

New Look Vision Group Inc. Reports Strong Record Results for the Third Quarter of Fiscal 2020

Revenues rose to \$86.9 million, up 16.8% y-o-y

Comparable store sales up 13.5% y-o-y

Adjusted EBITDA up 140.8% and on a per diluted share basis up by 141.3% y-o-y

Launched new websites and iPhone applications as part of the omnichannel strategy featuring online booking capability, virtual optician appointment and bespoke frame orders

Continued integration of new technology to further elevate safety in stores and clinics in light of COVID-19

Press Release - Montréal, Québec, November 5, 2020: New Look Vision Group Inc. ("**New Look Vision**" or the "**Company**") (TSX: BCI), a leader in the Canadian retail optical industry with stores across Canada and in Florida, reported financial results today for the 13 and 39 week periods ended September 26, 2020 ("Q3 2020") and provided updates on actions in response to COVID-19, store re-openings, and new financing arrangements. This press release should be read in conjunction with the Company's management discussion and analysis (the "MD&A") and interim consolidated financial statements for the third quarter of 2020, which are available on the Company's website at www.newlookvision.ca/investors and have been posted on SEDAR at www.sedar.com.

Q3 2020 Financial and Operational Highlights

- Revenues increased significantly by 16.8% to \$86.9 million year-over-year driven primarily by comparable store sales growth as well as from newly acquired stores, offset by revenue from scheduled store closures and from COVID-19 headwinds.
- Comparable store sales were up 13.5% as a result of Q2 closure pent up demand and enhanced store operating procedures.
- Adjusted EBITDA attributed to shareholders was \$34.7 million, increasing by \$20.3 million or 140.8% from last year and increased 141.3% on a per diluted share basis to \$2.22.
- Net earnings attributed to shareholders was \$14.3 million, increasing by 196.5% year-over-year.
- Adjusted net earnings attributed to shareholders increased by 133.5% to \$16.2 million or \$1.03 on a per diluted share basis.
- Cash flows related to operating activities reached \$34.5 million, increasing by \$21.1 million or 156.1% and increased 155.8% on a per diluted share basis to \$2.20 year-over-year.
- Net debt was \$154.1 million compared to \$176.6 million from the quarter-over-quarter.
- Strong cash position at quarter end of \$70.0 million and remaining availability on credit lines of \$51.2 million.
- The Company actively continued to pursue its significant pipeline of acquisition opportunities in Canada and the United States.

Year-to-date Financial and Operating Results

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

- Year-to-date revenues was \$182.3 million, which represent decreases of 18.6% from last year. Adjusted EBITDA attributed to shareholders^(a) was \$51.3 million, which represents an increase of 23.4% from last year.
- The increase in the number of stores in the last twelve months reflects the acquisition of 19 stores net of 6 planned closures and the sale of one clinic.
- Net earnings attributed to shareholders were \$1.6 million or \$0.10 per diluted share, compared to \$13.7 million last year or \$0.88 per diluted share.
- Adjusted net earnings attributed to shareholders^(a) decreased to \$7.9 million, a decrease of \$10.3 million, as compared to last year. Adjusted net earnings attributed to shareholders^(a) reached \$0.50 per diluted share, down 57.3% from \$1.17 in 2019.
- Cash flows related to operating activities reached \$53.5 million, a increase of 47.5% as compared to last year and increased 47.4% on a per diluted share basis to \$3.42.

Actions in response to COVID-19

COVID-19 has drastically altered the way optical retailers operate on both brick and mortar and ecommerce levels. As consumers increasingly move online, New Look Vision's investments in omnichannel experience and anticipation of the evolving consumer journey complements and enhances their physical retail presence. This approach increases accessibility to differentiated, customized and precise eyecare, while ensuring safety for consumers across Canada. Our central lens processing facility pivoted to begin producing safety eyewear for use in health care facilities.

Phased Network Re-Opening Complete

Gradual store reopenings started on May 4th in line with local and professional regulations, with all of New Look Vision's entire store network open for business by the end of the second quarter. In advance of reopening its stores, the Company issued stringent health and safety procedures, undertook extensive training in the form of in-store rehearsals and is providing each location with prescribed personal protection equipment.

Strong Balance Sheet Supported by New Financing Arrangements

In Q2 2020, the Company successfully secured an additional \$73.9 million in bank and subordinated debt financing to strengthen its balance sheet and boost liquidity for both working capital and acquisition and development purposes. As at September 26, 2020, as a result, it had \$70.0 million of cash on hand and undrawn credit and subordinated debt facilities of \$51.2 million.

New Look Vision continues to carefully manage its cash flow and expenditures by proactively implementing back-to-basic measures including optimizing cash burn, reducing expenses, postponing CAPEX, temporarily suspending the dividend, and reducing executive pay.

President & CEO's comments

Antoine Amiel, the President and CEO of New Look Vision, stated that: *"New Look Vision overcame ongoing market headwinds to deliver an exceptional set of third quarter results, largely driven by the phased reopening of our stores from mid-May as restrictions lifted. Revenues and comparable store sales rose 16.8% and 13.5% year-over-year respectively, which in combination with careful cost management are driving positive momentum, highlighted by EBITDA doubling year-over-year. Additionally, net debt decreased by \$22.5 million compared to Q2. Complementary to our physical locations, our newly launched websites and iPhone applications deliver customer convenience and diversifies our revenue streams as part of our omnichannel strategy. Additionally, we continue to actively pursue our significant pipeline of acquisition opportunities in Canada and the United States. While ongoing mandated restrictive measures and their potential impacts on New Look Vision's performance are difficult to predict, we're looking to the future with an optimistic outlook, driven by the resiliency of our high quality, essential, eyecare and eyewear products and services as well as our ability to evolve ahead of market trends to drive long-term shareholder value."*

Status of Dividend

The Board of Directors suspended the regular quarterly dividend and the corresponding dividend reinvestment plan until further notice, effective March 19, 2020, due to the pending impact of COVID-19 on the Company's business and liquidity. Based on Q3 2020 and ongoing results, the Company's current intention, subject to further review at the time, is to reinstate the regular quarterly dividend in the first quarter of 2021.

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

As at October 30, 2020, New Look Vision had 15,660,199 Class A common shares issued and outstanding.

Attachments

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

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



About New Look Vision Group Inc. New Look Vision is a leader in the eye care industry in Canada with a network of 390 stores operating mainly under the New Look Eyewear, Vogue Optical, Greiche & Scaff, Iris, and Edward Beiner banners (in the US) in addition to, laboratory facilities using state-of-the-art technologies. Tax information regarding payments to shareholders is available at www.newlookvision.ca in the Investors section.

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

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

NEW LOOK VISION GROUP INC.
Highlights
for the periods ended September 26, 2020 and September 28, 2019

In thousands of Canadian dollars, except per share amounts

	13 weeks			39 weeks		
	Sept. 26, 2020	Sept. 26, 2020 (excl. IFRS 16)	Sept. 28, 2019	Sept. 26, 2020	Sept. 26, 2020 (excl. IFRS 16)	Sept. 28, 2019
Revenues	\$86,886	\$86,886	\$74,417	\$182,343	\$182,343	\$223,936
Variance %	16.8%	16.8%		(18.6%)	(18.6%)	
Variance in comparable store sales orders^{(a)(b)}	13.5 %	13.5%	1.6%	—	—	1.9%
Adjusted EBITDA attributed to shareholders^(b)	\$34,742	\$28,989	\$14,429	\$51,326	\$34,105	\$41,580
Variance %	140.8%	100.9%		23.4%	(18.0%)	
% of revenues	40.0%	33.4%	19.4%	28.1%	18.7%	18.6%
Per share (diluted)	\$2.22	\$1.85	\$0.92	\$3.28	\$2.18	\$2.66
Variance %	141.3%	101.1%		23.3%	(18.0%)	
Net earnings attributed to shareholders	\$14,306	\$14,852	\$4,825	\$1,609	\$3,209	\$13,715
Variance %	196.5%	207.8%		(88.3%)	(76.6%)	
% of revenues	16.5%	17.1%	6.5%	0.9%	1.8%	6.1%
Net earnings per share						
Per share (diluted)	\$0.91	\$0.95	\$0.31	\$0.10	\$0.20	\$0.88
Variance %	193.5%	206.5%		(88.6%)	(77.3%)	
Adjusted net earnings attributed to shareholders^(b)	\$16,175	\$16,721	\$6,927	\$7,903	\$9,503	\$18,215
Variance %	133.5%	141.4%		(56.6%)	(47.8%)	
% of revenues	18.6%	19.2%	9.3%	4.3%	5.2%	8.1%
Per share (diluted)	\$1.03	\$1.07	\$0.44	\$0.50	\$0.61	\$1.17
Variance %	134.1%	143.2%		(57.3%)	(47.9%)	
Cash flows related to operating activities	\$34,502	\$28,479	\$13,472	\$53,484	\$41,396	\$36,264
Variance %	156.1%	111.4%		47.5%	14.2%	
Per share (diluted)	\$2.20	\$1.82	\$0.86	\$3.42	\$2.64	\$2.32
Variance %	155.8%	111.6%		47.4%	13.8%	
Free cash flow^{(b)(c)}	\$31,860	\$25,837	\$11,129	\$46,248	\$34,160	\$29,928
Variance %	186.3%	132.2%		54.5%	14.1%	
Per share (diluted)	\$2.03	\$1.65	\$0.71	\$2.95	\$2.18	\$1.91
Variance %	185.9%	132.4%		54.5%	14.1%	
Total debt^(d)				\$224,141	\$224,141	\$150,469
Net debt / Adjusted EBITDA attributed to shareholders^{(b)(e)}				2.35	2.64	2.54
Cash dividend per share^(f)	—	—	\$0.15	—	—	\$0.45
Number of stores^(g)				390	390	378

- a) Comparable stores are stores which have been operating for at least 12 months. Due to the exceptional circumstances during the year, whereby the majority of the Company's stores were closed between March 2020 to June 2020 due to COVID-19, management deems the year-to-date period to be non-comparable and is therefore not reporting a comparable store sales metric for this period. Revenues are recognized at time of delivery of goods to customers, however management measures the comparable store performance on the basis of sales orders, whether delivered or not.
- b) Adjusted EBITDA attributed to shareholders, adjusted net earnings attributed to shareholders, free cash flow and comparable store sales orders are not recognized measures under IFRS and may not be comparable to similar measures used by other entities. Refer to Table D and Table E for the reconciliations of these measures to net earnings, and to Table F for the reconciliation of cash flows.
- c) Free cash flow is defined as cash flows related to operating activities, less acquisitions of property, plant and equipment.
- d) Total debt is defined as long-term debt and instalments whereas but excludes lease liabilities under IFRS 16.
- e) Net debt is defined as total debt less cash. Adjusted EBITDA attributed to shareholders represents the amount over the last four rolling quarters.
- f) The amounts of dividends shown in the table above refer to amounts declared in the periods.
- g) The increase in the number of stores in the last twelve months reflects the acquisition of 19 stores net of 6 planned closures and the sale of one clinic.

NEW LOOK VISION GROUP INC.
Impact of IFRS 16
for the periods ended September 26, 2020 and September 28, 2019

In thousands of Canadian dollars, except per share amounts

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

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

The impact of IFRS 16 on the key metrics in the third quarter and year-to-date period ended September 26, 2020 is summarized in the table below:

	13 weeks					39 weeks				
	Sept. 26, 2020	Impact of IFRS 16	Sept. 26, 2020 (excl. IFRS 16)	Sept. 28, 2019	Change (excl. IFRS 16)	Sept. 26, 2020	Impact of IFRS 16	Sept. 26, 2020 (excl. IFRS 16)	Sept. 28, 2019	Change (excl. IFRS 16)
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Adjusted EBITDA attributed to shareholders ^(a)	\$34,742	\$5,753	\$28,989	\$14,429	\$14,560	\$51,326	\$17,221	\$34,105	\$41,580	(\$7,475)
% of revenues	40.0%	6.6%	33.4%	19.4%	14.0%	28.1%	9.4%	18.7%	18.6%	0.1%
Per share (diluted)	\$2.22	\$0.37	\$1.85	\$0.92	\$0.93	\$3.28	\$1.10	\$2.18	\$2.66	(\$0.48)
Net earnings attributed to shareholders	\$14,306	(\$546)	\$14,852	\$4,825	\$10,027	\$1,609	(\$1,600)	\$3,209	\$13,715	(\$10,506)
% of revenues	16.5%	(0.6%)	17.1%	6.5%	10.6%	0.9%	(0.9%)	1.8%	6.1%	(4.3%)
Per share (diluted)	\$0.91	(\$0.03)	\$0.95	\$0.31	\$0.64	\$0.10	(\$0.10)	\$0.20	\$0.88	(\$0.68)
Adjusted net earnings attributed to shareholders ^(a)	\$16,175	(\$546)	\$16,721	\$6,927	\$9,794	\$7,903	(\$1,600)	\$9,503	\$18,215	(\$8,712)
% of revenues	18.6%	(0.6%)	19.2%	9.3%	9.9%	4.3%	(0.9%)	5.2%	8.1%	(2.9%)
Per share (diluted)	\$1.03	(\$0.03)	\$1.07	\$0.44	\$0.63	\$0.50	(\$0.10)	\$0.61	\$1.17	(\$0.56)
Cash flows related to operating activities	\$34,502	\$6,023	\$28,479	\$13,472	\$15,007	\$53,484	\$12,088	\$41,396	\$36,264	\$5,132
Per share (diluted)	\$2.20	\$0.38	\$1.82	\$0.86	\$0.96	\$3.42	\$0.77	\$2.64	\$2.32	\$0.32
Free cash flow ^(a)	\$31,860	\$6,023	\$25,837	\$11,129	\$14,708	\$46,248	\$12,088	\$34,160	\$29,928	\$4,232
Per share (diluted)	\$2.03	\$0.38	\$1.65	\$0.71	\$0.94	\$2.95	\$0.77	\$2.18	\$1.91	\$0.27

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

NEW LOOK VISION GROUP INC.
Consolidated Statement of Earnings
for the periods ended September 26, 2020 and September 28, 2019

In thousands of Canadian dollars, except per share amounts

	13 weeks		39 weeks	
	Sept. 26, 2020	Sept. 28, 2019	Sept. 26, 2020	Sept. 28, 2019
	\$	\$	\$	\$
Revenues	86,886	74,417	182,343	223,936
Materials consumed	19,576	16,920	43,689	49,666
Employee remuneration expenses	21,061	24,864	52,943	75,693
Other operating expenses	12,810	19,646	38,619	59,784
Earnings before depreciation, amortization, loss on disposal, financial expenses, and income from investments in joint ventures and associates	33,439	12,987	47,092	38,793
Depreciation, amortization and loss on disposal	10,058	4,478	29,343	13,342
Financial expenses, net of interest revenue	4,813	1,750	16,617	7,285
Earnings before income from investments in joint ventures and associates and income taxes	18,568	6,759	1,132	18,166
Income from investments in joint ventures and associates	905	459	1,218	1,517
Earnings before income taxes	19,473	7,218	2,350	19,683
Income taxes				
Current	4,262	2,034	2,407	5,150
Deferred	503	7	(1,935)	122
Total income taxes	4,765	2,041	472	5,272
Net earnings	14,708	5,177	1,878	14,411
Net earnings attributed to:				
Non-controlling interest	402	352	269	696
Shareholders of New Look Vision	14,306	4,825	1,609	13,715
	14,708	5,177	1,878	14,411
Net earnings (loss) per share				
Basic	0.91	0.31	0.10	0.88
Diluted	0.91	0.31	0.10	0.88

NEW LOOK VISION GROUP INC.
Reconciliation of Net Earnings to Adjusted EBITDA and Adjusted EBITDA Attributed to Shareholders
for the periods ended September 26, 2020 and September 28, 2019

In thousands of Canadian dollars, except per share amounts

	13 weeks			39 weeks		
	Sept. 26, 2020	Sept. 26, 2020 (excl. IFRS 16)	Sept. 28, 2019	Sept. 26, 2020	Sept. 26, 2020 (excl. IFRS 16)	Sept. 28, 2019
	\$	\$	\$	\$	\$	\$
Net earnings	14,708	15,266	5,177	1,878	3,517	14,411
Depreciation, amortization and loss on disposal	10,058	5,113	4,478	29,343	14,655	13,342
Financial expenses, net of interest revenue	4,813	3,348	1,750	16,617	12,218	7,285
Income taxes	4,765	4,963	2,041	472	1,085	5,272
EBITDA^(a)	34,344	28,690	13,446	48,310	31,475	40,310
Equity-based compensation ^(b)	128	128	126	400	400	609
Net loss from changes in fair value of foreign exchange contracts	—	—	(16)	—	—	(4)
Acquisition-related costs ^(c)	278	278	353	1,138	1,138	1,100
Other non-comparable items ^(d)	228	228	678	1,346	1,346	(276)
Adjusted EBITDA^(a)	34,978	29,324	14,587	51,194	34,359	41,739
Variance in \$	20,391	14,737		9,455	(7,380)	
Variance in %	139.8%	101.0%		22.7%	(17.7%)	
% of revenues	40.3%	33.7%	19.6%	28.1%	18.8%	18.6%
Per share (basic)	2.23	1.87	0.93	3.27	2.19	2.67
Per share (diluted)	2.23	1.87	0.93	3.27	2.19	2.67

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

	13 weeks			39 weeks		
	Sept. 26, 2020	Sept. 26, 2020 (excl. IFRS 16)	Sept. 28, 2019	Sept. 26, 2020	Sept. 26, 2020 (excl. IFRS 16)	Sept. 28, 2019
	\$	\$	\$	\$	\$	\$
Adjusted EBITDA ^(a)	34,978	29,324	14,587	51,194	34,359	41,739
Income from investments in joint ventures and associates	(905)	(929)	(459)	(1,218)	(1,311)	(1,517)
EBITDA from investments in joint ventures and associates	1,619	1,414	788	3,000	2,323	2,682
EBITDA attributed to non-controlling interest	(950)	(820)	(487)	(1,650)	(1,266)	(1,324)
Adjusted EBITDA attributed to shareholders^(a)	34,742	28,989	14,429	51,326	34,105	41,580

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

TABLE E

NEW LOOK VISION GROUP INC.
Reconciliation of Net Earnings Attributed to Shareholders to Adjusted Net Earnings Attributed to Shareholders
for the periods ended September 26, 2020 and September 28, 2019

In thousands of Canadian dollars, except per share amounts

	13 weeks			39 weeks		
	Sept. 26, 2020	Sept. 26, 2020 (excl. IFRS 16)	Sept. 28, 2019	Sept. 26, 2020	Sept. 26, 2020 (excl. IFRS 16)	Sept. 28, 2019
	\$	\$	\$	\$	\$	\$
Net earnings attributed to shareholders	14,306	14,852	4,825	1,609	3,209	13,715
Amortization of acquired intangibles	1,834	1,834	1,651	5,270	5,270	4,912
Acquisition-related costs	278	278	353	1,138	1,138	1,100
Equity-based compensation	128	128	126	400	400	609
Other non-comparable items	228	228	678	1,346	1,346	(276)
Related income taxes	(599)	(599)	(706)	(1,860)	(1,860)	(1,845)
Adjusted net earnings attributed to shareholders^(a)	16,175	16,721	6,927	7,903	9,503	18,215
Variance in \$	9,248	9,794		(10,312)	(8,712)	
Variance in %	133.5%	141.4%		(56.6%)	(47.8%)	
% of revenues	18.6%	19.2%	9.3%	4.3%	5.2%	8.1%
Per share amount						
Basic	1.03	1.07	0.44	0.50	0.61	1.17
Diluted	1.03	1.07	0.44	0.50	0.61	1.17

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

NEW LOOK VISION GROUP INC.
Reconciliation of Free Cash Flow and Adjusted Cash Flows Related to Operating Activities
for the periods ended September 26, 2020 and September 28, 2019

In thousands of Canadian dollars, except per share amounts

	13 weeks			39 weeks		
	Sept. 26, 2020	Sept. 26, 2020 (excl. IFRS 16)	Sept. 28, 2019	Sept. 26, 2020	Sept. 26, 2020 (excl. IFRS 16)	Sept. 28, 2019
	\$	\$	\$	\$	\$	\$
Earnings before income taxes	19,473	20,229	7,218	2,350	4,602	19,683
Adjustments:						
Depreciation, amortization and loss on disposal	10,058	5,113	4,478	29,343	14,655	13,342
Equity-based compensation	128	128	126	400	400	609
Financial expenses	4,952	3,487	1,881	17,025	12,626	7,577
Interest revenue	(139)	(139)	(131)	(408)	(408)	(292)
Other	62	62	(123)	(952)	(952)	(208)
Income from investments in joint ventures and associates	(905)	(929)	(459)	(1,218)	(1,311)	(1,517)
Income taxes received (paid)	(376)	(376)	(1,103)	(1,460)	(1,460)	(3,848)
Cash flows related to operating activities, before changes in working capital items	33,253	27,575	11,887	45,080	28,152	35,346
Changes in working capital items	1,249	904	1,585	8,404	13,244	918
Cash flows related to operating activities	34,502	28,479	13,472	53,484	41,396	36,264

Free cash flow

	13 weeks			39 weeks		
	Sept. 26, 2020	Sept. 26, 2020 (excl. IFRS 16)	Sept. 28, 2019	Sept. 26, 2020	Sept. 26, 2020 (excl. IFRS 16)	Sept. 28, 2019
	\$	\$	\$	\$	\$	\$
Cash flows related to operating activities	34,502	28,479	13,472	53,484	41,396	36,264
Acquisitions of property, plant and equipment	(2,642)	(2,642)	(2,343)	(7,236)	(7,236)	(6,336)
Free cash flow^(a)	31,860	25,837	11,129	46,248	34,160	29,928

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

Adjusted cash flows related to operating activities

	13 weeks			39 weeks		
	September 26, 2020	September 26, 2020 (excl. IFRS 16)	September 28, 2019	September 26, 2020	September 26, 2020 (excl. IFRS 16)	September 28, 2019
	\$	\$	\$	\$	\$	\$
Cash flows related to operating activities	34,502	28,479	13,472	53,484	41,396	36,264
Income taxes paid	376	376	1,103	1,460	1,460	3,848
Changes in working capital items	(1,249)	(904)	(1,585)	(8,404)	(13,244)	(918)
Acquisition-related costs	278	278	353	1,138	1,138	1,100
Other non-comparable items	228	228	678	1,346	1,346	(276)
Adjusted cash flows related to operating activities^(a)	34,135	28,457	14,021	49,024	32,096	40,018

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