EssilorLuxottica

Q4/FY 2024 RESULTS

Sound sales growth and margin expansion in 2024

Smartglasses as a new driver, Nuance off to a promising start

- **Group revenue at constant exchange rates[1] +9.2% in Q4 and +6.0% in the FY**
- **North America accelerating in Q4, with SGH positive; sound EMEA driven by both PS and DTC**
- **Ray-Ban Meta at 2 million units sold since the launch, with strong acceleration in 2024**
- **Nuance Audio cleared, starting off in the US OTC and Europe**
- **Stellest continuing to be strong in China, up approx. 50% in revenue in Q4**
- **Adjusted[2] operating margin at 17.0% at constant exchange rates[1], advancing by 50bps versus 2023**
- **Strong free cash flow[5] at Euro 2.4 billion in the FY**
- **Dividend proposed at Euro 3.95 per share, with scrip dividend option**
- **SBTi validated greenhouse gas emission reduction targets 2030 for scopes 1, 2 and 3**

Paris, France (February 12, 2025 - 6:00 pm) – The Board of Directors of EssilorLuxottica met on February 12, 2025 to approve the consolidated financial statements for the year ended December 31, 2024. These financial statements were audited by the Statutory Auditors whose audit report is in the process of being issued.

Francesco Milleri, Chairman and CEO, and Paul du Saillant, Deputy CEO at EssilorLuxottica commented: *"We celebrate another year of remarkable achievements, with our fourth consecutive year of top line growth on track with our targets, including a strong acceleration in Q4, with all regions and businesses contributing to our momentum, followed by new record high in the Group's profits.*

As we look ahead, we are entering an era of unprecedented opportunities, powered by our global community of over 200,000 passionate colleagues. Our commitment to med-tech, smartglasses and iconic brands has never been stronger. With Ray-Ban Meta redefining digital eyewear and FDA-cleared Nuance Audio creating an entirely new category, we are pioneering the future. The exponential growth of Stellest alongside strategic acquisitions, including Heidelberg Engineering, Espansione Group, Pulse Audition and now Cellview, continue to expand our medical and clinical expertise, enabling us to improve hundreds of millions of lives worldwide. With Supreme now part of our portfolio, and the newly-extended trust of key partners including Diesel, Dolce & Gabbana, Michael Kors and Prada, we are setting new standards in desirability, cultural influence and technology adoption.

At the same time, our commitment to sustainability remains strong. Through our Eyes on the Planet roadmap, we are taking bold steps to reduce our environmental footprint, with our greenhouse gas reduction targets validated by the SBTi at the end of last year. In driving impact worldwide, our OneSight EssilorLuxottica Foundation is now collaborating with the WHO to bring essential vision care to those who need it most.

As we step into the new year with confidence, we remain on track with our long-term targets and are committed to driving meaningful transformation for years to come."

Q4 & FY Highlights

P&L key adjusted[2] data

Euro millions	FY 2024 Adjusted[2]	FY 2023 Adjusted[2]	Constant exchange rates[1]	Current exchange rates
Revenue	26,508	25,395	+6.0%	+4.4%
Gross Profit	16,835	16,090	+6.5%	+4.6%
% of revenue		*63.4%*	*63.7%*	*63.5%*
Operating Profit	4,414	4,178	+9.4%	+5.7%
% of revenue		*16.5%*	*17.0%*	*16.7%*
Group Net Profit	3,122	2,946	+9.8%	+6.0%
% of revenue		*11.6%*	*12.0%*	*11.8%*

P&L key data

Euro millions	FY 2024	FY 2023	Current exchange rates
Revenue	26,508	25,395	+4.4%
Gross Profit	16,805	16,048	+4.7%
Operating Profit	3,448	3,176	+8.5%
Group Net Profit	2,359	2,289	+3.0%
EPS basic (Euro)	5.20	5.11	
EPS diluted (Euro)	5.13	5.08	

Group revenue by segment and region

Euro millions	FY 2024	FY 2023	Constant exchange rates[1]	Current exchange rates
Professional Solutions	12,547	12,199	+4.7%	+2.9%
Direct to Consumer	13,960	13,195	+7.1%	+5.8%
TOTAL REVENUE	**26,508**	**25,395**	**+6.0%**	**+4.4%**

Euro millions	Q4 2024	Q4 2023	Constant exchange rates[1]	Current exchange rates
Professional Solutions	3,117	2,986	+5.5%	+4.4%
Direct to Consumer	3,664	3,264	+12.7%	+12.3%
TOTAL REVENUE	**6,781**	**6,250**	**+9.2%**	**+8.5%**

Euro millions	FY 2024	FY 2023	Constant exchange rates[1]	Current exchange rates
North America	11,979	11,637	+3.1%	+2.9%
EMEA	9,759	9,184	+7.9%	+6.3%
Asia-Pacific	3,247	3,036	+9.3%	+7.0%
Latin America	1,523	1,537	+9.7%	-0.9%
TOTAL REVENUE	**26,508**	**25,395**	**+6.0%**	**+4.4%**

Euro millions	Q4 2024	Q4 2023	Constant exchange rates[1]	Current exchange rates
North America	3,151	2,910	+7.8%	+8.3%
EMEA	2,357	2,150	+9.6%	+9.6%
Asia-Pacific	864	757	+14.0%	+14.1%
Latin America	408	433	+8.7%	-5.7%
TOTAL REVENUE	**6,781**	**6,250**	**+9.2%**	**+8.5%**

In 2024 EssilorLuxottica delivered another year of sound business expansion, with revenue growth at constant exchange rates[1] of 6.0%, the fourth consecutive year of revenue growth above 5% at constant exchange rates[1]. In terms of profitability, the adjusted[2] operating profit and the adjusted[2] Group net profit grew by 9.4% and 9.8% respectively at constant exchange rates[1]. In particular, the adjusted[2] operating profit as a percentage of revenue improved by 50 basis points at constant exchange rates[1], proving the Group's ability to expand margins despite inflation headwinds.

The Group's strategy remains focused on disruptive innovation, with 2024 being another year of expansion for two new product categories EssilorLuxottica has been developing: myopia management solutions and smartglasses. During 2024, the Group presented the results of a five-year clinical study of its Stellest lenses, demonstrating conclusive evidence of their efficacy in slowing down myopia progression in children. As for smartglasses, the partnership with Meta Platforms has been extended entering into a new long-term agreement, under which the parties will collaborate into the next decade to develop multi-generational smart eyewear products. On top of these important growth initiatives, EssilorLuxottica is embarking on a new promising journey: after receiving the FDA clearance and EU certifications, Nuance Audio glasses will be available for purchase in the U.S. and key European countries starting from the first quarter of 2025. This groundbreaking technology, embedded into an entirely new smartglasses form factor, will meet the needs of people experiencing mild to moderate hearing loss.

In the fourth quarter of last year, the Group posted revenue of Euro 6,781 million, up 9.2% year-on-year at constant exchange rates[1] (+8.5% in current terms), in acceleration versus +4.0% of the third quarter of the year. The full year closed at Euro 26,508 million revenue, up 6.0% at constant exchange rates[1]. All the four regions and the two segments contributed to the Group's performance, reflecting its well-balanced and diversified revenue model.

In terms of geographies, the developed regions were the main driver of the Group's revenue growth in the quarter. In North America (+7.8% at constant exchange rates[1]) the underlining business recorded its best quarter of the year in both segments and the overall growth was boosted by the consolidation of Supreme. EMEA (+9.6% at constant exchange rates[1]) accelerated in both operating segments compared to the previous quarter. As for the developing regions, both Asia-Pacific (+14.0% at constant exchange rates[1]) and Latin America (+8.7% at constant exchange rates[1]) contributed. In the full year, Latin America (+9.7% at constant exchange rates[1]), Asia-Pacific (+9.3%) and EMEA (+7.9%) grew faster than North America (+3.1%).

In terms of operating segments, in the fourth quarter revenue grew by 5.5% in Professional Solutions and +12.7% in Direct to Consumer at constant exchange rates[1] (+4.4% and +12.3% in current terms, respectively). On a full-year basis, Professional Solutions grew 4.7% at constant exchange rates[1] and Direct to Consumer 7.1%, accounting for 47% and 53% of the Group's total revenue. The brick-and-mortar comparable-store sales[3] advanced by 5% in both the fourth quarter and the full year, sustained by sound results of optical banners throughout the full year and the recovery of the sun business in the fourth quarter at Sunglass Hut in North America. E-commerce closed the year on a positive trajectory, with revenue nearing Euro 1.8 billion (around 7% of the Group's total revenue).

As for products, all major categories positively contributed to the full year revenue performance at constant exchange rates[1]. The business mix was broadly confirmed, with optical at approximately three-fourths of total Group's revenue, sun at 23% and the rest being represented by Apparel, Footwear and Accessories (including Supreme brand) and smartglasses (Ray-Ban Meta). Among frame brands, Ray-Ban stood out thanks to ramping-up smartglasses, while among licenses Miu Miu, Chanel and Swarovski were the best performers. As for the lens category, innovation-driven brand-based Stellest, Varilux and Transitions were the main drivers.

In terms of profitability, favorable price-mix in both frames and lenses, integration synergies, operational efficiencies and cost-containment measures more than offset persisting inflationary pressures, material currency headwinds and investments to support all the innovations streams.

The adjusted[2] gross profit amounted to Euro 16,835 million in the full year, reaching 63.5% of revenue, 10 basis points higher than 2023 (or +30 basis points at constant exchange rates[1]).

The adjusted[2] operating profit reached Euro 4,414 million in the year, representing 16.7% of revenue, compared to 16.5% in 2023, a margin accretion of 20 basis points. At constant exchange rates[1], the margin expanded by 50 basis points to 17.0% of revenue.

The adjusted[2] Group net profit amounted to Euro 3,122 million in the full year, representing 11.8% of revenue, compared to 11.6% in 2023, a margin accretion of 20 basis points (or +40 basis points at constant exchange rates[1] to 12.0% of revenue).

The operating profit and the Group net profit directly stemming from the IFRS consolidated financial statements amounted to Euro 3,448 million and Euro 2,359 million respectively in the full year.

The consolidated free cash flow[5] amounted to Euro 2,413 million in the full year.

The Group ended the year with Euro 2.25 billion in cash and cash equivalents and a net debt[6] of Euro 10.97 billion (including Euro 3.65 billion lease liabilities) compared to a net debt[6] of Euro 9.10 billion at the end of December 2023.

Store Count on December 31, 2024

	North America	EMEA	Asia-Pacific	Latin America	Corporate Stores	Franchising & Other	Total Storecount
Sunglass Hut	1,609	577	311	429	2,926	242	3,168
LensCrafters	1,012		82		1,094	8	1,102
Vision Express		848			848	121	969
Apollo		671			671	220	891
Target Optical	577				577		577
MasVisión		53		473	526	6	532
Pearle		513			513	211	724
Générale d'Optique		394			394	282	676
OPSM			375		375	24	399
GMO				345	345		345
GrandVision		273		55	328	42	370
GrandOptical		316			316	61	377
Atasun Optik		304			304	34	338
Oakley	184	11	79	26	300	72	372
Ray-Ban	43	67	125	47	282		282
Synoptik		247			247		247
Salmoiraghi & Viganò		245			245	25	270
Luxoptica		226			226		226
Mujosh			178		178	296	474
Pearle Vision	107				107	448	555
MultiÓpticas		104			104	110	214
Bolon			113		113	235	348
Aojo			94		94	120	214
Óticas Carol				25	25	1,409	1,434
Supreme	5	4	8		17		17
All Others	298	1,119	233	732	2,382	135	2,517
Total EssilorLuxottica	**3,835**	**5,972**	**1,598**	**2,132**	**13,537**	**4,101**	**17,638**

Long-Term Outlook

The Company confirms its target of mid-single-digit annual revenue growth from 2022 to 2026 at constant exchange rates[1] (based on 2021 *pro forma*[4] revenue), targeting a range of €27-28 billion, and expects to achieve an adjusted[2] operating profit as a percentage of revenue in the range of 19-20% by the end of that period.

Dividend

The Board of Directors will recommend that shareholders, at the Annual Meeting to be held on April 30, 2025, approve the payment of a dividend of Euro 3.95 per share. Shareholders will be offered the option of receiving their dividend in cash or in newly issued shares (scrip dividend). The ex-date will be May 7, 2025 and the dividend will be paid – or the shares issued – as from June 5, 2025.

Buyback

At end of 2024, the Company holds 798,593 of its own shares (0.2% of the share capital), having bought 1,480,214 shares as part of the buy-back programs launched throughout 2024 and having delivered almost 2.5 million shares in the course of the year (performance share awards and stock-option plans).

Employee Shareholding

The total number of the Group's employee shareholders, distributed across 85 countries, is currently above 83,500. This reflects the team's confidence in the Company's strategy and performance. Employee Shareholding is a cornerstone of EssilorLuxottica's culture, aligning employees' interests with those of the Group and other shareholders.

Mission

In 2024, the Group remained focused on advancing its mission of helping people see more and be more and driving initiatives that bring its vision of a world without poor vision closer to reality. Since 2013, the OneSight EssilorLuxottica Foundation has transformed access to vision care, creating permanent vision care access for around 980 million people and equipping 87 million individuals with eyeglasses. Supported by over 33,400 rural optical points and the training of thousands of vision care entrepreneurs, these efforts have brought sustainable eyecare systems to even the most remote communities globally. This impact earned the Foundation, in 2024, a spot on Fortune's 'Change the World' list, for the fourth time, recognizing its transformative contributions to global eye health and sustainability. To further scale up its impact by leveraging its extensive reach and expertise, the Foundation also signed a global collaboration partnership with the World Health Organization on its SPECS 2030 initiative.

Sustainability

In 2024, EssilorLuxottica continued to make strong progress in its sustainability journey, as presented in the Mission & Sustainability section of the attached Management Report.

First presented in 2021, the Company's "Eyes on the Planet" is a holistic sustainability program based on five pillars of actions that demonstrate the strong integration of Mission, sustainability, and business strategy: Eyes on Carbon, Eyes on Circularity, Eyes on World Sight, Eyes on Inclusion, and Eyes on Ethics.

On climate, in 2024 EssilorLuxottica further reduced the CO_2e emissions from its own operations (Scopes 1 and 2), thanks to the constant investments in the on-site production of renewable energy, operations efficiency, supply chain optimization and training. By the end of 2030, the Company intends to achieve a 42% absolute reduction in Scopes 1 and 2 GHG emissions and a 25% absolute reduction in Scope 3 GHG emissions from purchased goods and services, fuel- and energy-related activities, upstream transportation and distribution, and waste generated in operations (from a 2022 base year). These targets were validated by the Science Based Targets initiative (SBTi), marking a key milestone in the Company's efforts to reduce the environmental impact of its own operations, while engaging its key suppliers in this journey, in line with its open, collaborative and inclusive business model.

The Company also progressed towards its circularity ambition. In 2024, the Group further expanded the permeation of responsible materials in its eyewear collections, equal to 43% in the collections launched during the year. An internal sustainability assessment tool has been launched as a key component of its eco-design approach, providing the evaluation of the environmental and social impact of its innovation projects. Progress was made also in the circularity of packaging materials with the progressive elimination or conversion of single-use plastic elements and alternative material introductions.

2024 also marked a significant progress in Diversity, Equity, and Inclusion (DE&I) and in the deployment of EssilorLuxottica's culture of health, safety and well-being in the workplace. Key milestones included the publication of the Global EHS policy as part of the Company's commitment to safeguarding the environment, health and safety of its employees, business partners, customers and local communities; the introduction of the Global DE&I Policy to embed inclusive principles, the launch of the Inclusion Committee to monitor equality on a global scale, and the rollout of "Your Voice," a worldwide platform amplifying employee feedback.

The Group is committed to gender equality by providing equal opportunities, fair pay, and career advancement for all while supporting work-life balance through parental leave and policies that address gender-based discrimination and harassment. In 2024, women held 35% of the management bodies and 35% of senior executive roles. The Group's commitment to inclusivity is further embodied by Leonardo, EssilorLuxottica's learning ecosystem accessible to employees and all players in the eyewear and eyecare industry. Since its launch in 2021, Leonardo has delivered over 9 million hours of education in up to 30 languages.

The Group's progress and unwavering commitment to sustainability best practices have been recognized by different ESG raters worldwide, positioning EssilorLuxottica as a sustainability champion in its industry. For the first time EssilorLuxottica has been included in the Dow Jones Best-in-Class Europe Index, ranking among the top European companies in ESG performance and is featured in the 2025 Sustainability Yearbook by S&P Global. Participating in the CDP questionnaire, EssilorLuxottica received an A- score for Climate change (B in 2023) and a B score for Water security (on a scale from a minimum of D-to A). The MSCI upgrade to the highest level, "AAA," recognizes the Group's success in effectively managing ESG risks and opportunities. These and other recognitions reaffirm EssilorLuxottica's global impact and dedication to sustainability, leading the way together with its partners and stakeholders in responsible business practices.

Conference Call

A conference call in English will be held today at 6:30 pm CET.

The meeting will be available live and may also be heard later at:

https://streamstudio.world-television.com/1217-2090-41194/en

Forthcoming Investor Events

Company Results & AGM:

- April 23, 2025: Q1 2025 Revenue
- April 30, 2025: Annual Shareholders' Meeting
- July 28, 2025: Q2 2025 Revenue and H1 2025 Results
- October 16, 2025: Q3 2025 Revenue

Investor Conferences:

- February 27, 2025: CICC Global Investment Conference (virtual)
- March 25, 2025: Goldman Sachs Luxury Goods Conference in Paris
- March 26, 2025: BNPP Exane Healthcare Conference (virtual)
- April 4, 2025: RBC Ophthalmology Conference (virtual)
- May 21, 2025: Morgan Stanley Luxury Goods Conference in Paris
- May 22, 2025: HSBC Luxury Goods Conference in Paris
- May 22, 2025: Unicredit / Kepler Cheuvreux Italian Investment Conference in Milan
- June 4, 2025: BNPP Exane CEO Conference in Paris

Notes

As table totals are based on unrounded figures, there may be discrepancies between these totals and the sum of their rounded component.

1 Constant exchange rates: figures at constant exchange rates have been calculated using the average exchange rates in effect for the corresponding period in the relevant comparative year.

2 Adjusted measures or figures: adjusted from the expenses or income related to the combination of Essilor and Luxottica (the "EL Combination"), the acquisition of GrandVision (the "GV Acquisition"), other strategic and material acquisitions, and other transactions that are unusual, infrequent or unrelated to the normal course of business as the impact of these events might affect the understanding of the Group's performance. A description of those other transactions that are unusual, infrequent or unrelated to the normal course of business is provided in the half-year and year-end disclosure (see dedicated paragraph *Adjusted measures*).

3 Comparable-store sales: reflect, for comparison purposes, the change in sales from one period to another by taking into account in the more recent period only those stores already open during the comparable prior period. For each geographic area, the calculation applies the average exchange rate of the prior period to both periods.

4 Comparable or *pro forma* (revenue): comparable revenue includes the contribution of GrandVision's revenue to EssilorLuxottica as if the combination between EssilorLuxottica and GrandVision (the "GV Acquisition"), as well as the disposals of businesses required by antitrust authorities in the context of the GV Acquisition, had occurred at the beginning of the year (i.e. January 1). Comparable revenue has been prepared for illustrative purpose only with the aim to provide meaningful comparable information.

5 Free Cash Flow: *Net cash flow provided by operating activities* less the sum of *Purchase of property, plant and equipment and intangible assets* and *Cash payments for the principal portion of lease liabilities* according to the IFRS consolidated statement of cash flow.

6 Net debt: sum of *Current and Non-current borrowings*, *Current and Non-current lease liabilities*, minus *Short-term investments*, *Cash and cash equivalents* and the *Financial debt derivatives at fair value* as disclosed in the IFRS consolidated financial statements.

DISCLAIMER

This press release contains forward-looking statements that reflect EssilorLuxottica's current views with respect to future events and financial and operational performance. These forward-looking statements are based on EssilorLuxottica's beliefs, assumptions and expectations regarding future events and trends that affect EssilorLuxottica's future performance, taking into account all information currently available to EssilorLuxottica, 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 EssilorLuxottica cannot guarantee the accuracy and completeness of forward-looking statements. A number of important factors, not all of which are known to EssilorLuxottica or are within EssilorLuxottica'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 EssilorLuxottica. Any forward- looking statements are made only as of the date of this press release, and EssilorLuxottica assumes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or for any other reason.

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About EssilorLuxottica

EssilorLuxottica is a global leader in the design, manufacture and distribution of advanced vision care products, eyewear and med-tech solutions. Its Mission is to help people around the world to see more and be more by addressing their evolving vision needs, personal style aspirations and desire to feel more connected to the world around them. EssilorLuxottica is home to the most innovative lens technologies, including Varilux, Stellest and Transitions, iconic brands such as Ray-Ban, Oakley and Supreme, the most desired luxury licensed brands and world-class retailers including Sunglass Hut, LensCrafters, Vision Express and Apollo. Backed by robust R&D investments, distinctive capabilities and a top-quality asset portfolio, the Company drives innovation across categories, from cutting-edge medical instruments and solutions for eye health to category-defining smart glasses, all of which push the boundaries of the industry and reimagine the eyes as a gateway to new possibilities. With over 200,000 employees across 150 countries, 600 operations facilities and 18,000 stores, the Group generated consolidated revenue of Euro 26.5 billion in 2024. Its OneSight EssilorLuxottica Foundation has given access to sustainable vision care to nearly 1 billion people in underserved communities. EssilorLuxottica trades on the Euronext Paris market and is included in the Euro Stoxx 50 and CAC 40 indices. Codes and symbols: ISIN: FR0000121667; Reuters: ESLX.PA; Bloomberg: EL:FP. www.essilorluxottica.com.

Excerpt from 2024 Management Report

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Significant events of the year

EssilorLuxottica showcases its smart and hearing aided eyewear innovation at CES 2024 in Las Vegas

For the first time, EssilorLuxottica exhibited at the Consumer Electronics Show (CES) in Las Vegas on January 9-12, 2024, showcasing the Company's bold moves in consumer technology. At its booth in CES's North Hall, the Company showcased a prototype for Nuance Audio, a pair of beautiful glasses with advanced hearing technology built in seamlessly. Designed for consumers with mild to moderate hearing loss, Nuance Audio will eliminate the psychological barrier that has stood in the way of adoption of traditional hearing aids integrating proprietary state-of-the-art open-ear hearing technology into fashionable eyeglasses. Nuance Audio is expected to launch in the market starting with North America and Italy in Q1 2025 (see paragraph *Subsequent events*).

The EssilorLuxottica booth also featured Ray-Ban Meta, its iconic Ray-Ban glasses with built-in cameras, open-ear audio, AI-powered solutions and the ability to livestream and take calls hands-free, as well as the Group's new HELIX division with Vision(X), an intelligent and interconnected platform that will help modernize eyecare practices offering a full range of innovative digital solutions including tele-optometry and big data services for the world of optics.

Nuance Audio, Ray-Ban Meta and HELIX are a testament to EssilorLuxottica's commitment to moving the eyewear industry forward into a new era of interconnected and AI-powered devices and solutions.

Subsequently, on April 17, 2024, EssilorLuxottica took its place beside the world's leading tech companies at CES on the Hill in Washington DC. As one of only 19 companies invited by the Consumer Technology Association (CTA) to share their latest innovations with U.S. lawmakers on Capitol Hill, EssilorLuxottica showcased Nuance Audio and its Ray-Ban Meta smart glasses in partnership with Meta.

Breakthrough Device Designation Marks Myopia Management Milestone for Joint Venture Partner SightGlass Vision

On February 15, 2024, EssilorLuxottica announced that SightGlass Vision had been granted a 'Breakthrough Device' designation by the US Food and Drug Administration for its Diffusion Optics Technology (DOT) spectacle lenses designed to slow myopia progression in children. Marking a milestone for the Company and the broader fight against the pediatric myopia epidemic, the 'Breakthrough Devices' designation granted to SightGlass Vision – EssilorLuxottica's myopia management joint venture with CooperCompanies – is limited to a small number of highly innovative devices that address irreversible debilitating diseases. In fact, only 18 other ophthalmic devices have received the designation since the start of the designation program in 2015.

With it, SightGlass Vision will benefit from more frequent opportunities for FDA feedback during the premarket review phase for DOT lenses as well as prioritized submission review. EssilorLuxottica and SightGlass Vision will continue to collaborate closely with the FDA, supporting their goal to improve access to vision care and expand the myopia management category.

The unique design of SightGlass Vision's DOT is the first to use the contrast management mechanism of action, incorporating thousands of elements that gently scatter light across the retina.

Helping reinforce its leadership in myopia, this patent-protected technology has demonstrated proven efficacy and safety through rigorous clinical evaluation. Full four-year outcomes reported in September 2023 from the pivotal CYPRESS study showed statistically significant slowing of the eye axial length progression and cycloplegic spherical equivalent refraction.

DOT spectacle lenses are available in several markets, including China, the Netherlands and Israel, as well as through preliminary market trials in other countries.

Update on licensed brands

On February 21, 2024, EssilorLuxottica and Michael Kors announced the renewal of their licensing agreement for the development, production and worldwide distribution of prescription frames and sunglasses under the Michael Kors brand. The renewal will come into effect on January 1, 2025 and cover a period of five years, with an option for a five-year extension. The early renewal, coming almost a year before the expiration of the current agreement, is a testament to the strong confidence and collaboration between the two companies since 2015.

On March 7, 2024, EssilorLuxottica and Dolce&Gabbana announced the early renewal of their licensing agreement for the development, production and worldwide distribution of prescription frames and sunglasses under the Dolce&Gabbana brand. The existing agreement, which took effect on January 1, 2020, and was scheduled to expire on December 31, 2029, has been renewed and replaced with a new agreement, lasting 16 years, effective January 1, 2024 until December 31, 2039. The renewal, ahead of its natural expiration, and its duration are testament to the strong confidence and collaboration between the two companies since 2005.

On June 18, 2024, EssilorLuxottica and Diesel announced that they had signed an exclusive license agreement for the design, manufacture, and worldwide distribution of Diesel eyewear. The agreement will be effective immediately until December 31, 2029, with an automatic renewal option of an additional five years. The first collection under the agreement will be available on the market from Q1 2025. The agreement combines Diesel's bold, fearless and provocative style with the unique craftsmanship, innovation and distribution capabilities of EssilorLuxottica, building on the first collaboration the two companies successfully started in 2022. The new collections will be developed under the leadership of Diesel Creative Director Glenn Martens and will play in a daring and irreverent way with materials and technologies, embracing Diesel's growing base of Gen Z brand builders and offering genderless products for diverse backgrounds.

On December 19, 2024, EssilorLuxottica and Prada Group announced the renewal of their licensing agreement for the development, production and worldwide distribution of eyewear under the Prada, Prada Linea Rossa and Miu Miu brands. The existing agreement, expiring on December 31, 2025, has been extended through December 31, 2030, with the provision for renewal until December 31, 2035. Rooted in a pioneering vision and commitment to excellence, the over twenty-year partnership has shaped a unique approach to luxury that is both timeless and forward-looking. The two companies have taken inspiration from the worlds of fashion and technology to deliver innovative collections that have become a benchmark in the entire industry.

EssilorLuxottica closes the acquisition of Washin to grow its optical retail presence in Japan

On April 9, 2024, EssilorLuxottica announced that it had closed the acquisition of Washin Optical Co., Ltd., a Japanese optical retail player counting approximately 70 direct stores in the country with a strong heritage of quality and attention to consumers. The agreement represents an important step in shaping the vision care market in the region with the goal of growing the appreciation for quality eyewear and eyecare solutions among Japanese consumers and achieving new levels of customer service. It is also a testament of EssilorLuxottica's commitment to grow its eyewear retail operations in the country where it already directly operates approximately 70 retail locations under the Ray-Ban, Oakley and Oliver Peoples banners, as well as across department stores, and serves thousands of independent eyecare professionals and key partners.

Five-year clinical findings of Essilor Stellest lenses

On April 22, 2024, EssilorLuxottica announced that it would present the results of a five-year clinical follow-up study of its Essilor Stellest lenses for the first time at the 2024 Annual Meeting of the Association for Research in Vision and Ophthalmology (ARVO) in Seattle, USA, on May 5, 2024.

The findings strengthen the existing evidence base of the lenses in slowing down myopia progression in children. The data showed that the lenses save one- and three-quarter diopters of myopia over five years[1]*, demonstrating conclusive evidence of their efficacy in slowing down myopia progression in children in the fifth year.

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[1] *On average, compared to the 60-month progression of the Virtual Control Group (predicted average annual decrease in SER by 9.7%, Smotherman C, et al. IOVS 2023;64:ARVO E-Abstract 811).*

* *Li X, Huang Y, Liu C, Yin Z, Cui Z, Lim EW, Drobe B, Chen H, Bao J. Myopia control efficacy of Spectacle Lenses with Highly Aspherical Lenslets: results of a 5-year follow-up study. ARVO Annual Meeting, Seattle. 2024. Available at: https://eppro02.ativ.me/web/page.php*

All directors re-appointed to the new Board of Directors

On April 30, 2024, confirming its trust into the Group's management and its ability and commitment to lead EssilorLuxottica into the next chapter, the Shareholders' Meeting approved the staggered re-appointment of all previous directors to the new EssilorLuxottica Board of Directors, including: Francesco Milleri, Paul du Saillant, Jean-Luc Biamonti (independent) and Marie-Christine Coisne-Roquette (independent) for a three-year mandate; as well as Romolo Bardin (non-independent), José Gonzalo (independent), Virginie Mercier Pitre (representing the Valoptec Association), Mario Notari (non-independent), Swati Piramal (independent), Cristina Scocchia (independent), Nathalie von Siemens (independent) and Andrea Zappia (independent) for a two-year mandate.

At the end of the Shareholders' Meeting, the Board of Directors met and appointed the Company Officers confirming Francesco Milleri as Chairman and Chief Executive Officer and Paul du Saillant as Deputy Chief Executive Officer.

Additionally, the Board of Directors confirmed that three committees will continue supporting and advising the Board on four relevant topics and re-appointed their members as follows:

- The members of the Audit and Risk Committee are:
  - Jean-Luc Biamonti (Chairman)
  - Cristina Scocchia
  - Romolo Bardin
- The members of the Nomination and Compensation Committee are:
  - Andrea Zappia (Chairman)
  - José Gonzalo
  - Romolo Bardin
- The members of the Corporate Social Responsibility Committee are:
  - Swati Piramal (Chairwoman)
  - Nathalie von Siemens
  - Virginie Mercier Pitre
- The Board of Directors has also confirmed Jean-Luc Biamonti as Lead Director.

Dividend distribution

The Annual Shareholders' Meeting of EssilorLuxottica held on April 30, 2024 also approved the distribution of a dividend of €3.95 per ordinary share for the year 2023.
The Annual Shareholders' Meeting decided to grant to the shareholders the option to receive their dividend in newly issued shares at a price of €180.12 per share (so-called scrip dividend). This price corresponds to 90% of the average of the opening prices quoted on Euronext Paris over the twenty trading days preceding the date of the Annual Shareholders' Meeting less the dividend to be distributed for the financial year ended on December 31, 2023, this total being rounded up to the next Euro cent.

The period to opt for payment of the dividend in newly issued shares was open from May 8, 2024, up to, and including, May 28, 2024. At the end of that period, 157,650,962 dividend rights were exercised in favor of the payment of the 2023 dividend in shares. Accordingly, on June 3, 2024, 3,457,244 new EssilorLuxottica's shares were issued, delivered and admitted to trading on Euronext Paris. Those new shares confer the same rights as the existing shares and carry current dividend rights conferring the right to any distribution paid out as from the date of their issuance.

The total cash dividend paid to the shareholders who did not opt for the scrip dividend amounted to €1,163 million and was paid on the same date, June 3, 2024.

A new sustainable approach for EssilorLuxottica's operations in Italy

On June 10, 2024, EssilorLuxottica announced that it is implementing an innovative project near Pescara, Italy, which oversees the recovery and reconversion of industrial land surrounding the site of Barberini, a world-class optical glass lens manufacturer and part of EssilorLuxottica. Covering almost 40 hectares, EssilorLuxottica will create a large solar farm to produce renewable energy along with a green area hosting sports facilities and natural food crops for the corporate staff restaurants, with a sustainable and circular approach.

Covering an area of 25 hectares, the solar farm will be the first large-scale ground-mounted photovoltaic system built and directly managed by EssilorLuxottica and will have a total power of 20MW. The plant is expected to generate approximately 30,000 MWh of renewal energy per year (equivalent to the annual electricity consumption of approximately 10,000 families) and will be connected directly to Barberini's industrial site to maximize self-consumption of on site renewable power production.

The new solar farm, together with the photovoltaic panels which are already installed on the roofs of Barberini's buildings and on most of the Company's plants throughout the world, is a testament to the Group's commitment to increase the production of renewable energy and confirms the ongoing investments to improve the efficiency across its logistic and manufacturing facilities and to reduce energy and water consumption.

EssilorLuxottica to Acquire Supreme from VF Corporation

On July 17, 2024, EssilorLuxottica and VF Corporation, a global leader in branded lifestyle apparel, footwear and accessories, announced that they had entered into a definitive agreement for EssilorLuxottica to acquire the Supreme brand from VF for $1.5 billion in cash. The Supreme brand runs a digital-first business and 17 stores in the U.S., Asia and Europe.

This acquisition perfectly aligns with the EssilorLuxottica innovation and development journey, offering to the Group a direct connection to new audiences, languages and creativity. With its unique brand identity, fully-direct commercial approach and customer experience – a model the Group will work to preserve – Supreme has its own space within the house brand portfolio and complements the licensed portfolio as well. The brand is well-positioned to leverage the Group's expertise, capabilities, and operating platform.

The transaction was closed on October 1, 2024.

Agreement to acquire a majority stake in Heidelberg Engineering

On July 17, 2024, EssilorLuxottica and Heidelberg Engineering announced they entered into an agreement for the acquisition of an 80% stake in Heidelberg Engineering, a Germany-based company specializing in diagnostic solutions, digital surgical technologies and healthcare IT for clinical ophthalmology. Drawing on EssilorLuxottica's long-standing expertise in the design and manufacture of advanced instruments and vision care solutions for eyecare professionals, this agreement represents a step forward in the Group's strategy and its med-tech journey.

Founded by Dr. Gerhard Zinser and Christoph Schoess in 1990, Heidelberg Engineering brings extensive technological and scientific expertise in optical coherence tomography (OCT), real-time image processing and analytics, large-scale data analysis and digital surgical navigation, to serve medical professionals, scientists and researchers across a broad range of ophthalmic areas.

With a presence in over 100 countries, for more than three decades Heidelberg Engineering has been a reference in early detection of sight-threatening conditions such as glaucoma and age-related macular degeneration. As part of EssilorLuxottica, Heidelberg Engineering will continue to serve the market under their well-established brand, delivering the same solutions and expertise their customers have come to expect and trust.

The transaction was closed on October 1, 2024.

Share buyback program

On July 29, 2024, EssilorLuxottica announced the launch of its share buyback program reflecting the Group's confidence in its value creation and long-term prospects. With a view to implementing this share buyback program, EssilorLuxottica has granted a mandate to an investment services provider for the purchase of up to 4,000,000 EssilorLuxottica shares, depending on market conditions, over a period starting from today, July 29, 2024, up until October 29, 2025. As of December 31, 2024, 1,480,214 EssilorLuxottica shares were purchased for an average price of €212.22 per share. The shares so acquired are intended to be awarded or transferred to employees and executive directors of EssilorLuxottica and affiliated companies, especially in the context of profit-sharing plans, bonus and performance share awards, stock option plans, and employee share ownership plans. EssilorLuxottica launched this share buyback program in accordance with the 24th resolution approved by the Annual General Meeting of April 30, 2024.

Optical Investment Group acquisition

On July 30, 2024, EssilorLuxottica announced that it had entered into an agreement for the acquisition of the entire share capital of Optical Investment Group, a leading retailer of optical eyecare and eyewear products in Romania, from Innova/6, a private equity fund of Innova Capital Group, and a group of individual minority shareholders.

The agreement represents a significant step forward in elevating the optical market in Romania for the benefit of all industry players. It will allow the Company to grow appreciation for quality eyewear and eyecare solutions among consumers in the 19 million people country, while at the same time continuing to deliver our innovations to our more than 1,800 valued customers and partners who remain at the heart of our strategy.

Optical Investment Group was set-up in 2019 in cooperation with Innova Capital by combining two established Romanian optical retail chains – OPTIblu and Optiplaza. Over the past five years, Optical Investment Group has not only significantly expanded its network of traditional stores, but has also developed E-commerce channels, with a total of more than 650 talented employees and optometrists. Optical Investment Group operates through the country's largest optical retail network comprising 99 directly operated stores, under three well-known banners: OPTIblu, Optiplaza and O51.

The transaction is expected to close in Q1 2025, pending regulatory approvals and other customary closing conditions.

Successful €2 billion bond issuance at 2.99%

On August 29, 2024, EssilorLuxottica successfully launched a bond issuance for a total amount of €2 billion with tenors of 4.5 and 7.5 years, carrying respectively a coupon of 2.875% and 3.00% (the "Bonds") with an average rate after hedging of 2.99%.

The order book peaked close to €5 billion, attracting quality institutional investors, demonstrating high confidence in EssilorLuxottica's business model and credit profile.

On September 5, 2024, the Bonds were settled and admitted to trading on Euronext Paris.

Long Term Partnership with Meta

On September 17, 2024, EssilorLuxottica announced that it had extended its partnership with Meta Platforms by entering into a new long-term agreement, under which the parties will collaborate into the next decade to develop multi-generational smart eyewear products. The two companies have been collaborating successfully since 2019, resulting in two generations of Ray-Ban branded smart glasses that broke the barriers to adoption and redefined the potential for wearables in consumers' lives.

By striking the ultimate balance between form and function, using EssilorLuxottica's know-how in the industry and its global network of retail and wholesale locations together with Meta's advancements in technology, Ray-Ban Meta glasses have garnered excitement and widespread adoption. The glasses, now a mainstream product, are in high demand in the markets they're available in, including the US, CA, the UK, Australia and many European countries including Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Norway, Spain and Sweden.

The latest generation of Ray-Ban Meta glasses, introduced by EssilorLuxottica and Meta in the Fall of 2023, have advanced technology built seamlessly into Ray-Ban's iconic frames. They give consumers superpowers, including the ability to make phone calls, capture and share photos and videos, listen to music, and livestream content. This hands-free connectivity with loved ones allows people to truly live in the moment and experience life as it should be. The integration of Meta AI lets users get things done, be inspired and more easily connect.

New corporate headquarters in Paris

On September 17, 2024, EssilorLuxottica announced the signing of a long-term pre-letting agreement for its new global headquarters in Paris, expected to open late 2027. Located at Place Valhubert, in the heart of the lively Austerlitz district -Paris 13e-, boasting a tech startup and global digital company scene, the new headquarters will bring together in a single building up to more than 2,000 people, regrouping teams from the Group functions currently spread across different locations in the Grand Paris area.

The new over 20,000 square meters state-of-the-art facility overlooking the Seine will blend the elegance of Haussmannian style with contemporary design and architecture. The building will be a forward-looking window to Paris and the future of a constantly evolving Company, a space for creativity and the exchange of new ideas embracing the new trends of agile work, the digital economy, and a tangible representation of EssilorLuxottica's trailblazing role in reshaping the industry.

Bringing all the Company's organizations under the same roof – from design to digital, business development and corporate functions, the new headquarters will be uniquely designed to foster the Company's culture of innovation and strengthen its long-standing commitment to employee well-being. It will also feature training areas, an auditorium and a showroom dedicated to the Group's iconic brands, innovative solutions and technologies.

The new facility will complement the existing and recently expanded corporate locations in Milan, Italy, reaffirming the Group's European roots and its global strategy. In line with EssilorLuxottica's Eyes on the Planet program, the new facility will meet the highest environmental sustainability and well-being standards, with the ambition of achieving HQE, BREEAM, BBCA, and BBC certifications among others.

OneSight EssilorLuxottica Foundation's collaboration with the World Health Organization on the WHO's SPECS 2030 initiative

On December 6, 2024, the OneSight EssilorLuxottica Foundation announced its collaboration with the World Health Organization (WHO) as a global collaborating partner on the WHO's SPECS 2030 initiative.

The SPECS initiative builds on the world's first-ever global target to increase effective refractive error coverage by 40% by 2030, which was endorsed by WHO Member States in 2021 at the World Health Assembly.

This collaboration between WHO and the Foundation represents a significant step forward in addressing refractive error, preventing myopia, and improving access to vision care worldwide, particularly in low-resource settings.

The collaboration will focus on knowledge sharing, technical input, and data provision to scale impactful solutions and ensure the effective implementation of United Nations' 'Vision for Everyone' resolution. By leveraging their respective expertise, WHO and the Foundation aim to make sustainable vision care accessible to millions, improving health outcomes and social inclusion.

The WHO SPECS 2030 initiative accelerates global eye health efforts by focusing on five key pillars: Services, improving access to refractive services; Personnel, building the capacity of eyecare professionals; Education, promoting public awareness about eye health; Cost, reducing the cost of eyeglasses and services; and Surveillance, strengthening data collection and research.

Across these areas, the Foundation will provide technical input, share best practices, and contribute data to inform WHO's initiatives in alignment with the global eyecare target of effective refractive error coverage.

This collaboration reflects a shared commitment to improving lives through better vision and advancing progress toward Sustainable Development Goals, especially in health, education, and economic participation.

Greenhouse gas emissions reduction targets validated by the Science Based Targets initiative (SBTi)

On December 12, 2024, EssilorLuxottica announced that its near-term greenhouse gas (GHG) emissions reduction targets had been validated by the Science Based Targets initiative (SBTi), marking a key milestone in the Company's efforts to reduce the environmental impact across its entire value chain.

The new 2030 targets address emissions across the Company's Scopes 1, 2 and 3, in line with the climate mitigation efforts outlined in the Paris Agreement adopted by the United Nations in 2015.

EssilorLuxottica commits to reduce absolute Scopes 1 and 2 GHG emissions by 42% by 2030, from a 2022 base year. Additionally, the Group commits to reduce absolute Scope 3 GHG emissions from purchased goods and services, fuel- and energy-related activities, upstream transportation and distribution, and waste generated in operations by 25% within the same timeframe.

Since its creation, EssilorLuxottica has been committed to minimize its environmental impact throughout the entire value chain, aiming to mitigate the effects of climate change on the planet. Key milestones include reducing and neutralizing the carbon footprint of its direct operations (Scopes 1 and 2) globally by 2025 (already achieved in Europe in 2023). Its climate strategy focuses on improving energy efficiency across facilities, increasing the self-production and use of renewable energy, and supporting the protection and restoration of natural ecosystems.

The Science Based Targets initiative (SBTi) is a corporate climate action organization that enables companies and financial institutions worldwide to play their part in combating the climate crisis. It develops standards, tools and guidance which allow companies to set greenhouse gas emissions reductions targets in line with what is needed to keep global heating below catastrophic levels and reach net-zero by 2050 at latest. The SBTi is incorporated as a charity. Its partner organizations are CDP, the United Nations Global Compact, the We Mean Business Coalition, the World Resources Institute (WRI), and the World Wide Fund for Nature (WWF).

Espansione Group acquisition

On December 16, 2024, EssilorLuxottica announced that it had entered into an agreement for the acquisition of Espansione Group, an Italy-based company specialized in the design and manufacturing of non-invasive medical devices for the diagnosis and treatment of dry-eye, ocular surface and retinal diseases.

Espansione Group is a med-tech pioneer delivering the highest medical standards in over 40 countries. with the photobiomodulation (PBM) technology – the Light Modulation Low-level Light Therapy (LLLT) – for use in medical fields such as ophthalmology and dermatology, along with the Intense Pulsed Light (IPL) technology.

The agreement represents for EssilorLuxottica another step forward in the med-tech space and it is consistent with the Group's strategy in elevating industry standards and improving the quality of patient care solutions.

The transaction, which was subject to local regulatory review and other customary closing conditions, was closed at the beginning of 2025.

Consolidated revenue

EssilorLuxottica revenue

€ millions	2024	2023	Change at constant exchange rates[1]	Change at current exchange rates
North America	**11,979**	**11,637**	**3.1%**	**2.9%**
• of which Professional Solutions	5,454	5,337	2.4%	2.2%
• of which Direct to Consumer	6,524	6,300	3.8%	3.6%
EMEA	**9,759**	**9,184**	**7.9%**	**6.3%**
• of which Professional Solutions	4,142	3,949	6.4%	4.9%
• of which Direct to Consumer	5,617	5,235	9.0%	7.3%
Asia-Pacific	**3,247**	**3,036**	**9.3%**	**7.0%**
• of which Professional Solutions	2,164	2,088	6.0%	3.6%
• of which Direct to Consumer	1,083	948	16.4%	14.3%
Latin America	**1,523**	**1,537**	**9.7%**	**-0.9%**
• of which Professional Solutions	787	825	8.7%	-4.5%
• of which Direct to Consumer	736	712	10.8%	3.3%
TOTAL REVENUE	26,508	25,395	6.0%	4.4%

Revenue by operating segment

EssilorLuxottica is a vertically integrated player whose go-to market strategy is based on two distribution channels.

The Group's operating segments are:

- the **Professional Solutions** ("PS"): representing the wholesale business of the Group, i.e. the supply of the Group's products and services to all the professionals of the eyecare industry (distributors, independent opticians, third-party E-commerce platforms, etc.); and
- the **Direct to Consumer** ("DTC"): representing the retail business of the Group, i.e. the supply of the Group's products and services directly to the end consumer either through the network of physical stores operated by the Group (brick and mortar) or the online channel (E-commerce).

€ millions	2024	2023	Change at constant exchange rates[1]	Change at current exchange rates
Professional Solutions	12,547	12,199	4.7%	2.9%
Direct to Consumer	13,960	13,195	7.1%	5.8%
TOTAL REVENUE	26,508	25,395	6.0%	4.4%

€ millions	Q4 2024	Q4 2023	Change at constant exchange rates[1]	Change at current exchange rates
Professional Solutions	3,117	2,986	5.5%	4.4%
Direct to Consumer	3,664	3,264	12.7%	12.3%
TOTAL REVENUE	6,781	6,250	9.2%	8.5%

Fourth-quarter revenue by operating segment

Professional Solutions

Professional Solutions posted revenue of €3,117 million, up 5.5% at constant exchange rates[1] compared to the fourth quarter of 2023 (+4.4% at current exchange rates).

EMEA was the fastest growing region in the quarter, followed by North and Latin America. Asia-Pacific progressed on a slower pace on the back of the continued, subdued macroeconomic environment in China. Ray-Ban with its wearable product range posted strong results, while Miu Miu and the new licenses also gave a nice boost to the overall sales performance. Stellest, Nikon and Varilux were the most successful lens brands.

Direct to Consumer

Direct to Consumer posted revenue of €3,664 million, up 12.7% at constant exchange rates[1] compared to the fourth quarter of 2023 (+12.3% at current exchange rates).

The growth of the segment was underpinned by the brick-and-mortar stores delivering their best quarter of the year, also supported by the impact of the recently consolidated Supreme. Comparable-store sales[3] were up 5%, accelerating thanks to the inversion of trends at Sunglass Hut North America, which turned positive after eight consecutive declining quarters. Ray-Ban Meta continued to flourish in the online channel, especially on the dedicated brand's website.

Full-year revenue by operating segment

Professional Solutions

The Professional Solutions segment recorded revenue of €12,547 million, up 4.7% at constant exchange rates[1] compared to 2023 (+2.9% at current exchange rates), and represented 47% of the Group's total revenue in 2024.

Professional Solutions posted sound growth in the year. One of the key drivers of the segment was EMEA, which achieved convincing results throughout the year, bolstered by growth across countries, categories and channels with the support of innovative products. In Asia-Pacific, Greater China expanded at a slower pace in the second half of the year, impacted by the challenging macroeconomic conditions. Nevertheless, Asia-Pacific still outperformed the overall Professional Solutions. North America posted decent growth underpinned by sales to key accounts and partner ECPs. Latin America registered a similar growth to the prior year, being the fastest growing region in 2024. Overall, the innovative products acted as the catalysts of the year. On the lens side, Stellest and Varilux stood out. On the frame side, Ray-Ban Meta kept growing, while Miu Miu and new license contributed nicely.

Direct to Consumer

The Direct to Consumer segment recorded revenue of €13,960 million, up 7.1% at constant exchange rates[1] compared to 2023 (+5.8% at current exchange rates), and represented 53% of the Group's total revenue in 2024.

Brick and mortar comparable-store sales[3] growth kept the pace of last year at around 5%, sustained by optical banners, while the sun business saw a recovery driven by Sunglass Hut in North America re-entering a growth phase in the fourth quarter. The optical banners delivered steady growth over the year particularly supported by EMEA and Latin America, where the integration progressed promisingly. The sun business faced challenges entering the year and dipped in the second quarter when North America was still impacted by weak demand and EMEA tottered due to unfavourable weather conditions. The growth of Ray-Ban.com revitalized the E-commerce business with special thanks to the smartglasses category. Consolidated since October, the Supreme business also contributed to the growth of the retail business, especially in North America and Asia Pacific.

Revenue by geographical area

EssilorLuxottica's geographical areas are North America, EMEA (i.e. Europe, including Turkey and Russia, together with Middle East and Africa), Asia-Pacific and Latin America.

€ millions	2024	2023	Change at constant exchange rates[1]	Change at current exchange rates
North America	11,979	11,637	3.1%	2.9%
EMEA	9,759	9,184	7.9%	6.3%
Asia-Pacific	3,247	3,036	9.3%	7.0%
Latin America	1,523	1,537	9.7%	-0.9%
TOTAL REVENUE	26,508	25,395	6.0%	4.4%

€ millions	Q4 2024	Q4 2023	Change at constant exchange rates[1]	Change at current exchange rates
North America	3,151	2,910	7.8%	8.3%
EMEA	2,357	2,150	9.6%	9.6%
Asia-Pacific	864	757	14.0%	14.1%
Latin America	408	433	8.7%	-5.7%
TOTAL REVENUE	6,781	6,250	9.2%	8.5%

Fourth-quarter revenue by geographical area

North America

North America posted revenue of €3,151 million, up 7.8% at constant exchange rates[1] compared to the fourth quarter of 2023 (+8.3% at current exchange rates), with the underlying business recording its best quarter of the year in both segments.

In Professional Solutions, the sales drivers were broadly in line with the third quarter. The growth was underpinned by the excellent momentum of prescription frames led by Ray-Ban and Oakley, while the soft performance of sunglasses continued to persist. In the lens business, Shamir stood out as one of the top winning brands in the quarter. Key accounts and partner ECPs once again outpaced the performance of non-partner independent ECPs.

In Direct to Consumer, trends accelerated thanks to the recovery of Sunglass Hut where comparable-store sales[3] crossed confidently into the positive territory. The performance of the domestic locations caught up with the solid trajectory of the international stores. Ray-Ban Meta was one of the top-selling models across the network. In optical, LensCrafters delivered solid comparable-store sales[3] successfully leveraging the peak season at the end of the year to target the insured consumers. Online sales advanced nicely thanks to Ray-Ban.com, with Ray-Ban Meta booming and also leveraging its appeal as a unique gift item during the holiday season. The overall growth of the segment was boosted by the consolidation of Supreme.

EMEA

EMEA posted revenue of €2,357 million, up 9.6% at constant exchange rates[1] compared to the fourth quarter of 2023 (+9.6% at current exchange rates), accelerating in both segments compared to the previous quarter.

The healthy performance of Professional Solutions was the consequence of the effective execution on the business strategy across geographies, products and trade channels. The frame category was the strongest contributor to the results thanks to both prescription and sunglasses. Miu Miu continued to be the hottest brand of the moment and among the new licenses Jimmy Choo generated the biggest excitement in the quarter. The lens business was driven by new innovation with Stellest, Varilux XR and Transitions Gen S contributing more than half of the category's growth.

In Direct to Consumer, comparable-store sales[3] for optical and sun were up high-single digit. The strong delivery of the integration initiatives visibly reflected on the thriving performance of the optical retail banners. Consumers appreciated the access to a more valuable offering and approximately one million loyal customers already took advantage of the optical subscription program. The sun business achieved its 13th consecutive quarter of positive comparable-store sales[3].

Asia-Pacific

Asia-Pacific posted revenue of €864 million, up 14.0% at constant exchange rates[1] compared to the fourth quarter of 2023 (+14.1% at current exchange rates), growing soundly in its core business and benefiting from a positive impact of Supreme in the Direct to Consumer segment.

In Professional Solutions, the performance of Greater China was slightly positive and a result of two diverging trends. On one hand, the myopia management portfolio confirmed its resilience as Stellest expanded around 50% and Nikon and Kodak DOT continued to ramp up at a fast pace. On the other hand, Bolon kept struggling amid the tougher macroeconomic environment. Japan and Australia contributed nicely to the results.

In Direct to Consumer, the Australian retail business posted healthy comparable-store sales[3] across sun and optical banners. Favorable price-mix drove the performance at OPSM. Following the success in EMEA, the banner also launched the first subscription program in the market in November. Comparable-store sales[3] in China remained negative but improved compared to the previous quarter. The eight Supreme stores in the region prospered.

Latin America

Latin America posted revenue of €408 million, up 8.7% at constant exchange rates[1] compared to the fourth quarter of 2023 (-5.7% at current exchange rates), delivering solid results, still impacted by the hyperinflationary environment in Argentina.

In Professional Solutions, Brazil registered a positive performance in frames, while the pressures in the lens business were exacerbated by a tough comparison base last year. Colombia once again delivered excellent results in frames as well as lenses with the newly launched Transitions Gen S leaving a strong mark on the growth.

Direct to Consumer posted its best quarter of the year. The optimized assortment of the former GrandVision banners as well as the solid growth in GMO pushed the optical performance. The sun business further accelerated thanks to a buoyant Sunglass Hut across all countries.

Full-year revenue by geographical area

North America

North America posted revenue of €11,979 million, up 3.1% at constant exchange rates[1] compared to 2023 (+2.9% at current exchange rates), accelerating in the fourth quarter driven by the recovery of the sun retail business.

Professional Solutions kept ramping up quarter by quarter. The segment was supported by the consistent growth of prescription frames. The lens business was lighted up by the innovations, namely Varilux XR and Transitions Gen S. From a channel perspective, the resilient outcome was supported by solid key accounts and partner ECPs, while non-partner ECPs were under pressure.

The performance of Direct to Consumer was relatively consistent throughout the first nine months of the year and subsequently spiked in the fourth quarter gaining support from the recovery of Sunglass Hut returning back to growth mode. The optical banners reported positive comparable-store sales[3] growth throughout the year supported by customers with insurance coverage. The online business was driven by Ray-Ban.com, helped by the desirable Ray-Ban Meta smartglasses. Additionally, Supreme further contributed to the business expansion.

EMEA

EMEA posted revenue of €9,759 million, up 7.9% at constant exchange rates[1] compared to 2023 (+6.3% at current exchange rates), once again being the greatest contributor to the overall growth of the Group.

Professional Solutions was a reliable source of growth over the whole year. Almost all the key markets contributed, successfully leveraging on innovations. Varilux XR and Transitions Gen S supported the results on the lens side, while Miu Miu and Oakley performed well on the frame side. Moreover, a positive progression was also recorded across channels.

Direct to Consumer realized strong growth during the year. The optical integration progressed on a good trajectory. More customers experienced a wider range of product and service offers with great satisfaction. The sun business was negatively impacted by the adverse weather across Europe in the second quarter, but caught up afterwards and closed the year with comparable-store sales[3] growth broadly in line with its optical peer. The online business in the region expanded as well.

Asia-Pacific

Asia-Pacific posted revenue of €3,247 million, up 9.3% at constant exchange rates[1] compared to 2023 (+7.0% at current exchange rates), posting another year of growth on top of a tough comparison base of 2023 (+14.3% versus 2022 at constant exchange rates).

Professional Solutions started the year with robust growth but slowed down in the second half of the year, impacted by the deceleration of the Chinese business related to the lack of consumer confidence in the market. The performance of myopia management solutions was still cheerful, especially Stellest growing by 60%, which more than offset the sales downturn of local brand Bolon. Japan posted strong results in the year, followed by good momentum in India and South Korea.

Direct to Consumer in the region was sustained by the resilient performance of OPSM in Australia/New Zealand and fueled by the buoyant retail business in Japan on a comparable-store sales[3] basis. Sun banners in South-East Asia performed well and Oakley has been gaining attraction from its Asian audience. With eight stores in Asia Pacific, Supreme made its debut with a great contribution, expanding the Group's reach to Asian consumers.

Latin America

Latin America posted revenue of €1,523 million, up 9.7% at constant exchange rates[1] compared to 2023 (-0.9% at current exchange rates), helped by the tailwinds of Argentina's price inflation effect.

In Professional Solutions, the Brazilian business was negatively impacted by the weakness of the lens business, while the frame category kept expanding. Mexico slowed down in the second half of the year and posted a flattish growth on an annual basis. Colombia caught the attention as an outstanding performer, supported by new launches.

Direct to Consumer posted solid performance with all the markets growing. The growth was driven by the optical banners across the region. GMO accelerated in the second half of the year. Former GrandVision stores, receiving positive feedback from the integration, posted robust double-digit comparable-store sales[3] growth in 2024. The sun banners closed the year positively with Sunglass Hut back to sound growth in the second half of the year.

Statement of profit or loss and Alternative Performance Measures

EssilorLuxottica consolidated statement of profit or loss

€ millions	2024	2023	Change
Revenue	26,508	25,395	4.4%
Cost of sales	(9,702)	(9,347)	3.8%
GROSS PROFIT	**16,805**	**16,048**	**4.7%**
% of revenue	*63.4%*	*63.2%*	
Total operating expenses	(13,358)	(12,871)	3.8%
OPERATING PROFIT	**3,448**	**3,176**	**8.5%**
% of revenue	*13.0%*	*12.5%*	
PROFIT BEFORE TAXES	**3,291**	**3,035**	**8.4%**
% of revenue	*12.4%*	*12.0%*	
Income taxes	(800)	(609)	31.3%
Effective tax rate	*24.3%*	*20.1%*	
NET PROFIT	2,491	2,426	2.7%
NET PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT	2,359	2,289	3.0%

The table above shows the performance of EssilorLuxottica activities in 2024 and 2023.

- *Revenue* increased by 4.4% compared to 2023, at current exchange rates; the Group's net sales performance has been commented, by operating segment as well as by geographical area, in the paragraph *Consolidated revenue* above.
- *Cost of sales* increased showing a 3.8% variation at current exchange rates versus 2023 (less than the revenue growth over the same period) leading to an increase in the *Gross profit* margin (63.4% versus 63.2% in 2023). The main driver of the *Gross profit* margin accretion is a favorable price-mix in both frames and lenses businesses coupled with manufacturing efficiencies. The *Gross profit* was also affected by non-recurring costs related to restructuring and reorganization projects targeting the production facilities of the Group (see paragraph *Adjusted Measures*).
- *Operating expenses* are still materially affected by the amortization resulting from the recognition of intangible assets following the purchase price allocation related to the strategic and material acquisitions performed by the Group (such as the combination between Essilor and Luxottica and the acquisition of GrandVision), for an overall effect close to €1 billion both in 2024 and 2023. 2024 performance (an increase of operating expenses of 3.8% at current exchange rates) is largely driven by business expansion and persistence of inflationary pressure on labor affecting mainly *Selling* expenses. Moreover, in 2024, the Group supported its brands and the launch of new products with advertising and marketing initiatives such as those related to the 2024 Olympics and the roll-out of the new generation of Transitions lenses (GEN S) and Ray-Ban Meta. The Group's *Operating expenses* also include the effects coming from a number of restructuring and reorganization projects embarked by the Group during the year and various settlements reached in 2024 (see paragraph *Adjusted Measures*). The *Operating profit* represented 13.0% of revenue, showing an increase compared to 2023 due to the above impacts despite the tailwinds in terms of foreign exchange.
- *Net profit* increased to €2,491 million from €2,426 million reported in 2023, despite the combined increase in income taxes (which, in 2023, included a tax benefit related to the reassessment of an *uncertain tax position* for approximately €111 million) and financial expenses (led by an increase in interests on lease liabilities).

EssilorLuxottica Alternative Performance Measures (APM)

Adjusted measures

In this document, the management presented certain performance indicators that are not envisioned by the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and endorsed by the European Union. Such measures are not meant to be considered in isolation or as a substitute for items appearing in EssilorLuxottica consolidated financial statements prepared in accordance with IFRS. Rather, these non-IFRS measures should be used as a supplement to IFRS results to assist the reader to better understand the operating performance of the Group and should be read in conjunction with EssilorLuxottica consolidated financial statements. Such measures are not defined terms under IFRS and their definitions should be carefully reviewed and understood by investors.

The combination of Essilor and Luxottica (the "EL Combination"), the acquisition of GrandVision (the "GV Acquisition"), other strategic and material acquisitions, as well as events that are unusual, infrequent or unrelated to normal operations, have a significant impact on the consolidated results. Accordingly, in order to provide additional comparative information on the results for the year under review compared to previous years, to reflect EssilorLuxottica actual economic performance and enable it to be monitored and benchmarked against competitors, some measures have been adjusted ("adjusted measures"). In particular, management adjusted the following measures: *Cost of sales*, *Gross profit*, *Operating expenses*, *Operating profit*, *Profit before taxes* and *Net profit*. Such adjusted measures are reconciled to their most comparable measures reported in the consolidated statements of profit or loss for the twelve-month period ended December 31, 2024.

In continuity with previous years, in 2024 adjusted measures exclude: (i) the incremental impacts of the purchase price allocations related to the strategic and material acquisitions completed by the Group ("*Adjustments related to PPA impacts*"); and (ii) other adjustments related to transactions that are unusual, infrequent or unrelated to normal operations, as the impact of these events might affect the understanding of the Group's performance ("*Other non-GAAP adjustments*").

€ millions	2024	Adjustments related to PPA impacts	Other non-GAAP adjustments	2024 Adjusted[2]
Revenue	26,508	—	—	26,508
Cost of sales	(9,702)	10	20	(9,673)
GROSS PROFIT	**16,805**	**10**	**20**	**16,835**
% of revenue	*63.4%*			*63.5%*
Total operating expenses	(13,358)	869	67	(12,421)
OPERATING PROFIT	**3,448**	**879**	**87**	**4,414**
% of revenue	*13.0%*			*16.7%*
Cost of net debt and other*	(157)	(0)	—	(157)
PROFIT BEFORE TAXES	**3,291**	**879**	**87**	**4,257**
% of revenue	*12.4%*			*16.1%*
Income taxes	(800)	(172)	(18)	(990)
NET PROFIT	2,491	707	69	3,267
NET PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT	2,359	694	70	3,122

* *Including* Other financial income/(expenses) *and* Share of profit (loss) of associates.

The most significant Other non-GAAP adjustments of 2024 resulted from:

- restructuring and reorganization projects (for an effect of approximately €98 million on the *Operating profit*) related to several initiatives across the Group in different geographies and businesses, including the continued rationalization and centralization of GrandVision activities (accounting for approximately €43 million). The related effects were recognized in *Cost of sales* (for approximately €20 million), *Research and development* expenses (a positive effect of approximately €1 million), *Selling* and *Advertising and marketing* expenses (for approximately €46 million) and *General and administrative* expenses (for approximately €33 million);
- professional fees related to M&A transactions (for approximately €13 million) and non-recurring costs related to significant legal cases (approximately €18 million including legal fees) whose effects were recognized in *General and administrative* expenses;
- an income accounted for in the line *Other income/(expenses)* for an aggregate amount of €50 million resulting from various settlements reached by the Group in 2024; and
- *Income taxes*, adjusted for an amount of €(18) million corresponding to the tax effects of the above-mentioned adjustments.

Adjusted[2] consolidated statement of profit or loss

€ millions	2024 Adjusted[2]	2023 Adjusted[2]	Change at constant exchange rates[1]	Change at current exchange rates
Revenue	26,508	25,395	6.0%	4.4%
Cost of sales	(9,673)	(9,305)	5.1%	4.0%
GROSS PROFIT	**16,835**	**16,090**	**6.5%**	**4.6%**
% of revenue	*63.5%*	*63.4%*		
Research and development	(371)	(333)	11.6%	11.3%
Selling	(7,964)	(7,502)	7.4%	6.2%
Royalties	(252)	(246)	4.5%	2.4%
Advertising and marketing	(1,716)	(1,700)	1.9%	0.9%
General and administrative	(2,124)	(2,126)	0.9%	-0.1%
Other income/(expenses)	6	(4)	>100%	>100%
Total operating expenses	(12,421)	(11,912)	5.4%	4.3%
OPERATING PROFIT	**4,414**	**4,178**	**9.4%**	**5.7%**
% of revenue	*16.7%*	*16.5%*		
Cost of net debt and other *	(157)	(144)	10.5%	8.6%
PROFIT BEFORE TAXES	**4,257**	**4,033**	**9.4%**	**5.6%**
% of revenue	*16.1%*	*15.9%*		
Income taxes	(990)	(938)		
Effective tax rate	*23.26%*	*23.25%*		
NET PROFIT	**3,267**	**3,095**	**9.3%**	**5.6%**
NET PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT	3,122	2,946	9.8%	6.0%

**Including* Other financial income/(expenses) *and* Share of profit (loss) of associates.

Revenue for the year totaled €26,508 million, an increase of 6.0% at constant exchange rates[1] (+4.4% at current exchange rates).

Adjusted[2] *Gross profit*: +6.5% at constant exchange rates[1] (+4.6% at current exchange rates)

Adjusted[2] *Gross profit* in 2024 ended at €16,835 million, representing 63.5% of revenue (compared to 63.4% of revenue in 2023). The main drivers of the *Gross margin* accretion are the favorable price-mix in both frames and lenses businesses and manufacturing efficiencies.

Adjusted[2] *Operating expenses*: +5.4% at constant exchange rates[1] (+4.3% at current exchange rates)

Adjusted[2] *Operating expenses* amounted to €12,421 million in 2024, translating to 46.9% of revenue (46.9% in 2023).

The main variances related to *Operating expenses* refer to:

- *Selling* expenses amounting to €7,964 million, an increase of 7.4% at constant exchange rates[1] compared to 2023, the main driver of the cost increase is represented by the investments made on sales force in the Professional solution channel, the impact of the acquisitions closed in 2024 as well as inflationary trends, particularly on labor costs.
- *Advertising and marketing* expenses amounting to €1,716 million, increased of approximately 1.9% on a constant exchange rates[1] basis due to the specific investments supporting the Group's brands and the launch of new products, such as the marketing initiatives in the context of the 2024 Olympics, the Luna Rossa sponsorship and the continued support to the roll-out of the new generation of Transitions lenses (GEN S) and Ray-Ban Meta. These initiatives were partially offset by efficiencies resulting from centralization and integration activities.
- *General and administrative* expenses amounting to €2,124 million, increased of 0.9% at constant exchange rates[1] compared to 2023, mainly thanks to the synergies coming from GrandVision integration as well as cost-containment initiatives.

Adjusted[2] *Operating profit*: +9.4% at constant exchange rates[1] (+5.7% at current exchange rates)

The Group posted an adjusted[2] *Operating profit* of €4,414 million, representing 16.7% of revenue compared to 16.5% in 2023 (17.0% at constant exchange rates[1], an improvement of 50 basis point compared to 2023).

Adjusted[2] *Cost of net debt and other*

The adjusted[2] *Cost of net debt and other* increased compared to 2023 mainly due to higher interest on lease liabilities (recognized according to lease accounting as per IFRS 16).

Adjusted[2] *Income taxes*

EssilorLuxottica reported an adjusted[2] tax rate of 23.3% both in 2024 and 2023.

Adjusted[2] *Net profit attributable to owners of the parent* up 9.8% at constant exchange rates[1] (+6.0% at current exchange rates).

Statement of financial position, net debt, cash flows and other non-GAAP measures

EssilorLuxottica reclassified consolidated statement of financial position

The reclassified consolidated statement of financial position aggregates the amount of assets and liabilities from the consolidated statement of financial position in accordance with functional criteria which considers the Group conventionally divided into the three fundamental areas focusing on resources investments, operations and financing.

€ millions	December 31, 2024	December 31, 2023
Goodwill	31,996	30,265
Intangible assets	11,047	11,014
Property, plant and equipment	5,689	5,182
Right-of-use assets	3,484	3,069
Investments in associates	85	81
Other non-current assets	1,535	803
Fixed Assets	53,836	50,415
Trade working capital	3,756	3,306
Employees benefits and provisions	(939)	(1,010)
Tax receivables/(payables)	(243)	(290)
Deferred tax assets/(liabilities)	(1,651)	(1,758)
Tax assets/(liabilities)	(1,895)	(2,048)
Other operating assets/(liabilities)	(2,791)	(2,673)
Assets/(liabilities) held for sale	—	—
NET INVESTED CAPITAL	**51,967**	**47,990**
EQUITY	**41,001**	**38,891**
NET DEBT	10,966	9,098

Fixed assets amount to €53,836 million and increased by €3,421 million compared to December 31, 2023. The main variances in the categories of fixed assets are mentioned below.

i. *Goodwill*: goodwill increased by €1,732 million, of which €957 million resulting from the business combinations completed in the year (Supreme and Heidelberg Engineering being the most important), and €775 million due to foreign currency fluctuations.

ii. *Intangible assets*: the positive variance by €33 million, of which €760 million resulting from the business combinations completed in the year, particularly the one related to Supreme, €341 million from new additions largely related to licenses, software and R&D projects, and €266 million due to foreign currency fluctuations, offset by the amortization of the period, for €1,300 million (materially affected by the amortization resulting from the recognition of intangible assets following the purchase price allocation related to the EL Combination and GV Acquisition).

iii. *Property, plant and equipment* and *Right-of-use assets*: the overall increase of the period amounts to €922 million. The additions of the period (capital expenditure, for approximately €1,185 million, as well as the recognition of new *Right-of use assets* in connection with lease contracts signed in 2024, for €1,205 million) were counterbalanced by the depreciation and impairment of the period amounting to €1,766 million. The main additions in *Property, plant and equipment* were related to the expansion of the Group's manufacturing and supply chain footprint, as well as to the improvement and renewal of the retail store network. The business combinations concluded in the period contributed to the increase in *Property, plant and equipment* and *Right-of-use assets* for €63 million and €124 million, respectively.

Trade working capital (i.e. the sum of inventories, trade receivables and trade payables) increased by €451 million compared to December 31, 2023, following the growth trend experienced in both the Professional Solutions and Direct to Consumer segments and the contribution resulting from the significant acquisitions completed in the forth quarter of the year.

Equity mainly increased from the net result attributable to owners of the parent (€2,359 million) as well as for the effects related to the translation of balances and flows in foreign currencies (an increase of €961 million in the translation reserve of the Group); its balance was also affected by the dividend distribution of the period that led to a decrease of €1,256 million, of which €1,163 million paid to EssilorLuxottica's shareholders who did not opt for the *scrip* dividend (see paragraph *Significant events of the year*) and €92 million distributed to minorities shareholders of the Group's subsidiaries. Share-based payments also affected the final balance (€219 million increase) as well as the net sale/(net purchase) of treasury shares (€315 million decrease, entirely due to the share buy-back program launched in 2024, see paragraph *Significant events of the year*).

Net debt increased by €1,867 million compared to December 31, 2023 as illustrated in the dedicated paragraph.

Other non-GAAP measures

Other non-GAAP measures such as Net debt, Free Cash Flow, EBITDA and the ratio Net debt to EBITDA are also included in this document in order to:

- improve transparency for investors;
- assist investors in their assessment of the Group’s operating performance and its ability to refinance its debt as it matures and incur additional indebtedness to invest in new business opportunities;
- assist investors in their assessment of the Group’s cost of debt;
- ensure that these measures are fully understood in light of how the Group evaluates its operating results and leverage;
- properly define the metrics used and confirm their calculation; and
- share these measures with all investors at the same time.

These other non-GAAP measures are not meant to be considered in isolation or as a substitute for items appearing in EssilorLuxottica’s consolidated financial statements prepared in accordance with IFRS. Rather, they should be used as a supplement to IFRS results to assist the reader in better understanding the operating performance of the Group. Moreover, investors should be aware that the Group's method of calculating those non-GAAP measures may differ from that used by other companies.

The following table provides a reconciliation of those non-GAAP measures to the most directly comparable IFRS financial measures.

€ millions	2024	2023
Net cash flow provided by operating activities[a]	4,874	4,861
Purchase of property, plant and equipment and intangible assets[a]	(1,522)	(1,531)
Cash payments for the principal portion of lease liabilities[a]	(940)	(936)
FREE CASH FLOW	**2,413**	**2,394**
Operating profit[b]	3,448	3,176
Depreciation, amortization and impairment[a]	3,098	2,972
EBITDA	**6,545**	**6,148**
NET DEBT[c]	10,966	9,098
NET DEBT/EBITDA LTM[d]	1.7	1.5

(a) As presented in the consolidated statement of cash flows.

(b) As presented in the consolidated statement of profit or loss.

(c) Net debt is presented in Note 19 – Financial debt of the Notes to the consolidated financial statements. Its components are also reported in the Net debt *paragraph below.*

(d) EBITDA LTM = Last Twelve months.

Net debt

Group Net debt excluding lease liabilities amounted to €7,319 million at the end of December 2024, increasing by €1,460 million compared to the position at the end of December 2023. Lease liabilities as of the end of December 2024 increased by €408 million compared to December 31, 2023.

€ millions	December 31, 2024	December 31, 2023
Non-current borrowings	7,071	6,559
Current borrowings	2,498	1,858
TOTAL LIABILITIES	**9,570**	**8,417**
Short-term investments	—	—
Cash and cash equivalents	(2,251)	(2,558)
TOTAL ASSET	**(2,251)**	**(2,558)**
Financial debt derivatives at fair value	—	(0)
NET DEBT EXCLUDING LEASE LIABILITIES	**7,319**	**5,859**
Lease liabilities (current and non-current)	3,647	3,239
NET DEBT	10,966	9,098

Non-current borrowings increased compared to December 31, 2023 due to the issuance of the €2 billion Eurobond in September 2024, offset by the reclassification to current borrowings of a €1.5 billion Eurobond due in May 2025. Current borrowings recorded an increase of €641 million due to the aforementioned reclassification for €1.5 billion (face value), the issuance of Commercial Papers, mainly under the USCP program, partially offset by the reimbursement of three Eurobonds due between January and April 2024 for €1.3 billion (face value).

Reclassified consolidated statement of cash flows

The reclassified consolidated statement of cash flows reconciles the EBITDA to the net cash flow generated by the Group highlighting the cash flow derived from its operations (Free Cash Flow).

€ millions	2024	2023
EBITDA	**6,545**	**6,148**
Capital expenditure	(1,522)	(1,531)
Lease payments (excluding interests)[(a)]	(940)	(936)
Tax paid	(982)	(916)
Changes in trade working capital[(b)] and other flows	(689)	(371)
FREE CASH FLOW	**2,413**	**2,394**
Dividends paid	(1,255)	(598)
Acquisitions net of cash acquired	(1,755)	(114)
Other changes in equity	(536)	(301)
Other changes in financial and non-financial assets	(346)	(78)
Changes in borrowings (excluding FX)	1,083	(590)
NET CASH FLOW	(395)	712

(a) Cash payments for the principal portion of lease liabilities as presented in the consolidated statement of cash flows.
(b) Trade working capital comprises inventories, trade receivables and trade payables.

Capital expenditure cash-out amounted to €1,522 million, substantially in line with the corresponding period of the prior year and representing approx. 6% of the Group's revenue.

The line *Dividend paid* increased significantly in 2024 compared to 2023 due to the different proportion of EssilorLuxottica shareholders who opted for a distribution of the dividend in cash rather than shares (*scrip* dividend): 65% of EssilorLuxottica shareholders in 2024 versus 34% in 2023.

The line *Acquisition net of cash acquired* represents the net cash-out related to business combinations completed during the year, and, to a lesser extent, price supplements and/or deferred payments on acquisitions completed in prior years. The cash-out incurred in 2024 is significantly higher than the prior year due to the major acquisitions of the year, Supreme and Heidelberg Engineering (see paragraph *Significant events of the year*).

The line *Other changes in equity* includes, among the others, the effects of transactions with non-controlling interests – such as acquisition of minorities in consolidated companies and/or exercise of put option over non-controlling interests – (€297 million in 2024 *versus* €64 million in 2023) as well as the cash-out related to the share buyback program (approximately €315 million, including financial fees, in 2024 *versus* approximately €312 million in 2023) compensated by the cash-in related to share capital increases and the exercise of stock options.

The flows reported in *Other changes in financial and non-financial assets* for 2024 include the cash-out related to some financial investments in non-consolidated companies.

Finally, the line *Changes in borrowings (excluding FX)* was mainly affected by the movements described in the *Net debt* paragraph.

Acquisitions and partnerships

During 2024, EssilorLuxottica continued to pursue its M&A strategy in selected businesses and geographies. Among others, key transactions include the following.

- On April 9, 2024, EssilorLuxottica closed the acquisition of Washin Optical Co., Ltd., a Japanese optical retail player counting approximately 70 direct stores in the country.
- On July 17, 2024, EssilorLuxottica and VF Corporation announced that they had entered into a definitive agreement for EssilorLuxottica to acquire the Supreme brand from VF for $1.5 billion in cash. The transaction was successfully closed on October 1, 2024.
- On July 17, 2024, EssilorLuxottica and Heidelberg Engineering announced they had entered into an agreement for the acquisition of an 80% stake in Heidelberg Engineering, a Germany-based company specializing in diagnostic solutions, digital surgical technologies and healthcare IT for clinical ophthalmology. The transaction was successfully closed on October 1, 2024.
- On December 16, 2024, EssilorLuxottica announced it had entered into an agreement for the acquisition of Espansione Group, an Italy-based company specialized in the design and manufacturing of non-invasive medical devices for the diagnosis and treatment of dry-eye, ocular surface and retinal diseases. The transaction, which was subject to local regulatory review and other customary closing conditions, was closed at the beginning of 2025.

Other transactions closed during the year include minority buyouts and minority or majority stake acquisitions of companies operating across the eyecare and eyewear space.

Mission and sustainability

To help people “see more and be more”

EssilorLuxottica’s legacy is rooted in a steadfast commitment to vision care innovation and a profound belief in the transformative power of good vision. Guided by its Mission to help people worldwide ‘see more and be more’, the Group’s strategy integrates sustainable development with an ambitious goal to eliminate uncorrected poor vision within a generation.

At the core of EssilorLuxottica’s approach are groundbreaking products that correct, protect, and frame the beauty of the most precious and powerful sensory organ: the eyes. By combining cutting-edge lens technology and eyewear manufacturing expertise with a portfolio of beloved brands and robust global distribution, EssilorLuxottica empowers individuals to learn, work, express themselves, and reach their full potential.

A lack of awareness and access has created a global vision crisis, with severe social and economic consequences for billions of people. While addressing the evolving needs of the 2 billion people[2] who currently wear eyeglasses, EssilorLuxottica is also pioneering solutions for the 2.7 billion individuals[(3)] suffering from uncorrected poor vision and the 6.2 billion people[(1)] who do not protect their eyes from harmful rays. Moreover, with over 50% of the world’s population[4] projected to suffer from myopia by 2050, the need for accessible vision care has never been greater.

As a passionate advocate for vision care, EssilorLuxottica campaigns globally to raise awareness, champion good vision as a basic human right, and position it as a critical driver of global development. The socio-economic impact of uncorrected poor vision is profound, creating barriers to education and employment that perpetuate cycles of poverty and limit individual potential. Through its initiatives, EssilorLuxottica aims to break these cycles and unlock opportunities for millions.

Following the launch of its landmark roadmap ‘Eliminating Poor Vision in a Generation’, EssilorLuxottica continues to advocate for the fundamental ‘Right to See’, recognizing the vital role of vision care in global progress. This aligns with the United Nations’ (UN) 2021 resolution, ‘Vision for Everyone’, which aims to achieve universal accessibility by 2030.

By integrating eyecare into the UN Sustainable Development Goals (SDGs), EssilorLuxottica reinforces its commitment to sustainability and global equity. In 2024, the Group remained focused on advancing its mission and driving initiatives that bring its vision of a world without poor vision closer to reality.

Powering vision. At EssilorLuxottica, powering vision is about creating sustainable and life-changing impact on a global scale. The Group’s Eyes on the Planet program drives this mission, ensuring that everyone, everywhere has access to quality vision care while fostering sustainability and equity. Through its OneSight EssilorLuxottica Foundation, the Company address one of the world’s most widespread disabilities: uncorrected poor vision, affecting 2.7 billion people around the world. Since 2013, the Foundation has transformed access to vision care, creating permanent vision care access for around 980 million people and equipping around 87 million individuals with eyeglasses. Supported by over 33,400 rural optical points and the training of thousands of vision care entrepreneurs, these efforts have brought sustainable eyecare systems to even the most remote communities globally. This impact earned the Foundation a spot on Fortune’s ‘Change the World’ list, for the fourth time, recognizing its transformative contributions to global eye health and sustainability.

To further scale up its impact by leveraging its extensive reach and expertise, the Foundation signed a global collaboration partnership with the World Health Organization on its SPECS 2030 initiative. This groundbreaking program accelerates the delivery of vision care worldwide by increasing effective refractive error coverage and ensuring universal access to quality vision care. At the same time, it aligns with the UN SDGs and ‘Vision for Everyone’ resolution, driving progress in poverty alleviation, health, education, gender equality, and economic growth.

Innovation is at the heart of the OneSight EssilorLuxottica Foundation’s approach to powering vision. Tele-refraction connects rural primary care providers with urban optometrists, ensuring accurate diagnoses and extending services to areas with limited healthcare infrastructure. Tele-refraction services are now offered in Kenya, Ethiopia and India, with a pilot program taking place in Bangladesh. ClickCheck, a low-cost and award-winning refraction device, enhances the efficiency of vision screenings in off-grid communities globally. Additionally, Ready2Clip glasses minimize costs and time for beneficiaries, offering customizable and affordable eyewear on-site.

[2] *EssilorLuxottica estimates.*
[3] *Essilor International, Eliminating Uncorrected Poor Vision in a Generation. Essilor International. 2019: 15.*
[4] *Brien Holden Institute.*

The OneSight EssilorLuxottica Foundation's impact is amplified through transformative programs worldwide. In South Africa, the Vula Amehlo initiative repurposes shipping containers into modular eyecare clinics, bridging healthcare gaps in rural areas while providing optometrists with sustainable business opportunities. Similarly, in Goa (India), the Foundation partnered with the local government to train over 2,400 schoolteachers in vision screening, benefiting 230,000 children with screenings and glasses. Goa has since become one of the first states globally to mandate annual vision screenings for schoolchildren, ensuring no child's education is hindered by poor vision.

EssilorLuxottica's mission to help everyone 'see more and be more' underpins all the Group's efforts. By combining sustainable innovation with social impact, EssilorLuxottica is powering vision in ways that not only eliminate uncorrected poor vision but also drive economic development, foster education, and promote inclusivity, building a sustainable and equitable future for all.

Approach to Sustainable Development: Eyes on the Planet

Sustainability is deeply rooted at the core of EssilorLuxottica, both as an essential part of the Company's DNA and key to continuing its history of corporate responsibility to help people "see more and be more". First presented in 2021, the Eyes on the Planet program is based on five key pillars that reaffirm how Mission, sustainability, and business strategy are strongly intertwined at EssilorLuxottica: 'Eyes on Carbon', 'Eyes on Circularity', 'Eyes on World Sight', 'Eyes on Inclusion', and 'Eyes on Ethics'.

Each pillar has a clear commitment and is broken down into a set of core activities that are easy to recognize in the Company's business model, offering presence and connection with local communities and territories, consistently supporting its Mission.

- **'Eyes on Carbon'**: Since its creation, EssilorLuxottica has been committed to minimize its environmental impact throughout the entire value chain, aiming to mitigate the effects of climate change on the planet. Key milestones include reducing and neutralizing the carbon footprint of its direct operations (Scopes 1 and 2) globally by 2025 (already achieved in Europe in 2023). In addition, in 2024, EssilorLuxottica's emissions reduction targets were validated by the Science Based Targets initiative (SBTi), marking a key milestone in the Company's efforts to reduce the environmental impact of its own operations, while engaging its key suppliers in this journey. The new 2030 targets address emissions across the Company's Scopes 1, 2 and 3, in line with the climate mitigation efforts outlined in the Paris Agreement. To facilitate the achievement of the new targets, a Climate Transition Plan was prepared in 2024, presenting the Group carbon reduction priorities: increasing the self-production and use of renewable energy, improving energy efficiency across facilities, supply chain optimization, logistics optimization and stakeholders' engagement in the company's climate journey.

  2024 highlights:

  - New on-site renewable energy plants started in 2024, for a total of 37.8 MWp of capacity added and contributing to 65% increase in the consumption of self-produced renewable energy in 2024;
  - Scopes 1 and 2 emissions decreasing by 16% compared to the baseline, in line with 2030 target of 42% absolute reduction;
  - The deployment of different decarbonization levers identified in the Climate transition plan resulted in the associated GHG emissions savings of approximately 450,000 tons of CO_2e compared to the 2022 baseline
- **'Eyes on Circularity'**: EssilorLuxottica's climate commitment is deeply intertwined with its circularity goals along the value chain, leveraging its sustainable innovation expertise across its materials, processes, products and services. The Company's efforts focus on optimizing the use of resources while ensuring high product standards, with the objective to shift from fossil-based materials to bio-based and/or recycled materials and embed eco-design in all its innovation developments by end of 2025. In 2024, the Company expanded its Direct to Consumer initiatives, positioning its retail operations as hubs for circularity by offering services such as in-store repairs and programs for collecting old eyewear. Also, progress was made in the reduction of single-use plastic from eyewear packaging and logistics packaging. Additional efforts include increasing internal recycling capabilities, by introducing recycled demo lenses and launching an innovative project to recycle nylon scraps from injection molding into store furniture.

  2024 highlights:

  - Waste recovery rate of 63%, also benefiting from investments in water-saving solutions, continuous process optimization and new technologies to reduce input raw materials
  - Over 40% of new collections made with responsible materials for frames and plano lenses
  - Newly launched proprietary sustainability assessment tool (eco-design) supporting the evaluation of innovation projects for eyewear and lenses
  - Significant reduction in single use plastic items from packaging
- **'Eyes on Ethics'**: EssilorLuxottica's vertically-integrated business model is the key to delivering and ensuring a fair and ethical business approach wherever it has a presence. The Company's Code of Ethics and Business Partners' Code of Conduct establish harmonized practices and protect human and labor rights across its entire value chain, as per the International Bill of Human Rights and ILO Conventions. In 2024, the Group reinforced its ethical business approach with the launch of a new Anti-Money Laundering Policy, among others, and dedicated training programs for its Code of Ethics and anti-corruption. Supply chain efficiency is a constant priority, and the

Group continues to carry forward the initiative of its Responsible Sourcing program to ensure its business partners are aligned with EssilorLuxottica's ethical principles and standards.

2024 highlights:

- Existing actions unified under one EssilorLuxottica Responsible Sourcing program covering Labor & Human Rights, Environment, Health & Safety, Governance & Ethics. 106 responsible sourcing audits conducted at supplier sites
- Global roll-out of the SpeakUp reporting tool, available 24/7 in 19 languages and supported by hotlines in 11 countries

- **'Eyes on Inclusion'**: The Company's employees are leading players and contributors to EssilorLuxottica's sustainable development and value creation efforts. EssilorLuxottica seeks to develop a culture of learning, diversity and safety along with the creation of a working environment that offers everybody the same opportunities on the basis of merit and without discrimination. 2024 marked a significant progress in Diversity, Equity, and Inclusion (DE&I) and in the deployment of its culture of health, safety and well-being in the workplace. Key milestones included the publication of the Global EHS policy as part of the Company's commitment to safeguarding the environment, health and safety of its employees, business partners, customers and local communities; the introduction of the Global DE&I Policy to embed inclusive principles, the launch of the Inclusion Committee to monitor equality on a global scale, and the rollout of "Your Voice", a worldwide platform amplifying employee feedback.

  2024 highlights:

  - Gender diversity: women representing 60% of all Group employees, 35% of the Management bodies and 35% of Senior Executives roles
  - Strong adoption of the Leonardo learning platform, with 3.4 million hours of education, +25% from 2023, including 18,639 live sessions
  - Launch of Your Voice listening campaign, with a global participation rate of 78%
  - Launched the EssilorLuxottica European Work Council, representing employees from all 26 EU countries and the UK

- **'Eyes on World Sight'**: Based on its belief that good vision is a basic human right, the Group has an ambition to eliminate uncorrected poor vision in a generation and make vision care accessible to everyone, everywhere. This responsibility toward vision and society is embedded in corporate citizenship initiatives, such as advocacy for vision care in underserved communities through the OneSight EssilorLuxottica Foundation. In 2024, the OneSight EssilorLuxottica Foundation announced its collaborating partnership with the World Health Organization's (WHO) SPECS initiative, which represents a significant step forward in improving access to vision care worldwide, particularly in low-resource settings. Recognized for its global impact, EssilorLuxottica earned a spot in Fortune magazine's 'Change the World' list for the fourth time. In addition, EssilorLuxottica continues its efforts to make art accessible for all through the 'Eyes on Art' initiative.

  2024 highlights:

  - Provided 216 million people with permanent access to vision care
  - Created 5,600 rural optical points
  - Equipped 14 million people in need with eyeglasses
  - Over 5,500 employee volunteers worldwide (3,800 in 2023)

In 2024, EssilorLuxottica earned recognition from leading ESG raters worldwide highlighting its progress and positioning as a sustainability champion in its industry.

- First time inclusion in the Dow Jones Best-in-Class Europe Index, ranking among the top European companies in ESG performance
- Featured in the 2025 Sustainability Yearbook by S&P Global, underscoring EssilorLuxottica's unwavering commitment to sustainability and excellence in ESG practices
- MSCI ESG Rating upgrade from "AA" to the highest level, "AAA", recognizing the Group's success in effectively managing ESG risks and opportunities
- Improved Sustainalytics ESG Risk Rating to "Low Risk", highlighting its strong ability to manage industry-specific ESG risks
- Participating in the CDP questionnaire, the Group earned scores of A- for Climate (from B in 2023) and B for Water Security (on a scale from D- to A), reflecting its transparency and proactive efforts in these critical areas.

All these recognitions reaffirm EssilorLuxottica's dedication to sustainability, leading the way together with its partners and stakeholders in responsible business practices.

Investments made in 2024 and planned for 2025

€ millions	2024	2023	2022
Property, plant and equipment and intangible assets (gross of disposals)	1,522	1,531	1,572
Depreciation, amortization and impairment	3,098	2,972	2,970
Financial investments net of cash acquired	1,755	114	965
Purchase/(sale) of treasury shares	274	271	431

Capital expenditure

In 2024, EssilorLuxottica cash-out related to capital expenditures amounted to €1,522 million (5.7% on revenue, 6.0% in 2023), an amount broadly in line compared to 2023 and mainly related to the investments in the retail store network and digital infrastructure.

Financial investments

Financial investments net of cash acquired amounted to €1,755 million in 2024 (compared to €114 million in 2023 and €965 million in 2022). These amounts represent the net cash-out related to business combinations completed during the year and, to a lesser extent, price supplements and/or deferred payments on acquisitions completed in prior years. In 2024, the amount was mainly related to the transactions described in the paragraph *Acquisitions and partnerships*, including the acquisition of Supreme and the acquisition of a 80% stake in Heidelberg Engineering, a Germany-based company; in 2023, the amount was mainly related to the acquisition of the Israeli start-up Nuance Hearing; whereas in 2022, the amount was mainly related to the acquisition of Walman, SightGlass Vision and Fedon.

Moreover, in 2024, the Company acquired approximately 1.5 million EssilorLuxottica shares in the context of its share buyback program launched at the end of July 2024 (see paragraph *Significant events of the year*) for an average price per share of €212.22 and a total cash-out amounting to €315 million – including bank and other fees. Similar programs were launched in 2023 and 2022, when the Company acquired, respectively, nearly 1.7 million EssilorLuxottica shares (for an average price per share of €173.15 and a total cash-out amounting to €312 million – including bank and other fees) and nearly 3 million EssilorLuxottica shares (for an average price per share of €156.74 and a total cash-out amounting to €470 million – including bank and other fees). The shares acquired are intended to be awarded or transferred to employees and corporate directors of EssilorLuxottica and its subsidiaries, especially in the context of profit-sharing plans, bonus and performance share awards, stock option plans, and employee share ownership plan.

Main future investments

In 2025, the Group will continue investing strongly in the renewal of its retail network, its manufacturing capacities and its digital platforms to sustain the Group's brand and innovations. The Group will also continue its share buyback program for the benefit of employees and corporate directors of EssilorLuxottica and its subsidiaries, in the context of profit-sharing plans, bonus and performance share awards, stock option plans, and employee share ownership plan.

Subsequent events

Acquisition of the AI-driven French startup Pulse Audition

On January 2, 2025, EssilorLuxottica announced the acquisition of Pulse Audition, a French startup delivering AI-based noise reduction and voice enhancement through algorithms allowing people with hearing impairment to better understand speech, even in noisy environments.

By integrating Pulse Audition's proprietary technologies, expertise in AI software development, embedded AI, and audio signal processing, as well as its top talents, EssilorLuxottica will complement proprietary hardware and software to improve the quality of its products and solutions in the long-term. This acquisition aligns seamlessly with the Group's strategy in the hearing solutions space, marking a natural evolution in the journey started in 2023 with the acquisition of Nuance Hearing.

EssilorLuxottica receives FDA clearance and EU certifications for Nuance Audio, making it available to consumers in the U.S. and Europe

On February 3, 2025, EssilorLuxottica announced that it has received clearance from the Food and Drug Administration (FDA) for its OTC Nuance Audio Glasses. The Group has simultaneously achieved the CE marking under the Medical Devices Regulation in the EU, alongside the development of an ISO Quality Management System certification dedicated to Hearing Aids, which will allow Nuance Audio to launch in Europe.

Paving the way for a disruptive new category in the med-tech space, Nuance Audio Hearing Aid Software is the first FDA cleared, preset Software as Medical Device (SaMD) in the U.S. It delivers a groundbreaking open-ear hearing solution seamlessly integrated into a pair of stylish smart glasses. After decades of adoption barriers ranging from comfort to visibility, consumers will finally be able to see clearly and hear clearly with a single product that is both beautiful and highly functional.

Nuance Audio will be available for purchase in the U.S. beginning in Q1. In the first half of 2025, it will be available in certain European countries, including France, Germany and UK, starting progressively from Italy in Q1, in parallel with U.S. market.

As part of EssilorLuxottica's open business model, the Group will leverage its extensive retail network, while also engaging both traditional audiology practices and optical wholesale customers to make this technology accessible to consumers wherever possible.

EssilorLuxottica acquires the Canadian med-tech start-up Cellview

Furthering its commitment to elevating industry standards and enhancing the quality of vision care, EssilorLuxottica announced, on February 11, 2025, the acquisition of Cellview Imaging Inc, a Canadian start-up specialized in innovative diagnostic via retinal imaging. With the company's proprietary technologies, the Group is building a wider portfolio of ophthalmic instruments and solutions, pursuing its journey into the med-tech space.

Based in Toronto, Cellview designs and manufactures innovative and highly performant diagnostic imaging instruments leveraging solid internal R&D expertise. Currently distributed in North America, Cellview's solutions allow eyecare practitioners to diagnose retinal pathologies thanks to the ultrawidefield retinal camera capable of capturing significantly larger images compared to most existing technologies. Cellview's product offering is FDA and CE approved and targets a large market base – from eyecare practices in retail locations to ophthalmology clinics – and is set to be distributed in different geographies, starting with Europe.

Recent trends and outlook

Recent trends

The year 2024 experienced divergent performances across markets and sectors, witnessing the post-covid normalization twisted by turbulence due to macro factors. We entered 2025 with uncertainties, on grounds of ongoing geopolitical tensions, uncertain outlook for the interest rate cutting pace, and frictions over import duties and immigration policies. Although the US consumer showed a pattern of overall resilience toward the end of last year, macroeconomic risks are still lingering in the market. Macro challenges in China continue to weigh on consumer confidence, and the market is waiting for powerful remedies. Moreover, Europe and the rest of the world continue to suffer from geopolitical and local political tensions.

In the unsettled environment, EssilorLuxottica, leveraging on its vertically integrated model, demonstrated remarkable agility by anticipating customer needs and adapting swiftly to market changes. More fundamentally, the Company pivoting at addressing people's vision care needs, kept expanding its product portfolio, improving its services, developing creative solutions and investing in the future of the industry. These initiatives have paved the way for a sustainable growth this year, and beyond.

As a result of the advancement of technology, the artificial intelligence industry is experiencing an exponential growth. From industrial products to consumer goods, from prototypes to various applications, the vision of an AI-powered world is becoming a reality. As an ideal vehicle of artificial intelligence, the smart glasses category is booming. Ray-Ban Meta AI glasses have been embraced by the consumers, achieving growth beyond expectations. Guided by its long-term vision, the Company continues to develop the new category, leveraging its legacy and expertise. The launch of Nuance Audio in the hearing aid sector at the beginning of 2025 is an additional testament of the management's focus on disruptive innovations in smart glasses space.

Outlook

The Company confirms its target of mid-single-digit annual revenue growth from 2022 to 2026 at constant exchange rates[1] (based on 2021 *pro forma*[4] revenue), targeting a range of €27-28 billion, and expects to achieve an adjusted[2] operating profit as a percentage of revenue in the range of 19-20% by the end of that period.

Notes

1 Constant exchange rates: figures at constant exchange rates have been calculated using the average exchange rates in effect for the corresponding period in the relevant comparative year.

2 Adjusted measures or figures: adjusted from the expenses or income related the combination of Essilor and Luxottica (the "EL Combination"), the acquisition of GrandVision (the "GV Acquisition"), other strategic and material acquisitions, and other transactions that are unusual, infrequent or unrelated to the normal course of business as the impact of these events might affect the understanding of the Group's performance. A description of those other transactions that are unusual, infrequent or unrelated to the normal course of business is provided in the half-year and year-end disclosure (see dedicated paragraph *Adjusted measures*).

3 Comparable-store sales: reflect, for comparison purposes, the change in sales from one period to another by taking into account in the more recent period only those stores already open during the comparable prior period. For each geographic area, the calculation applies the average exchange rate of the prior period to both periods.

4 Comparable or *pro forma* (revenue): comparable revenue includes the contribution of GrandVision's revenue to EssilorLuxottica as if the combination between EssilorLuxottica and GrandVision (the "GV Acquisition"), as well as the disposals of businesses required by antitrust authorities in the context of the GV Acquisition, had occurred at the beginning of the year (i.e. January 1). Comparable revenue has been prepared for illustrative purpose only with the aim to provide meaningful comparable information.

5 Free Cash Flow: *Net cash flow provided by operating activities* less the sum of *Purchase of property, plant and equipment and intangible assets* and *Cash payments for the principal portion of lease liabilities* according to the IFRS consolidated statement of cash flow.

6 Net debt: sum of *Current* and *Non-current borrowings*, *Current* and *Non-current lease liabilities*, minus *Short-term investments*, *Cash and cash equivalents* and the *Financial debt derivatives at fair value* as disclosed in the IFRS consolidated financial statements.

As table totals are based on unrounded figures, there may be discrepancies between these totals and the sum of their rounded component.

Appendix 1 –

Excerpts from the Consolidated Financial Statements

Consolidated statement of profit or loss

€ millions	2024	2023
Revenue	26,508	25,395
Cost of sales	(9,702)	(9,347)
GROSS PROFIT	**16,805**	**16,048**
Research and development	(630)	(593)
Selling	(8,518)	(8,041)
Royalties	(252)	(246)
Advertising and marketing	(1,820)	(1,799)
General and administrative	(2,193)	(2,211)
Other income/(expenses)	55	19
Total operating expenses	(13,358)	(12,871)
OPERATING PROFIT	**3,448**	**3,176**
Cost of net debt	(165)	(116)
Other financial income/(expenses)	5	(24)
Share of profit (loss) of associates	3	(1)
PROFIT BEFORE TAXES	**3,291**	**3,035**
Income taxes	(800)	(609)
NET PROFIT	2,491	2,426
of which attributable to:		
• owners of the parent	2,359	2,289
• non-controlling interests	132	137
Weighted average number of shares outstanding:		
• basic	453,926,761	448,066,944
• diluted	460,012,730	450,765,862
Earnings per share (EPS) for net profit attributable to owners of the parent *(in euro)*:		
• basic	5.20	5.11
• diluted	5.13	5.08

Consolidated statement of financial position

Assets

€ millions	December 31, 2024	December 31, 2023
Goodwill	31,996	30,265
Intangible assets	11,047	11,014
Property, plant and equipment	5,689	5,182
Right-of-use assets	3,484	3,069
Investments in associates	85	81
Other non-current assets	1,535	803
Deferred tax assets	391	387
TOTAL NON-CURRENT ASSETS	**54,227**	**50,802**
Inventories	3,152	2,750
Trade receivables	3,261	2,936
Tax receivables	294	271
Other current assets	1,078	1,206
Cash and cash equivalents	2,251	2,558
TOTAL CURRENT ASSETS	**10,036**	**9,721**
TOTAL ASSETS	64,264	60,523

Consolidated statement of financial position

Equity and liabilities

€ millions	December 31, 2024	December 31, 2023
Share capital	82	82
Share premium reserve	23,539	22,882
Treasury shares reserve	(172)	(312)
Other reserves	14,568	13,298
Net profit attributable to owners of the parent	2,359	2,289
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	**40,376**	**38,239**
Equity attributable to non-controlling interests	626	653
TOTAL EQUITY	**41,001**	**38,891**
Non-current borrowings	7,071	6,559
Non-current lease liabilities	2,733	2,399
Employee benefits	455	431
Non-current provisions	214	234
Other non-current liabilities	191	123
Deferred tax liabilities	2,043	2,145
TOTAL NON-CURRENT LIABILITIES	**12,707**	**11,890**
Current borrowings	2,498	1,858
Current lease liabilities	914	841
Trade payables	2,657	2,381
Tax payables	537	561
Current provisions	270	345
Other current liabilities	3,679	3,756
TOTAL CURRENT LIABILITIES	**10,555**	**9,741**
TOTAL EQUITY AND LIABILITIES	64,264	60,523

Consolidated statement of cash flows

€ millions	2024	2023
NET PROFIT	2,491	2,426
Depreciation, amortization and impairment	3,098	2,972
(Gains)/losses from disposal of assets	6	4
Expense arising from share-based payments	162	195
Income taxes	800	609
Finance result, net	159	140
Other non-cash items	16	(5)
Changes in provisions	(90)	32
Changes in trade working capital	(474)	(300)
Changes in other operating receivables and payables	(133)	(159)
Taxes paid, net	(982)	(916)
Interest paid, net	(181)	(136)
NET CASH FLOWS PROVIDED BY/(USED IN) OPERATING ACTIVITIES	4,874	4,861
Purchase of property, plant and equipment and intangible assets	(1,522)	(1,531)
Disposal of property, plant and equipment and intangible assets	10	11
Acquisitions of businesses, net of cash acquired	(1,755)	(114)
Changes in other non-financial assets	11	5
Changes in other financial assets	(367)	(94)
NET CASH FLOWS PROVIDED BY/(USED IN) INVESTING ACTIVITIES	(3,622)	(1,724)
Share capital increase	35	34
(Purchase)/sale of treasury shares	(274)	(271)
Dividends paid:		
• to the owners of the parent	(1,163)	(487)
• to non-controlling interests	(92)	(111)
Transactions with non-controlling interests	(297)	(64)
Cash payments for principal portion of lease liabilities	(940)	(936)
Issuance of bonds, private placements and other long-term debts	1,987	—
Repayment of bonds, private placements and other long-term debts	(1,300)	(1,028)
Changes in other current and non-current borrowings	396	438
NET CASH FLOWS PROVIDED BY/(USED IN) FINANCING ACTIVITIES	(1,647)	(2,425)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(395)	712
Cash and cash equivalents at the beginning of the financial year	2,558	1,960
Effects of exchange rate changes on cash and cash equivalents	88	(114)
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	2,251	2,558

Appendix 2 – *Revenue recap*

FY 2024

By operating segment

€ millions	Professional Solutions	Change at constant[1] FX	Change at current FX	Direct to Consumer	Change at constant[1] FX	Change at current FX	2024	Change at constant[1] FX	Change at current FX
Revenue 1Q	3,080	4.6%	1.8%	3,255	6.3%	4.2%	6,335	5.5%	3.0%
Revenue 2Q	3,334	5.3%	3.9%	3,621	5.1%	3.7%	6,955	5.2%	3.8%
REVENUE 1H	**6,414**	**5.0%**	**2.9%**	**6,876**	**5.7%**	**3.9%**	**13,290**	**5.3%**	**3.4%**
Revenue 3Q	3,017	3.4%	1.3%	3,420	4.6%	3.2%	6,437	4.0%	2.3%
Revenue 4Q	3,117	5.5%	4.4%	3,664	12.7%	12.3%	6,781	9.2%	8.5%
REVENUE 2H	**6,134**	**4.5%**	**2.8%**	**7,084**	**8.6%**	**7.7%**	**13,218**	**6.6%**	**5.4%**
REVENUE DEC YTD	12,547	4.7%	2.9%	13,960	7.1%	5.8%	26,508	6.0%	4.4%

By geographical area

€ millions	North America	Change at constant[1] FX	Change at current FX	EMEA	Change at constant[1] FX	Change at current FX	Asia-Pacific	Change at constant[1] FX	Change at current FX	Latin America	Change at constant[1] FX	Change at current FX	2024
Revenue 1Q	2,875	1.7%	0.6%	2,321	8.5%	5.8%	768	8.2%	2.4%	371	10.9%	6.3%	6,335
Revenue 2Q	3,098	1.4%	2.3%	2,648	7.9%	5.0%	821	9.8%	6.8%	387	8.6%	2.6%	6,955
REVENUE 1H	**5,973**	**1.5%**	**1.4%**	**4,969**	**8.2%**	**5.3%**	**1,589**	**9.0%**	**4.6%**	**759**	**9.7%**	**4.4%**	**13,290**
Revenue 3Q	2,854	1.6%	0.5%	2,433	5.6%	5.0%	794	5.0%	4.5%	356	10.8%	(5.6)%	6,437
Revenue 4Q	3,151	7.8%	8.3%	2,357	9.6%	9.6%	864	14.0%	14.1%	408	8.7%	(5.7)%	6,781
REVENUE 2H	**6,005**	**4.7%**	**4.5%**	**4,790**	**7.5%**	**7.2%**	**1,658**	**9.5%**	**9.3%**	**764**	**9.7%**	**(5.7)%**	**13,218**
REVENUE DEC YTD	11,979	3.1%	2.9%	9,759	7.9%	6.3%	3,247	9.3%	7.0%	1,523	9.7%	(0.9)%	26,508