group in 2020 and gain related to remeasurement to the provisional fair value of the investment in 2021. Excluding this gain, the effective tax rate would have been 24.1%.

NET RESULT FOR THE PERIOD

Net result for the period increased to €231 million in HY21 (-€212 million in HY20). The improvement reflects the business recovery from the previous year's heavy impact caused by the COVID-19 pandemic mainly in April and May as well as related goodwill impairments also recorded in HY20.

In HY21, GrandVision released a provision of €10.3 million related to the favorable award the Company obtained in the proceedings initiated by the French Competition Authority (Autorite de la Concurrence) in 2015.

Net result attributable to equity holders was €215 million in HY21 (-€212 million in HY20). The net result was impacted by the fair value uplift provision of €95 million related to the HSO result in the HY21 financial report with no impact on operating result.

ADJUSTED EARNINGS PER SHARE

Adjusted earnings per share, excluding non-recurring items, was €0.85 in HY21 (HY20: -€0.70 and HY19: €0.29). Earnings per share was €0.85 in HY21 (HY20: -€0.84 and HY19: €0.26).

The weighted average number of shares outstanding was 253,792,137 in HY21. On a fully diluted basis, adjusted EPS was also €0.85 in HY21 (HY20: -€0.70 and HY19: €0.29), and EPS was €0.84 in HY21 (HY20: -€0.84 and HY19: €0.26).

Segment review

G4

in millions of EUR (unless stated otherwise)	HY21	HY20	HY19	At reported rate	Changes versus prior year		
					At constant exchange rate	Organic growth	Impact from acquisitions/ divestments
Revenue	1,077	849	1,131	26.8%	26.7%	29.3%	-2.6%
Comparable growth (%)	27.9%	-26.8%	3.2%				
Comparable growth base 2019 (%)	-6.9%						
Adjusted EBITA	141	21	180	575.5%	575.1%	570.6%	4.5%
Adjusted EBITA margin (%)	13.1%	2.5%	15.9%	1062bps			
Number of stores (#)	3,455	3,430	3,408				

in millions of EUR (unless stated otherwise)	2Q21	2Q20	2Q19	At reported rate	Changes versus prior year		
					At constant exchange rate	Organic growth	Impact from acquisitions/ divestments
Revenue	563	324	570	73.9%	73.0%	75.6%	-2.6%
Comparable growth (%)	77.9%	-44.7%	2.5%				
Comparable growth base 2019 (%)	-1.5%						
Adjusted EBITA	86	-18	93	584.6%	583.4%	580.4%	3.0%
Adjusted EBITA margin (%)	15.4%	-5.5%	16.3%	2087bps			

Comparable growth base 2019 is defined as revenue growth from the stores, excluding the Hold Separate Organization, which were comparable in 2019 and are still being operated as per 30 June, 2021

Revenue

Comparable revenue in the G4 segment increased by 27.9% versus HY20 and decreased by 6.9% versus HY19. This was mainly driven by the adverse impact of temporary store closures, primarily in France, and lower traffic in connection to the restrictions still in place in some G4 countries. At constant exchange rates revenue increased by 26.7% to €1,077 million in HY21 (HY20: €849 million and HY19: €1,131 million).

In 2Q21, comparable revenue increased by 77.9% versus 2Q20 although declined by 1.5% versus 2Q19, steadily recovering towards pre-pandemic levels. June recorded the highest revenue in the G4 segment history.

In **France**, our business was impacted by the temporary closure of more than 300 shopping mall-based stores between February and mid-May. Upon the lifting of government-mandated COVID-19 restrictions towards the end of the second quarter, the country's performance was accelerated to high single-digit comparable growth compared with 2019. The new CRM platform implemented earlier this year continued to serve our customers' needs, helping to redirect the footfall to open stores.

Our businesses in **Germany** and **Austria** gradually recovered through the first half of the year. The footfall was strongly impacted at the beginning of the year with a circa 40% reduction in traffic compared with 2019, which slowly started to recover towards pre-pandemic levels at the end of the second quarter.

Belgium and the Netherlands delivered a steady recovery in the first half of the year. In 2Q21, comparable growth was at the mid-single-digit level versus 2019. The strength of the business more than offset the tough comps versus 2019, a year supported by strong commercial campaigns.

In the **United Kingdom**, our Vision Express business delivered the strongest comparable growth versus 2019 in the G4 segment due its solid commercial execution during 2021. While the first six months of the year reported a mid-single-digit comparable growth, the second quarter exceeded the mid-double-digit revenue growth on a comparable basis versus 2019.

Despite the government starting to lift COVID-19 related restrictions towards the end of the second quarter in the G4 countries, footfall has stabilized below 2019 levels, though with continued improved high conversion ratios.

E-commerce sales, particularly our retail brand platforms and the digitally influenced store sales across all the countries in the segment, delivered strong growth in the first half of the year.

Adjusted EBITA

Adjusted EBITA increased to €141 million in HY21 from €21 million in HY20 (HY19: €180 million). Compared with 2019, the segment's profit was affected by the negative operating leverage resulting from the temporary store closures in France. However, this was partially offset by lower occupancy costs related to the COVID-19 pandemic including the effect from the temporary store closures.

In 2Q21, adjusted EBITA increased to €86 million in 2Q21 from -€18 million in 2Q20 (2Q19: €93 million), driven by continued cost discipline and structural improvements in the United Kingdom business.

OTHER EUROPE

in millions of EUR (unless stated otherwise)	HY21	HY20	HY19	At reported rate	Changes versus prior year		
					At constant exchange rate	Organic growth	Impact from acquisitions/ divestments
Revenue	606	456	611	32.9%	33.0%	35.7%	-2.7%
Comparable growth (%)	34.8%	-29.7%	2.8%				
Comparable growth base 2019 (%)	-6.0%						
Adjusted EBITA	67	- 7	71	995.9%	999.1%	997.8%	1.3%
Adjusted EBITA margin (%)	11.1%	-1.6%	11.6%	1273bps			
Number of stores (#)	2,109	2,119	2,054				

in millions of EUR (unless stated otherwise)	2Q21	2Q20	2Q19	At reported rate	Changes versus prior year		
					At constant exchange rate	Organic growth	Impact from acquisitions/ divestments
Revenue	319	168	319	90.4%	89.8%	92.4%	-2.6%
Comparable growth (%)	94.4%	-48.8%	0.0%				
Comparable growth base 2019 (%)	-1.5%						
Adjusted EBITA	45	- 21	38	316.8%	315.8%	315.6%	0.2%
Adjusted EBITA margin (%)	13.9%	-12.2%	11.9%	2618bps			

Comparable growth base 2019 is defined as revenue growth from the stores, excluding the Hold Separate Organization, which were comparable in 2019 and are still being operated as per 30 June, 2021

Revenue

Comparable revenue increased by 34.8% versus HY20. On a 2019 basis, comparable revenue declined by 6.0% versus HY19 with Italy as the main driver of the decline. The Other Europe segment's HY21 revenue growth at constant exchange rates was 33.0% to €606 million from €456 million in HY20 (HY19: €611 million).

In 2Q21, comparable revenue was slightly below 2019 at -1.5%. The segment's performance continued to improve, confirming the positive trend already seen at the end of the first quarter, mainly in the Northern Europe sub-region.

Traffic patterns started to improve in the second quarter after the temporary store closures in shopping malls were lifted. Despite the increase in footfall after the restrictions eased, it remains below 2019 levels with gradually improving conversion rates.

Italy continued to be the hardest-hit country in the segment with a high double-digit comparable revenue decline in HY21 versus 2019. In the first six months of the year, footfall has been impacted with approximately 200 stores in shopping malls remaining closed during the weekends until the last week of May due to the COVID-19 government restrictions.

On the other hand, the **Nordics** remained strong and resilient. During June, Denmark's online sales reached record high levels while the subscription model continues with good momentum in contact lenses and optical. In HY21, the total subscription base including optical and contact lenses in Scandinavia grew double-digit versus HY20.

Switzerland's sustained good performance reflects the business integration completion of the acquired McOptic during the second quarter. The final steps of the integration included the refurbishment of all McOptic's 63 stores into our new store concept and integration into our POS and ERP systems. In 2Q21, the country's revenue reached mid-single-digit growth on a comparable basis versus 2019.

Adjusted EBITA

Adjusted EBITA increased to €67 million in HY21 from -€7 million in HY20 (HY19: €71 million), driven by continued cost discipline and efficiencies and the improved product/price mix. Northern Europe continues to improve its performance, mainly in Denmark and Sweden. The Southern Europe region has lagged behind with Italy heavily impacted by COVID-19 related government restrictions during the first six months of the year, although it has gradually recovered towards the back end of the second quarter.

In 2Q21, adjusted EBITA increased to €45 million from -€21 million in 2Q20 (2Q19: €38 million).

AMERICAS & ASIA

in millions of EUR (unless stated otherwise)	HY21	HY20	HY19	At reported rate	Changes versus prior year		
					At constant exchange rate	Organic growth	Impact from acquisitions/ divestments
Revenue	209	148	253	41.4%	62.0%	61.9%	0.1%
Comparable growth (%)	61.6%	-37.3%	8.7%				
Comparable growth base 2019 (%)	-0.9%						
Adjusted EBITA	25	- 23	10	209.2%	230.9%	230.9%	0.1%
Adjusted EBITA margin (%)	11.8%	-15.3%	3.9%	2708bps			
Number of stores (#)	1,701	1,722	1,803				

in millions of EUR (unless stated otherwise)	2Q21	2Q20	2Q19	At reported rate	Changes versus prior year		
					At constant exchange rate	Organic growth	Impact from acquisitions/ divestments
Revenue	110	35	132	216.5%	254.5%	254.3%	0.2%
Comparable growth (%)	226.2%	-69.1%	9.4%				
Comparable growth base 2019 (%)	0.6%						
Adjusted EBITA	15	- 20	9	175.0%	189.4%	189.4%	0.0%
Adjusted EBITA margin (%)	13.8%	-58.3%	7.1%	7218bps			

Comparable growth base 2019 is defined as revenue growth from the stores, which were comparable in 2019 and are still being operated as per 30 June, 2021

Revenue

Comparable growth in the Americas & Asia segment was 61.6% versus HY20. On a 2019 basis, comparable growth decreased by 0.9% versus HY19. Turkey has demonstrated to be the most resilient business in the region with double-digit comparable growth versus 2019.

The HY21 revenue at constant exchange rates increased by 62.0% to €209 million from €148 million in HY20 (HY19: €253 million). Reported revenue was +41.4% versus HY20 due to the negative currency translation effect of 20.6% during the first six months of the year, or -€30 million mainly driven by the depreciation of the Turkish lira and other Latin American local currencies.

In 2Q21, comparable growth was 226.2% versus 2Q20. On a 2019 basis, comparable growth was +0.6% versus 2Q19.

Despite **Latin America** continuing to face challenges with the surge in COVID-19 cases in countries such as Brazil and Colombia, the remainder of the business has gradually recovered with Mexico in particular delivering a low-single-digit comparable growth above pre-pandemic levels.

Online sales in **Turkey** more than doubled compared with 2020 accelerating the momentum in the second quarter to reach a high-single-digit share of the country's sales, in the same range as digitally influenced store sales. Latin America has continued its online journey by tripling its online sales and digitally influenced store sales with the highest relative growth in the optical category compared with the previous year. This has supported the region's performance despite the continued COVID-19 pandemic restrictions being in place.

Adjusted EBITA

Adjusted EBITA increased to €25 million in HY21 from -€23 million in HY20 (HY19: €10 million), driven by cost efficiencies. Underlying strong improvement from the business turnaround in the United States and solid performance in Latin American countries such as Mexico and Chile, positively contributed to the segment's profit.

In 2Q21, adjusted EBITA increased to €15 million from -€20 million in 2Q20 (2Q19: €9 million).

Liquidity and debt

in millions of EUR (unless stated otherwise)	HY21	HY20	HY19
Free cash flow	102	7	107
Capital expenditure	75	53	78
- Store capital expenditure	42	31	48
- Non-store capital expenditure	33	21	30
Acquisitions	3	3	115
Net debt	556	755	867
Net debt leverage (times)	0.81	2.2	1.5

In HY21, free cash flow (based on IFRS 16 and defined as cash flow from operating activities minus capital expenditure minus net repayment of lease liabilities and receivables) increased from €7 million in HY20 to €102 million, mainly driven by the business ramp up after the strong COVID-19 impact in the first six months in 2020.

Total capital expenditure increased from €53 million in HY20 to €75 million in HY21, representing 4.0% of revenue. Non-store capital expenditure increased from €21 million in HY20 to €33 million in HY21 due to the normalized phasing on investments in digital platforms and IT systems. Store capital expenditure increased to €42 million in HY21 (€31 million in HY20), including the ramp-up in planned store openings and refurbishments. GrandVision continues to expect a normal Capex level of approximately 4-6% of sales for the full year 2021.

At the end of June 2021, GrandVision's net debt position was €556 million, compared to €755 million at the end of June 2020. The net debt includes the dividend payout of approximately €89 million related to the fiscal year 2019, which was more than compensated by the improved results in the second quarter as COVID-19 restrictions started to be lifted. The net debt leverage ratio decreased from 1.35x at year-end 2020 to 0.81x at the end of June 2021.

In June 2020, GrandVision obtained an Additional Liquidity Facility (RLF) of €400 million. GrandVision decided not to extend the RLF, which consequently matured on 19 June 2021.

Financial calendar 2021

Date	Event
28 October 2021	Third Quarter 2021 Trading Update

Disclaimer

This press release contains forward-looking statements that reflect GrandVision's current views with respect to future events and financial and operational performance. These forward-looking statements are based on GrandVision's beliefs, assumptions and expectations regarding future events and trends that affect GrandVision's future performance, taking into account all information currently available to GrandVision, and are not guarantees of future performance. 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, and GrandVision cannot guarantee the accuracy and completeness of forward-looking statements. A number of important factors, not all of which are known to GrandVision or are within GrandVision's control, could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement as a result of risks and uncertainties facing GrandVision. Any forward-looking statements are made only as of the date of this press release, and GrandVision assumes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or for any other reason. The financial figures in this press release are presented in EURO (€) and all values are rounded to the nearest million unless otherwise stated. As a consequence, rounded amounts may not add up to the rounded total in all cases.

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ABOUT GRANDVISION

GrandVision, part of the EssilorLuxottica group, is a global leader in optical retailing, delivering high quality and affordable eye care to more and more customers around the world. The high-quality eye care offered by GrandVision includes a wide range of services provided by its vision experts. Our products include prescription glasses including frames and lenses, contact lenses and contact lens care products, as well as sunglasses both plain and with prescription lenses. These products are offered through leading optical retail banners which operate in more than 40 countries across Europe, the Americas, the Middle East and Asia. GrandVision serves its customers in over 7,200 stores and with more than 39,000 employees, proving every day that in EYE CARE, WE CARE MORE. For more information, please visit www.grandvision.com.

Annex 1: Consolidated Balance Sheet

in thousands of EUR	30 June 2021	31 December 2020
Property, plant and equipment	455	484
Right-of-use assets	1,200	1,323
Goodwill	1,015	1,061
Other intangible assets	346	350
Deferred income tax assets	39	52
Investments in Associates and Joint Ventures	1	1
Non-current receivables	91	93
Non-current assets	3,146	3,362
Inventories	354	310
Trade and other receivables	260	254
Other current assets	49	38
Current income tax receivables	39	32
Derivatives	1	1
Cash and cash equivalents	128	155
Assets held for sale	224	-
Current assets	1,056	791
Total assets	4,202	4,154
Share capital	5	5
Share premium	75	76
Treasury shares	- 11	- 14
Other reserves	- 207	- 224
Retained earnings	1,343	1,216
Equity attributable to equity holders	1,205	1,059
Non-controlling interests	99	96
Total equity	1,304	1,155
Borrowings	277	326
Lease liabilities	835	958
Deferred income tax liabilities	22	28
Post-employment benefits	139	150
Provisions	15	23
Derivatives	6	8
Other non-current liabilities	7	12
Contract liabilities	9	8
Non-current liabilities	1,310	1,514
Borrowings	398	350
Lease liabilities	331	357
Current income tax liabilities	47	59
Provisions	33	29
Derivatives	5	10
Trade and other payables	622	580
Contract liabilities	122	100
Liabilities related to assets held for sale	30	-
Current liabilities	1,588	1,485
Total liabilities	2,897	2,999
Total equity and liabilities	4,202	4,154

Annex 2: Consolidated Cash Flow Statement

in thousands of EUR	Six months ended 30 June 2021	Six months ended 30 June 2020
Cash flows from operating activities		
Cash generated from operations	419	215
Tax paid	- 61	- 18
Net cash from operating activities	358	197
Cash flows from investing activities		
Acquisition of subsidiaries, net of cash acquired and settlement of contingent consideration	- 3	- 3
Purchase of property, plant and equipment	- 46	- 35
Purchase of intangible assets	- 30	- 18
Proceeds from sales of (in) tangible assets	3	2
Dividends received from/(contributions to) Investments in associates and joint ventures	6	- 1
Change in other non-current receivables and lease prepayments	- 3	- 1
Net cash used in investing activities	- 72	- 56
Cash flows from financing activities		
Proceeds from borrowings	79	601
Repayments of borrowings	- 95	- 405
Repayments of lease liabilities	- 188	- 145
Receipts from finance subleases	8	7
Interest swap payments	- 2	- 2
Dividends paid to shareholders	- 89	-
Dividends paid to non-controlling interest	- 11	- 2
Interest received	1	1
Interest paid	- 6	- 7
Acquisition of non-controlling interest	- 1	-
Net cash (used in)/received from financing activities	- 303	48
(Decrease)/increase in cash and cash equivalents	- 16	189
Movement in cash and cash equivalents		
Cash and cash equivalents at beginning of the period	153	134
Increase/(decrease) in cash and cash equivalents	- 16	189
Effect of exchange rate changes and reclassifications	- 24	- 0
Cash and cash equivalents at end of the period	113	323