

under the Franchise Agreement if you default under any of those other agreements you have with us, our Parents, or our affiliates.

(2) We have the right to purchase the proprietary assets of the EyeCare Center. In some cases we may, but we are not obligated to, purchase the non-proprietary assets of the EyeCare Center as provided in the Franchise Agreement.

If a state law requires any modification to these provisions of the Franchise Agreement or Development Agreement (or other provisions described in this Item 17) or requires additional terms, those modifications will be found in the State Addenda (attached to the franchise disclosure document) and/or State Addenda to the Franchise Agreement (attached to the Franchise Agreement). As noted above, you should refer to any state-specific addenda attached to this franchise disclosure document for exceptions to this Item 17.

The Franchise Agreement and Development Agreement provide for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C.A. Sections 101 *et. seq.*).

Item 18 PUBLIC FIGURES

As noted in Item 1, Stanley Pearle, O.D., was the founder of Pearle Vision, and his name and physical appearance are known to many members of the public. Unfortunately, Dr. Pearle passed away in October 2011. However, we continue to use his name and image in promoting the Pearle Vision brand name and the sale of our franchises and honor his consulting agreement. Dr. Pearle no longer has any ownership interest in us, and waived all claims to additional compensation (beyond his consulting fees) regarding the use of his name and image. All use of his name and likeness are subject to brand approval.

Item 19 FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in this Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

Tables 1-3 below are based on unaudited balance sheets and statements of operations/income statements and monthly reports (“**MFRs**”) submitted to us by current franchisees using our full service operating model. That is the same type of franchise as is being offered to you. We are not offering any other type of franchise. The full service operating model includes an integrated supply chain and point-of-sale system that includes Frame Board Management, Lab Service Management, Lens Management and financial reporting. It allows franchisees to simplify the retail side of their business, leverage centralized purchasing power and focus on caring for patients. The unaudited balance sheets and statements of operations/income statements on which Tables 1-3 are based are referred to in this Item 19 as the “Full Service Operating Model Unaudited Financial Statements.”

For 2024, we have included information for 366 EyeCare Centers using our full service operating platform. No Company-Owned EyeCare Centers are included. These EyeCare Centers have at least one year of operating results and have submitted Full Service Operating Model Unaudited Financial Statements and MFRs for the last fiscal year. Other EyeCare Centers were not included in this information because they: (a) are not using the full service operating platform (22), (b) have less than 1 year of operating results

(4), (c) did not submit their fourth quarter operating results in a timely manner (8), (d) do not have four quarters of operating results submitted from Q4 2023 through Q2 2024 (35), or (e) are located in Canada (14).

We may review the Full Service Operating Model Unaudited Financial Statements and MFRs periodically and we believe the Full Service Operating Model Unaudited Financial Statements accurately reflect the operations at such EyeCare Centers. All monetary amounts are in thousands (000s).

The EyeCare Centers reported in Tables 1A and 1B are owned by an optometrist or ophthalmologist.

Table 1A – Summary of Table 1B

	ALL REPORTING OD OWNER EYECARE CENTERS					
	Average	Median	1ST QUARTILE	2ND QUARTILE	3RD QUARTILE	4TH QUARTILE
Number of Stores Reporting	161	161	43	41	42	35
REVENUE						
Net Retail Revenue	\$1,047	\$919	\$1,774	\$1,089	\$750	\$461
Net Exam Revenue	\$382	\$295	\$708	\$348	\$249	\$179
Net Total Revenue	\$1,429	\$1,213	\$2,482	\$1,437	\$1,000	\$639
Cost of Goods Sold (\$)	\$400	\$361	\$685	\$416	\$283	\$169
Cost of Goods Sold (%)	28.0%	29.7%	27.6%	28.9%	28.4%	26.4%
Gross Margin (\$)	\$1,029	\$853	\$1,797	\$1,022	\$716	\$470
Gross Margin (%)	72.0%	70.3%	72.4%	71.1%	71.6%	73.6%
Retail Dispensing Margin (\$)	\$647	\$558	\$1,089	\$674	\$467	\$291
Retail Dispensing Margin (%)	61.8%	60.7%	61.4%	61.8%	62.2%	63.3%
EXPENSES						
Payroll	\$411	\$316	\$769	\$414	\$232	\$184
Occupancy	\$108	\$101	\$132	\$106	\$103	\$85
Royalty & Advertising	\$148	\$131	\$254	\$156	\$105	\$62
Other Expenses	\$105	\$83	\$165	\$99	\$84	\$62
Total Expenses	\$772	\$630	\$1,320	\$775	\$523	\$393
EBITDA	\$257	\$222	\$477	\$247	\$193	\$77
EBITDA%	18.0%	18.3%	19.2%	17.2%	19.3%	12.1%

Table 1B -- Selected Historical Results
All Reporting OD Owned EyeCare Centers
for Fiscal Year Ended December 31, 2024

ALL REPORTING OD OWNER EYECARE CENTERS						
	Average	1ST QUARTILE	2ND QUARTILE	3RD QUARTILE	4TH QUARTILE	
Number of Stores Reporting	161	43	41	42	35	
RETAIL REVENUE						
Average	\$ 1,047	\$1,774	\$1,089	\$750	\$461	
Stores Above	Qty 65	15	20	22	22	
Average	% 40%	35%	49%	52%	63%	
Median	\$ 919	\$1,643	\$1,063	\$754	\$504	
Range	Highest \$3,432	\$3,432	\$1,307	\$919	\$645	
	Lowest \$112	\$1,263	\$878	\$597	\$112	
EXAM REVENUE						
Average	\$ 382	\$708	\$348	\$249	\$179	
Stores Above	Qty 60	20	17	18	14	
Average	% 37%	47%	41%	43%	40%	
Median	\$ 295	\$669	\$318	\$194	\$161	
Range	Highest \$1,946	\$1,946	\$790	\$782	\$482	
	Lowest \$0	\$0	\$0	\$0	\$0	
TOTAL REVENUE						
Average	\$ 1,429	\$2,482	\$1,437	\$1,000	\$639	
Stores Above	Qty 63	15	18	17	22	
Average	% 39%	35%	44%	40%	63%	
Median	\$ 1,213	\$2,312	\$1,381	\$948	\$664	
Range	Highest \$5,377	\$5,377	\$2,054	\$1,665	\$1,055	
	Lowest \$205	\$1,483	\$1,025	\$664	\$205	
COST OF GOODS SOLD AND MARGINS						
Cost of Goods Sold	Average \$ 400	\$685	\$416	\$283	\$169	
	Average % 28.0%	27.6%	28.9%	28.4%	26.4%	
	Median \$ 361	\$641	\$404	\$279	\$177	
Gross Margin	Average \$ 1,029	\$1,797	\$1,022	\$716	\$470	
	Average % 72.0%	72.4%	71.1%	71.6%	73.6%	
	Median \$ 853	\$1,671	\$976	\$669	\$487	
Dispensing Margin	Average \$ 647	\$1,089	\$674	\$467	\$291	
	Average % 61.8%	61.4%	61.8%	62.2%	63.3%	
	Median \$ 558	\$1,003	\$659	\$475	\$327	
EXPENSES						
Payroll	Average \$ 411	\$769	\$414	\$232	\$184	
	Average % 28.8%	31.0%	28.8%	23.2%	28.7%	
	Median \$ 316	\$689	\$406	\$208	\$185	
Occupancy	Average \$ 108	\$132	\$106	\$103	\$85	
	Average % 7.5%	5.3%	7.3%	10.3%	13.3%	
	Median \$ 101	\$121	\$98	\$96	\$80	
Royalty & Advertising	Average \$ 148	\$254	\$156	\$105	\$62	
	Average % 10.4%	10.2%	10.9%	10.5%	9.8%	
	Median \$ 131	\$242	\$152	\$111	\$68	
Other Expenses	Average \$ 105	\$165	\$99	\$84	\$62	
	Average % 7.3%	6.6%	6.9%	8.4%	9.7%	
	Median \$ 83	\$173	\$102	\$61	\$58	
INCOME						
EBITDA	Average \$ 257	\$477	\$247	\$193	\$77	
	Average % 18.0%	19.2%	17.2%	19.3%	12.1%	
	Median \$ 222	\$447	\$218	\$193	\$96	

The EyeCare Centers reported in Tables 2A and 2B are owned by an optician or investor who subleases space to an optometrist or ophthalmologist.

Table 2A – Summary of Table 2B

	ALL REPORTING SUBLEASE EYECARE CENTERS					
	Average	Median	1ST QUARTILE	2ND QUARTILE	3RD QUARTILE	4TH QUARTILE
Number of Stores Reporting	68	68	17	14	16	21
REVENUE						
Net Retail Revenue	\$971	\$815	\$1,797	\$1,088	\$733	\$407
Net Exam Revenue	\$0	\$0	\$0	\$0	\$0	\$9
Net Total Revenue	\$971	\$815	\$1,797	\$1,088	\$733	\$416
Cost of Goods Sold (\$)	\$348	\$282	\$660	\$377	\$262	\$143
Cost of Goods Sold (%)	35.9%	34.5%	36.7%	34.7%	35.8%	34.3%
Gross Margin (\$)	\$626	\$534	\$1,137	\$711	\$471	\$273
Gross Margin (%)	64.4%	65.5%	63.3%	65.3%	64.2%	65.7%
Retail Dispensing Margin (\$)	\$623	\$534	\$1,137	\$711	\$471	\$264
Retail Dispensing Margin (%)	64.1%	65.5%	63.3%	65.3%	64.2%	64.9%
EXPENSES						
Payroll	\$229	\$185	\$395	\$263	\$189	\$102
Occupancy	\$93	\$96	\$92	\$93	\$88	\$98
Royalty & Advertising	\$142	\$115	\$264	\$157	\$109	\$58
Other Expenses	\$58	\$48	\$83	\$86	\$36	\$35
Total Expenses	\$521	\$443	\$834	\$598	\$422	\$293
EBITDA	\$104	\$90	\$303	\$113	\$49	(\$20)
EBITDA%	10.7%	11.1%	16.9%	10.4%	6.7%	-4.8%

Table 2B -- Selected Historical Results
All Reporting Non-OD Subleased EyeCare Centers
for Fiscal Year Ended December 31, 2024

ALL REPORTING SUBLICENSE EYECARE CENTERS						
	Average	1ST QUARTILE	2ND QUARTILE	3RD QUARTILE	4TH QUARTILE	
Number of Stores Reporting	68	17	14	16	21	
RETAIL REVENUE						
Average	\$ 971	\$1,797	\$1,088	\$733	\$407	
Stores Above Average	Qty 28	8	6	6	11	
	% 41%	47%	43%	38%	52%	
Median	\$ 815	\$1,766	\$1,027	\$719	\$423	
Range	Highest \$2,763	\$2,763	\$1,298	\$889	\$703	
	Lowest \$133	\$1,294	\$873	\$633	\$133	
EXAM REVENUE						
Average	\$ 3	\$0	\$0	\$0	\$0	\$9
Stores Above Average	Qty 1	0	0	0	1	
	% 1%	0%	0%	0%	5%	
Median	\$ 0	\$0	\$0	\$0	\$0	
Range	Highest \$188	\$0	\$0	\$0	\$188	
	Lowest \$0	\$0	\$0	\$0	\$0	
TOTAL REVENUE						
Average	\$ 974	\$1,797	\$1,088	\$733	\$416	
Stores Above Average	Qty 28	8	6	6	12	
	% 41%	47%	43%	38%	57%	
Median	\$ 815	\$1,766	\$1,027	\$719	\$423	
Range	Highest \$2,763	\$2,763	\$1,298	\$889	\$703	
	Lowest \$133	\$1,294	\$873	\$633	\$133	
COST OF GOODS SOLD AND MARGINS						
Cost of Goods Sold	Average \$ 348	\$660	\$377	\$262	\$143	
	Average % 35.8%	36.7%	34.7%	35.8%	34.3%	
	Median \$ 282	\$626	\$379	\$239	\$147	
Gross Margin	Average \$ 626	\$1,137	\$711	\$471	\$273	
	Average % 64.2%	63.3%	65.3%	64.2%	65.7%	
	Median \$ 534	\$1,140	\$648	\$479	\$277	
Dispensing Margin	Average \$ 623	\$1,137	\$711	\$471	\$264	
	Average % 64.1%	63.3%	65.3%	64.2%	64.9%	
	Median \$ 534	\$1,140	\$648	\$479	\$277	
EXPENSES						
Payroll	Average \$ 229	\$395	\$263	\$189	\$102	
	Average % 23.5%	22.0%	24.1%	25.8%	24.6%	
	Median \$ 185	\$387	\$257	\$177	\$108	
Occupancy	Average \$ 93	\$92	\$93	\$88	\$98	
	Average % 9.6%	5.1%	8.5%	12.0%	23.5%	
	Median \$ 96	\$100	\$106	\$85	\$98	
Royalty & Advertising	Average \$ 142	\$264	\$157	\$109	\$58	
	Average % 14.6%	14.7%	14.4%	14.8%	14.0%	
	Median \$ 115	\$260	\$153	\$108	\$54	
Other Expenses	Average \$ 58	\$83	\$86	\$36	\$35	
	Average % 5.9%	4.6%	7.9%	4.9%	8.4%	
	Median \$ 48	\$92	\$91	\$31	\$23	
INCOME						
EBITDA	Average \$ 104	\$303	\$113	\$49	-\$20	
	Average % 10.7%	16.9%	10.4%	6.7%	-4.8%	
	Median \$ 90	\$301	\$41	\$79	-\$6	

The EyeCare Centers reported in Tables 3A and 3B are owned by an optometrist, ophthalmologist, optician or investor that employs the optometrist or ophthalmologist.

Table 3A – Summary of Table 3B

ALL REPORTING EMPLOYED EYECARE CENTERS						
	Average	Median	1ST QUARTILE	2ND QUARTILE	3RD QUARTILE	4TH QUARTILE
Number of Stores Reporting	137	137	32	37	33	35
REVENUE						
Net Retail Revenue	\$1,014	\$893	\$1,846	\$1,082	\$745	\$434
Net Exam Revenue	\$285	\$233	\$463	\$309	\$239	\$142
Net Total Revenue	\$1,299	\$1,126	\$2,309	\$1,391	\$984	\$576
Cost of Goods Sold (\$)	\$342	\$308	\$633	\$359	\$258	\$137
Cost of Goods Sold (%)	26.3%	27.4%	27.4%	25.8%	26.3%	23.8%
Gross Margin (\$)	\$957	\$817	\$1,676	\$1,033	\$726	\$439
Gross Margin (%)	73.7%	72.6%	72.6%	74.2%	73.7%	76.2%
Retail Dispensing Margin (\$)	\$672	\$585	\$1,213	\$723	\$487	\$297
Retail Dispensing Margin (%)	66.3%	65.5%	65.7%	66.9%	65.3%	68.5%
EXPENSES						
Payroll	\$340	\$260	\$636	\$335	\$282	\$128
Occupancy	\$124	\$110	\$170	\$125	\$122	\$84
Royalty & Advertising	\$147	\$130	\$271	\$158	\$108	\$59
Other Expenses	\$71	\$48	\$116	\$81	\$62	\$28
Total Expenses	\$682	\$548	\$1,194	\$698	\$574	\$298
EBITDA	\$275	\$270	\$482	\$334	\$151	\$140
EBITDA%	21.2%	24.0%	20.9%	24.0%	15.4%	24.4%

Table 3B -- Selected Historical Results
All Reporting Non-OD Employed EyeCare Centers
for Fiscal Year Ended December 31, 2024

ALL REPORTING EMPLOYED EYECARE CENTERS						
	Average		1ST QUARTILE	2ND QUARTILE	3RD QUARTILE	4TH QUARTILE
Number of Stores Reporting	137		32	37	33	35
RETAIL REVENUE						
Average Stores	\$ 1,014		\$1,846	\$1,082	\$745	\$434
Above %	55		11	19	16	19
Median	\$ 893		34%	51%	48%	54%
Range	Highest \$3,453		\$3,453	\$1,324	\$925	\$648
	Lowest \$147		\$1,336	\$782	\$593	\$147
EXAM REVENUE						
Average Stores	\$ 285		\$463	\$309	\$239	\$142
Above %	47		12	16	16	19
Median	\$ 233		38%	43%	48%	54%
Range	Highest \$1,673		\$367	\$295	\$235	\$145
	Lowest \$35		\$159	\$88	\$70	\$35
TOTAL REVENUE						
Average Stores	\$ 1,299		\$2,309	\$1,391	\$984	\$576
Above %	57		12	17	16	20
Median	\$ 1,126		38%	46%	48%	57%
Range	Highest \$5,126		\$2,035	\$1,378	\$980	\$592
	Lowest \$182		\$5,126	\$1,780	\$1,387	\$870
COST OF GOODS SOLD AND MARGINS						
Cost of Goods Sold	Average \$ 342		\$633	\$359	\$258	\$137
	Average % 26.3%		27.4%	25.8%	26.3%	23.8%
	Median \$ 308		\$540	\$345	\$250	\$141
Gross Margin	Average \$ 957		\$1,676	\$1,033	\$726	\$439
	Average % 73.7%		72.6%	74.2%	73.7%	76.2%
	Median \$ 817		\$1,495	\$1,033	\$730	\$450
Dispensing Margin	Average \$ 672		\$1,213	\$723	\$487	\$297
	Average % 66.3%		65.7%	66.9%	65.3%	68.5%
	Median \$ 585		\$1,128	\$738	\$495	\$306
EXPENSES						
Payroll	Average \$ 340		\$636	\$335	\$282	\$128
	Average % 26.1%		27.6%	24.1%	28.7%	22.2%
	Median \$ 260		\$536	\$324	\$279	\$120
Occupancy	Average \$ 124		\$170	\$125	\$122	\$84
	Average % 9.6%		7.4%	9.0%	12.4%	14.6%
	Median \$ 110		\$158	\$113	\$103	\$80
Royalty & Advertising	Average \$ 147		\$271	\$158	\$108	\$59
	Average % 11.3%		11.8%	11.4%	10.9%	10.2%
	Median \$ 130		\$246	\$158	\$111	\$59
Other Expenses	Average \$ 71		\$116	\$81	\$62	\$28
	Average % 5.5%		5.0%	5.8%	6.3%	4.9%
	Median \$ 48		\$104	\$66	\$38	\$28
INCOME						
EBITDA	Average \$ 275		\$482	\$334	\$151	\$140
	Average % 21.2%		20.9%	24.0%	15.4%	24.4%
	Median \$ 270		\$451	\$371	\$199	\$164

1. **“Net Retail Revenue”** means net income from sales of prescription and non-prescription eyeglasses, contact lenses, optical goods and services, after all discounts.
2. **“Net Exam Revenue”** means net income from optometric professionals working in the store or in adjoining premises.
3. **“Net Total Revenue”** means net income from sales of prescription and non-prescription eyeglasses, contact lenses, optical goods and services, after all discounts (“**Net Retail Revenue**”) plus net income from optometric professionals working in the store or in adjoining premises.
4. **“Cost of Goods Sold”** means material cost related to prescription and non-prescription eyeglasses, contact lenses, and optical goods, which includes freight-in, less purchase discounts. Additionally, this category includes non-owner lab labor, outside lab services, and lease/repair of lab equipment.
5. **“Gross Margin”** means Net Total Revenue less Cost of Goods Sold.
6. **“Retail Disp. Margin”** means Net Retail Revenue less Cost of Goods Sold.
7. **“Payroll”** includes salaries, wage, bonuses, and commissions for the owner along with any non-owner OD. The category also includes all other employee salary, wages, bonuses, and commissions. All payroll taxes and benefits were included as well.
8. **“Occupancy”** includes the base and percent rent according to franchisee’s lease arrangement; property taxes; depreciation; repairs and maintenance; utilities; other common area maintenance expenditures. Occupancy charges could be offset by income related to the sub-lease of space.
9. **“Royalty & Advertising Fees”** are 7% of net dispensing sales and national and local advertising fees are 6% and 2% (respectively) of net dispensing sales except for EyeCare Centers developed pursuant to a Development Agreement. We do not collect royalties on Professional Fee Revenues.
10. **“Other Expenses”** represent other store expenses that are not captured in another category. Examples include, but are not limited to, professional services (CPA, legal, payroll services, etc); interest expense; office supplies; travel & entertainment; communications; and store visuals.
11. **“EBITDA”** represents earnings before deductions for interest, taxes, depreciation, and amortization expenses.

We provided the same products, services, training, and support to all of the EyeCare Centers included in Tables 1–3 above that we will provide to you. The EyeCare Centers included offered substantially the same products and services to the public, except that some EyeCare Centers contained a surfacing lab, which enables a Franchisee to produce most eyewear in approximately one hour. We do not require you to be an optometrist in order to obtain a franchise. However, if you are an optometrist or operate in a state that allows a layperson to employ an optometrist, you will earn professional fee revenues in addition to Net Retail Sales, which may affect your Owner Income.

Some outlets have earned these amounts. Your individual results may differ. There is no assurance that you will earn as much.

We encourage you to review this material with your attorney or accountant. Written substantiation for the financial performance representation will be made available to you upon reasonable request. We do not provide any historical operating data for our company-operated EyeCare Centers.

Except for the information in this Item 19, we do not make any representations about a Franchisee's future financial performance or the past financial performance of Pearle Vision EyeCare Centers. We also do not authorize our employees or representatives to make any representations either orally or in writing, except as contained in this Item 19. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting [Amanda Green](#), Head of Legal, Franchise, EssilorLuxottica, 23824 Highway 59 North, Kingwood, Texas 77339, telephone number (281) 318-7828, Email agreen@visionsource.com; the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20 **OUTLETS AND FRANCHISEE INFORMATION**

For purposes of this Item 20, "**Franchised**" represents all EyeCare Centers and "**Company-Owned**" represents all Company EyeCare Centers.

Table No. 1
System-wide Outlet Summary
for Years 2022 through 2024

Column 1	Column 2	Column 3	Column 4	Column 5
Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchise Owned	2022	447	452	5
	2023	452	445	-7
	2024	445	441	-4
Company Owned	2022	59	62	3
	2023	62	61	-1
	2024	61	59	-2
Total Outlets	2022	506	514	8
	2023	514	506	-8
	2024	506	500	-6