



fielmann
group

FINANCIAL REPORT
AS AT 30 JUNE 2023

Fielmann Group AG: Financial report as at 30 June 2023

Dear Shareholders, dear Friends of the Company,

In the first half of 2023 the Fielmann Group increased its unit sales, sales and profits over last year, in line with our expectations. In an environment of low consumer confidence and rising interest rates, customers look for providers that offer guaranteed quality and excellent service at the best prices. In optical and acoustic retail this is the Fielmann Group. In June, we announced a major milestone in the internationalisation of our family business: we are expanding to the United States of America by means of two complimentary acquisitions.

Market Environment

Across our major markets in Europe, economic activity stagnated in the first quarter of 2023, driven by a drop in domestic demand. It improved moderately in the second quarter. Real GDP growth in the European Union was flat in the first quarter of 2023. For the second quarter of 2023, preliminary data suggest a slight improvement. While inflation levels continue to fall across Europe, they remain high. In our largest market, Germany, inflation increased by 6.4% in June. Consumer confidence levels are recovering but remain at very low levels. In this environment the Fielmann Group benefits from its position as price leader. We expect to strengthen and extend our market shares in major markets.

Report on financial performance, cash flows and financial position

Units sold and sales revenue

Fielmann sold 4.4 million glasses in the first six months (previous year: 4.2 million). The Fielmann Group's external sales incl. VAT and changes in inventories rose in the same period to € 1.13 billion (previous year: € 993.9 million), while consolidated sales climbed to € 970.9 million (previous year: € 854.5 million).

Unit sales in the second quarter rose to 2.2 million. Over the same period, external sales grew to € 573.2 million and consolidated sales rose to € 493.2 million.

Earnings and investments

In the first half of the year, earnings before interest, taxes, depreciation and amortisation (EBITDA) increased significantly to € 208.2 million (previous

year: €171.4 million). Earnings before taxes (EBT) rose to €108.1 million (previous year: €89.1 million) and net income increased to €74.6 million (previous year: €60.9 million).

In the months from April to June, the Fielmann Group's EBITDA rose to €102.7 million (previous year: €81.9 million), earnings before taxes reached €49.8 million (previous year: €39.4 million) and net income stood at €34.3 million (previous year: €27.0 million).

Business

In line with its Vision 2025, the Fielmann Group is successfully digitalising and internationalising its business model. The further development and rollout of our omnichannel platform led to a rise in e-commerce sales of 28.1% in the first half of 2023 compared with the previous year. After piloting our own measuring technology for prescription glasses in Austria during the first quarter of 2023, Fielmann has launched the innovative service in Germany in the second quarter of 2023. The planned rollout of the new omnichannel platform in all major Fielmann markets promises further growth of our digital sales channels.

Overall, consolidated sales in Germany increased in the first half of 2023 by 10.5% compared to the previous year. Our international markets outperformed, once again, and grew by 21.5% over the same period. On a comparable basis, without the acquisition of Medical Óptica Audición in Spain, our international markets grew by 14.3%. Business performance in the Czech Republic, Italy, Poland and Spain was particularly positive.

Acquisitions of Befitting and SVS Vision (USA)

On 7 June 2023 the Fielmann Group announced its expansion to the United States of America by means of two complimentary acquisitions: we agreed to acquire 100% of the shares in SVS Vision, based in Detroit, MI, USA. SVS Vision operates more than 80 stores in nine US states. The market-leading optical retailer in Michigan generated sales of over US\$100 million in 2022. On the same day, the Fielmann Group also announced that it had agreed to purchase 100% of shares in Eyevious Style, Inc. This company runs the e-commerce platform Befitting. While the acquisition of Eyevious Style, Inc., was completed on 7 June, the acquisition of the optical retailer SVS Vision is proceeding. Regulatory approval is expected in the next few weeks and the transaction will close shortly thereafter. Together with the acquisition of

the online eyewear retailer Befitting, these acquisitions constitute an important milestone in the internationalisation we pursuing with our Vision 2025 growth strategy.

Earnings per share

Earnings per share stand at €0.85 (previous year: €0.69). There were no circumstances which could have diluted earnings per share during the period under review or comparable periods.

Earnings per share

in €000s	30 June 2023	30 June 2022
Earnings before taxes	108,108	89,062
Taxes on income and earnings	-33,514	-28,119
Consolidated net income for the period	74,594	60,943
Income attributable to minority interests	-2,982	-2,988
Profits attributable to parent company shareholders	71,612	57,955
Number of shares in '000 units	84,000	84,000
Own shares in '000 units	-17	-13
Number of shares in '000 units	83,983	83,987
Earnings per share in €	0.85	0.69

Dividend per share

Fielmann is maintaining its long-standing shareholder-friendly dividend policy. The Annual General Meeting of 13 July 2023 accepted the proposal made by the Management Board and the Supervisory Board. Considering the company's positive development in the 2022 financial year and the strong international expansion, a dividend payout of €0.75 per share was approved and paid on 18 July. This corresponds to a total dividend payout from our cash flow of €63.0 million and payout ratio of 60.3%.

Employees

Fielmann is one of the largest employers and training providers in Europe's optical industry, with 22,222 employees as at 30 June (previous year: 21,597), of whom 3,681 are apprentices (previous year: 3,746).

Information on the Supervisory Board and Management Board

Hans-Joachim Oltersdorf has decided to resign from the Supervisory Board of the Fielmann Group AG, effective as of 31 December 2023. As part of a succession plan, it is planned that the Fielmann Group's long-standing CFO, Georg Alexander Zeiss, is going to take his place on the Supervisory Board.

At its meeting on 13 July, the Supervisory Board appointed Steffen Baetjer as Member of the Management Board with responsibility for Controlling, effective as of 15 August 2023. Effective as of Q1/2024, Georg Alexander Zeiss will hand over his responsibilities for Finance, Legal and Compliance to Steffen Baetjer.

Forecast, opportunities and risk report

The statements provided in the Annual Report 2022 on the opportunities and risks of the business model remain unchanged.

Fielmann Group confirms FY2023 outlook

In a challenging environment, the Fielmann Group is developing favourably as customers opt for the price leader. Considering the strong performance in our existing European markets, we are confirming our outlook. Once the closing date of our US acquisition has been set, we are going to update our prognosis for the full year. While SVS Vision will contribute to Fielmann Group sales immediately after the closing, we expect that due to the acquisition costs of several million euros, the US business contribution to Group EBITDA will be negligible in 2023 but significantly improve in 2024. Looking forward, we are optimistic that our Vision 2025 investments will continue to drive our topline growth while our Cost Leadership Program puts us on track to reach the EBITDA margin as communicated in our Vision 2025 plan.

Affirmation

We affirm that to the best of our knowledge the interim consolidated accounts prepared in accordance with the applicable accounting regulations convey a view of the Fielmann Group's financial position, cash flows and financial performance that is true and fair and that business development including business results and the position of the Group are presented in the interim Management Report for the Group in such a way as to provide a true and fair view as well as to portray the opportunities and risks inherent in the future development of the Group accurately.

There was no review or full audit of the interim report corresponding to the year-end audit.

Hamburg, 24 August 2023 Fielmann Group AG
The Management Board

Explanatory notes on the financial result as at 30 June 2023

The figures for the previous year are indicated in parentheses:

in € 000s	Expenses		Income		Balance	
Result from liquid funds and financial assets	-258	(-495)	465	(219)	207	(-276)
Result from other on-balance sheet transactions	-7,450	(-3,134)	152	(4,749)	-7,298	(1,615)
Interest result	-7,708	(-3,629)	617	(4,968)	-7,091	(1,339)
Result from shares in associates	-239	(-196)	0	(0)	-239	(-196)
Financial result	-7,947	(-3,825)	617	(4,968)	-7,330	(1,143)

Explanatory notes on the segment report

The Fielmann Group reports on the basis of geographical regions in which the company delivers products and services to customers, consistent with its internal reporting.

Information on related parties (IAS 24)

The contractual relations to the related parties described in the 2022 financial report continue in almost unchanged form. All transactions are

made at the customary market prices and conditions, and are of minor importance to Fielmann Group AG.

After six months, the revenues amount to T€ 445 (previous year: T€ 337) and the expenses to T€ 1,594 (previous year: T€ 1,657). The balances have been offset as at the reporting date.

Other information

The holding of 16,798 units of own shares was deducted from the item "Securities" (previous year: 13,202). The book value as at 30 June 2023 is T€ 654 (previous year: T€ 686). The Fielmann shares shown were acquired within the meaning of section 71(1) no. 2 of the German Stock Corporation Act (AktG), in order to offer them to staff of Fielmann Group AG or its affiliated companies as employee shares.

Significant events after 30 June 2023

At the time of preparing the present report, there had been no significant events after the end of the second quarter which could have an effect on the financial position, cash flows and financial performance of Fielmann Group AG and the Fielmann Group.

Explanatory notes on the cash flow statement

Cash and cash equivalents totaling € 103.1 million (previous year: € 159.4 million) include liquid funds as well as capital investments with a residual maturity of up to three months. Changes relate to the deferral of maturities.

Accounting and valuation principles

The same accounting and valuation policies apply to the interim report of 30 June 2023 as to the annual financial statement of 31 December 2022, which was compiled according to International Financial Reporting Standards (IFRS and IAS). The result for the comparative period takes into account the actual tax ratio of the financial year 2022.

Income attributable to minority interests

Income attributable to minority interests amounts to T€ 2,982 (previous year: T€ 2,988) as at 30 June.

Statement of the overall result

For the period from 1 January to 30 June	2023 in € 000s	2022 in € 000s	Change from previous year in %
Consolidated net income for the period	74,594	60,943	22.4
Items which are reclassified under certain conditions and reported in the profit and loss statement			
Earnings from foreign exchange conversion, reported under equity	2,141	3,828	-44.1
Items which will not be reclassified and reported in the profit and loss statement in future			
Valuation of employee benefits in accordance with IAS 19	-296	1,407	-121.0
Other profit/loss after tax	1,845	5,235	-64.8
Overall result	76,439	66,178	15.5
of which attributable to minority interests	2,982	2,988	-0.2
of which attributable to parent company shareholders	73,457	63,190	16.2

Summary of financial assets

in € 000s	30 June 2023	30 June 2022	Change on the previous year in € 000s
Liquid funds	102,846	149,696	-46,850
Financial assets with a specific maturity of up to 3 months	297	9,689	-9,392
Cash and cash equivalents	103,143	159,385	-56,242
Non-current financial assets	8,990	2,023	6,967
Other non-current financial assets	5,441	58,892	-53,451
Financial assets with a specific maturity of more than 3 months	66,489	97,032	-30,543
Financial assets	184,063	317,332	-133,269

The main reasons for the reduction in financial assets at the reporting date are the investments for the acquisition of subsidiaries and increased investment in tangible fixed assets as well as the build-up of inventories.

Financial calendar 2023/2024

Analyst conference	25 August 2023
Interim report	9 November 2023
Preliminary figures for 2023	February 2024
Interim report	26 April 2024
Bloomberg	FIE
Reuters	FIEG.DE
Securities ID number/ISIN	DE0005772206

Further information:

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Segment reporting 1 January to 30 June 2023 The previous year's figures are stated in parentheses.

in €million	Germany	Switzerland	Austria	Spain	Other	Consolidation	Consolidated value
Sales revenues from the segment	727.3 (655.5)	108.3 (98.5)	45.7 (41.2)	85.0 (58.6)	59.5 (47.7)	-54.9 (-47.0)	970.9 (854.5)
Sales revenues from other segments	49.9 (42.6)	0.1 (0.0)	0.1 (0.1)		4.8 (4.3)		
External sales	677.4 (612.9)	108.2 (98.5)	45.6 (41.1)	85.0 (58.6)	54.7 (43.4)		970.9 (854.5)
Cost of materials	178.1 (156.7)	20.3 (19.9)	10.9 (8.9)	30.0 (20.7)	20.6 (18.2)	-47.3 (-40.5)	212.6 (183.9)
Personnel costs	318.2 (279.3)	45.3 (38.7)	19.1 (17.6)	28.6 (18.8)	21.7 (17.6)		432.9 (372.0)
Scheduled depreciation	52.6 (52.9)	9.5 (8.8)	3.9 (3.6)	12.1 (8.7)	15.9 (10.2)		94.0 (84.2)
Expenses in the financial result	5.2 (2.0)	0.6 (0.3)	0.6 (0.2)	1.8 (0.9)	1.2 (0.5)	-1.5 (-0.1)	7.9 (3.8)
Income in the financial result	1.0 (4.9)	0.9 (0.2)			0.2 (0.0)	-1.5 (-0.1)	0.6 (5.0)
Earnings before tax	88.9	21.0	5.6	4.3	-11.7	0.0	108.1
- in segments excl. investment income	(77.9)	(13.9)	(4.8)	(4.8)	(-12.1)	(-0.2)	(89.1)
Taxes on income and earnings	27.1 (24.3)	3.6 (2.1)	1.7 (0.5)	1.1 (1.2)	0.0 (0.1)	0.0 (-0.1)	33.5 (28.1)
Consolidated net income for the period	61.8 (53.6)	17.4 (11.8)	3.9 (4.3)	3.2 (3.6)	-11.7 (-12.2)	0.0 (-0.2)	74.6 (60.9)
Non-current segment assets excluding financial instruments and deferred tax assets	539.4 (555.9)	95.5 (89.8)	42.7 (40.4)	421.6 (328.8)	146.5 (114.2)		1,245.7 (1,129.1)
of which non-current segment assets excluding right-of-use assets	327.0 (323.6)	50.0 (34.4)	14.2 (11.2)	314.6 (251.6)	93.6 (58.8)		799.4 (679.6)
of which right-of-use assets	212.4 (232.3)	45.5 (55.4)	28.5 (29.2)	107.0 (77.2)	52.9 (55.4)		446.3 (449.5)
Additions to non-current segment assets excluding financial instruments and deferred tax assets	36.3 (43.7)	19.4 (3.8)	7.6 (4.7)	12.3 (6.4)	41.9 (17.2)		117.5 (75.8)
of which additions to non-current segment assets excluding right-of-use assets	19.9 (17.8)	18.0 (3.2)	3.7 (1.3)	6.6 (1.9)	37.1 (6.7)		85.3 (30.9)
of which additions to right-of-use assets	16.4 (25.9)	1.4 (0.6)	3.9 (3.4)	5.7 (4.5)	4.8 (10.5)		32.2 (44.9)
Shares in associates	5.5 (4.8)						5.5 (4.8)
Deferred tax assets	14.9 (13.8)	0.1 (0.4)	1.0 (0.4)	0.6 (0.5)	3.0 (1.9)		19.6 (17.0)

Cash flow statement

according to IAS 7 for the period from
1 January to 30 June in € 000s

	2023	2022	Change
Earnings before taxes (EBT)	108,108	89,062	19,046
-/+ Profit shares of associates	239	196	43
+ Interest expenditure from leases recognised in profit or loss	5,806	2,676	3,130
+ Other expenses in the financial result recognised in profit or loss	1,902	953	949
- Income in the financial result recognised in profit or loss	-617	-4,968	4,351
+ Depreciation on tangible assets and intangible assets	43,213	38,055	5,158
+ Depreciation of right-of-use assets	49,561	45,454	4,107
- Taxes on income paid	-38,834	-32,772	-6,062
+/- Other non-cash income/expenditure	-8,681	5,800	-14,481
+/- Increase/decrease in accruals	-2,758	-17,913	15,155
-/+ Profit/loss on disposal of tangible assets, properties kept as financial investments and intangible assets	418	-16	434
-/+ Increase/decrease in inventories, trade debtors and other assets not attributable to investment or financial operations	-39,554	-27,805	-11,749
+/- Increase/decrease in trade creditors and other liabilities not attributable to investment or financial operations	26,450	20,664	5,786
- Interest paid	-448	-857	409
+ Interest received	176	449	-273
= Cash flow from operating activities	144,981	118,978	26,003
Receipts from the disposal of tangible assets	242	460	-218
- Payments for tangible assets	-37,137	-29,933	-7,204
- Payments for intangible assets	-2,308	-954	-1,354
+ Receipts from the disposal of financial assets	46	23	23
- Payments for financial assets	-4	0	-4
- Payments for the acquisition of subsidiaries	-37,248	0	-37,248
+ Receipts from the disposal of securities and other investments	42,965	21,459	21,506
- Payments for the acquisition of securities and other investments	0	-71,720	71,720
= Cash flow from investment activities	-33,444	-80,665	47,221
- Payments to non-controlling shareholders	-3,811	-5,815	2,004
+/- Sale/Acquisition of own shares	-654	-707	53
+ Receipts from loans raised	200	69	131
- Repayment of loans	-49	-99	50
- Payments for liabilities from leases	-52,362	-47,068	-5,294
- Payments for the acquisition of additional shares in subsidiaries	-3,043	-894	-2,149
= Cash flow from financing activities	-59,719	-54,514	-5,205
Changes in cash and equivalents	51,818	-16,201	68,019
+/- Changes in cash and equivalents due to exchange rates	76	697	-621
+ Cash and equivalents at the beginning of the period	51,249	174,889	-123,640
= Cash and equivalents at the end of the period	103,143	159,385	-56,242

Consolidated equity of the parent company's shareholders

in €000s	Other reserves							Total	Total	Non-controlling interests	Equity
	Subscribed capital	Capital reserves	Retained earnings	Currency translation reserves	Valuation reserves IAS 19	Reserves for own shares	Reserves for share-based remuneration				
Position as at 1 January 2023	84,000	92,652	597,183	30,116	-1,654	-56	1,975	30,381	804,216	52,080	856,296
Consolidated net income for the period			71,612						71,612	2,982	74,594
Other comprehensive income				2,141	-296			1,845	1,845		1,845
Overall result			71,612	2,141	-296			1,845	73,457	2,982	76,439
Dividends/profit shares ¹										-4,790	-4,790
Share-based remuneration								-1	-1		-1
Own shares						-654		-654	-654		-654
Other changes			42						42	-112	-70
Acquisition of subsidiaries			-4,217						-4,217	1,226	-2,991
Acquisition of non-controlling interests			-100						-100		-100
Position as at 30 June 2023	84,000	92,652	664,520	32,257	-1,950	-710	1,974	31,571	872,743	51,386	924,129

Consolidated equity of the parent company's shareholders

in €000s	Other reserves							Total	Total	Non-controlling interests	Equity
	Subscribed capital	Capital reserves	Retained earnings	Currency translation reserves	Valuation reserves IAS 19	Reserves for own shares	Reserves for share-based remuneration				
Position as at 1 January 2022	84,000	92,652	620,003	24,001	-2,924	0	2,097	23,174	819,829	52,962	872,791
Consolidated net income for the period			59,355						59,355	2,988	62,343
Other comprehensive income				3,828	1,407			5,235	5,235		5,235
Overall result			59,355	3,828	1,407			5,235	64,590	2,988	67,578
Dividends/profit shares ¹										-4,824	-4,824
Share-based remuneration											0
Own shares						-707		-707	-707		-707
Other changes										44	44
Acquisition of non-controlling interests			-231						-231		-231
Position as at 30 June 2022	84,000	92,652	679,127	27,829	-1,517	-707	2,097	27,702	883,481	51,170	934,651

¹ Dividends paid and share of profit allocated to other shareholders

Consolidated profit and loss account

For the period from 1 April to 30 June	2nd quarter 2023 in €000s	2nd quarter 2022 in €000s	Change from pre- vious year in %
1. Consolidated sales	493,211	440,119	12.1
2. Changes in inventories	3,381	1,401	141.3
Total consolidated sales	496,592	441,520	12.5
3. Other operating income	2,496	1,640	52.2
4. Cost of materials	-112,963	-98,371	14.8
5. Personnel costs	-212,830	-186,135	14.3
6. Other operating expenses	-70,610	-76,779	-8.0
7. Result before interest, taxes and depreciation	102,685	81,875	25.4
8. Depreciation of right-of-use assets	-25,777	-22,771	13.2
9. Other depreciation	-23,141	-19,064	21.4
10. Interest expenditure from leases	-3,045	-1,430	112.9
11. Other expenses in the financial result	-1,528	-727	110.2
12. Income in the financial result	557	1,530	-63.6
13. Earnings before taxes	49,751	39,413	26.2
14. Taxes on income and earnings	-15,424	-12,444	23.9
15. Net income for the quarter	34,327	26,969	27.3
16. Income attributable to minority interests	-1,940	-1,671	16.1
17. Profits attributable to parent company shareholders	32,387	25,298	28.0
Earnings per share in € (basic)	0.39	0.30	

Consolidated profit and loss account

For the period from 1 January to 30 June	2023 in €000s	2024 in €000s	Change from pre- vious year in %
1. Consolidated sales	970,910	854,545	13.6
2. Changes in inventories	9,404	8,790	7.0
Total consolidated sales	980,314	863,335	13.5
3. Other operating income	6,790	6,747	0.6
4. Cost of materials	-212,558	-183,895	15.6
5. Personnel costs	-432,873	-371,966	16.4
6. Other operating expenses	-133,461	-142,793	-6.5
7. Result before interest, taxes and depreciation	208,212	171,428	21.5
8. Depreciation of right-of-use assets	-49,561	-45,454	9.0
9. Other depreciation	-43,213	-38,055	13.6
10. Interest expenditure from leases	-5,806	-2,676	117.0
11. Other expenses in the financial result	-2,141	-1,149	86.3
12. Income in the financial result	617	4,968	-87.6
13. Earnings before taxes	108,108	89,062	21.4
14. Taxes on income and earnings	-33,514	-28,119	19.2
15. Net income for the period	74,594	60,943	22.4
16. Income attributable to minority interests	-2,982	-2,988	-0.2
17. Profits attributable to parent company shareholders	71,612	57,955	23.6
Earnings per share in € (basic)	0.85	0.69	

Consolidated balance sheet

Assets	Position as at 30 June 2023 in € 000s	Position as at 31 December 2022 in € 000s
A. Non-current fixed assets		
I. Intangible assets	183,207	168,247
II. Goodwill	236,048	216,734
III. Tangible assets	368,779	360,754
IV. Investment property	11,383	11,584
V. Right-of-use assets	446,267	467,314
VI. Shares in associates	5,471	5,711
VII. Other financial assets	8,990	9,032
VIII. Deferred tax assets	19,605	19,278
IX. Other financial assets	5,441	16,588
X. Receivables from leases	214	212
	1,285,405	1,275,454
B. Current assets		
I. Inventories	209,591	183,246
II. Trade receivables	51,461	44,292
III. Other financial assets	64,415	55,932
IV. Non-financial assets	36,852	45,518
V. Tax assets	10,706	11,091
VI. Financial assets	66,489	98,618
VII. Cash and cash equivalents	103,143	51,249
	542,657	489,946
	1,828,062	1,765,400
Liabilities		
A. Equity		
I. Subscribed capital	84,000	84,000
II. Capital reserves	92,652	92,652
III. Retained earnings	664,520	597,183
IV. Other reserves	31,571	30,381
Consolidated equity of the parent company's shareholders	872,743	804,216
V. Non-controlling interests	51,386	52,080
	924,129	856,296
B. Non-current liabilities		
I. Accruals	26,024	25,410
II. Financial liabilities	64,217	61,012
III. Deferred tax liabilities	41,714	37,697
IV. Liabilities from leases	354,679	383,962
	486,634	508,081
C. Current liabilities		
I. Accruals	70,335	70,005
II. Financial liabilities	1,717	24,612
III. Liabilities from leases	107,541	96,489
IV. Trade creditors	104,041	85,248
V. Other financial liabilities	34,870	33,628
VI. Non-financial liabilities	86,110	75,423
VII. Income tax liabilities	12,685	15,618
	417,299	401,023
	1,828,062	1,765,400