



MISTER SPEX

Q3 2022

Results Presentation

10 November 2022



Agenda of today

- 01** Executive summary
- 02** Strategic Update – Lean 4 Leverage
- 03** Q3/9M 2022 Financial Performance
- 04** Q&A



Strong growth of 18% in demanding environment



Resilient growth +18% in Q3 2022

+16% in Prescription glasses
+36% in Sunglasses (+40% in Prescription sunglasses)

Market outperformance

Market declined by
c. -11%¹



Execution of **Lean 4 Leverage** progressing well

All levers are on track

Impacts already visible in
Q3



High accessible liquidity² of 144mEUR

Active liquidity management

Benefiting from current
market environment



1. Based on GfK data for sunglasses, frames and prescription lenses in sales value (%). On the date of publishing only July and August data available.

2. Cash, cash equivalents and other financial assets (including 70mEUR in term deposits and 24mEUR in money market funds)

Selected and careful adjustments to drive profitability and growth

Europe's leading
digitally-driven
omnichannel optician

Lean for Leverage (L4L)

Europe's leading digitally-driven
omnichannel optician ...
with **positive free cash flow**

Before

Q3 2022

Q4 2022

Q1 2023

Q3 2023

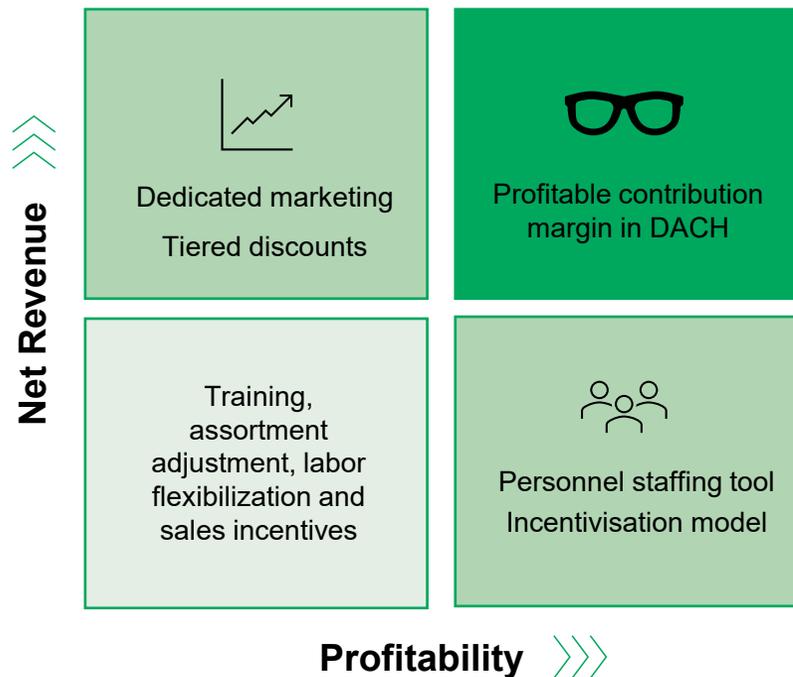
onwards...

- 01** Concentrate on the core
- 02** Optimise price, mix and product margin
- 03** Lean for operational leverage

Lean 4 Leverage

“Concentrate on the core”

DACH omnichannel and Retail productivity



Data-driven customer experience

Capturing consumer data for more effective and relevant targeting

Customer data
~2m active customers



Drive conversion and reduce returns by recommending the perfectly fitting frame for every face

A/B testing shows >20% increase in conversion



Lean 4 Leverage

“Optimise price, mix and product margin”

Marketing spend effectiveness

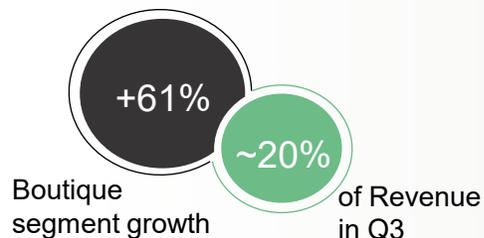
Allocating marketing budget to the **most efficient channels** – ie performance marketing

Cost per Visit **-7%** in Q3
-235bps in marketing spent for the quarter

Prescription glasses, private label, boutique

+200 new SKUs own brand prescription glasses

Expand very profitable **Boutique assortment**



Price increases and reduced discounts

Reduce:

 **Voucher discounts** and **combination discounts**

Instead:

 **Targeted campaigns** and **price increase** across categories



Lean 4 Leverage

“Lean for operational leverage”

Personnel cost management

Strategic reorganization in HQ has been completed

Headcount on the level of **August 2021** for HQ

Close management of other costs

Paused or delaying non strategically relevant projects

Upgrading functionally driven company to a **matrix-based structure** + monthly tracking of overhead costs



Key financial highlights

Strong result in a challenging environment



Net Revenue

€ 58m

Q3 21: € 49m

Robust net revenue performance in Q3, supported by +5% growth in number of visits QoQ¹



Gross profit

47.1%

Q3 21: 46.0%

Strong and expanding gross margin, supported by favorable product mix and growing boutique share



Guidance

Confirmed

Winning market share in a difficult environment



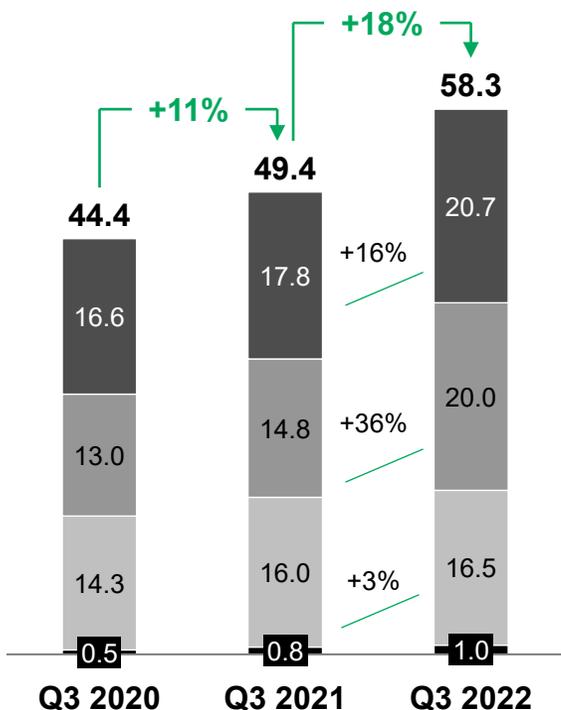
1. Stores: LFL 2019 and earlier

Net revenue development

Growth driven by sunglasses and prescription glasses

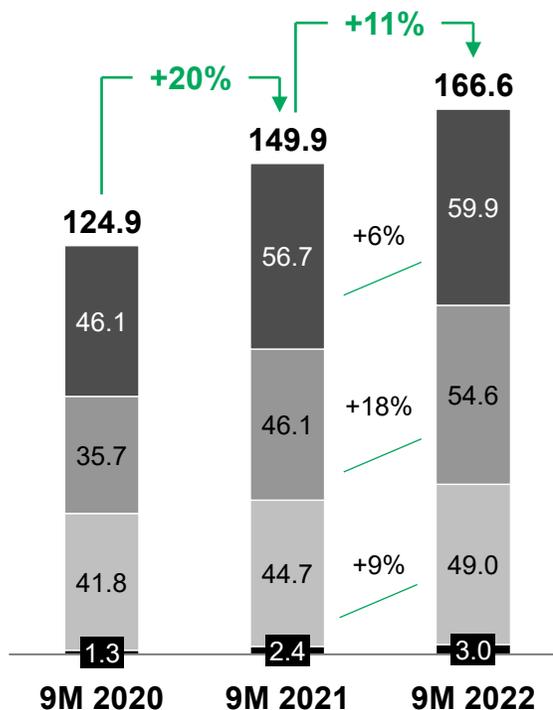
Q3 Net Revenue

EURm



9M Net Revenue

EURm



■ Prescription glasses ■ Sunglasses ■ Contact lenses ■ Miscellaneous Services

Q3

Strong growth in prescription glasses from **returning customers buying online**

Robust **QoQ growth of 12%** in prescription glasses

Sunglasses benefited from **+32% growth** in number of orders

Strong growth in **sunglasses with prescription** of 40% for the group

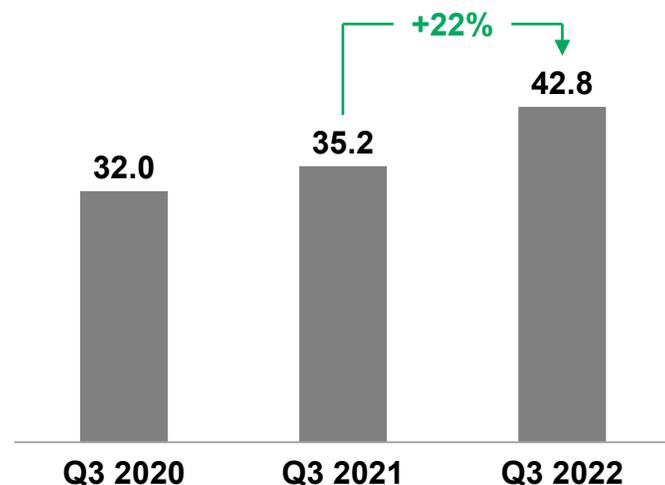
+4 stores in Q3, ending the quarter with 64 stores

Robust performance in Germany

Growth driven by core market

Net Revenue – Germany

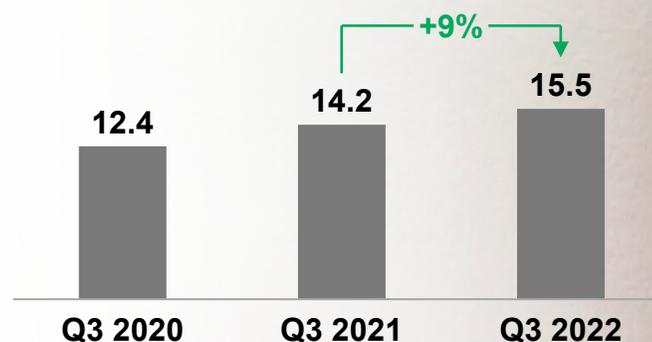
EURm



>40% sales share and +17% growth in prescription glasses
2020 LFL panel* is growing at +13%

Net Revenue – International

EURm



As part of L4L program, marketing has been reallocated towards DACH region

* All stores before and including 2020

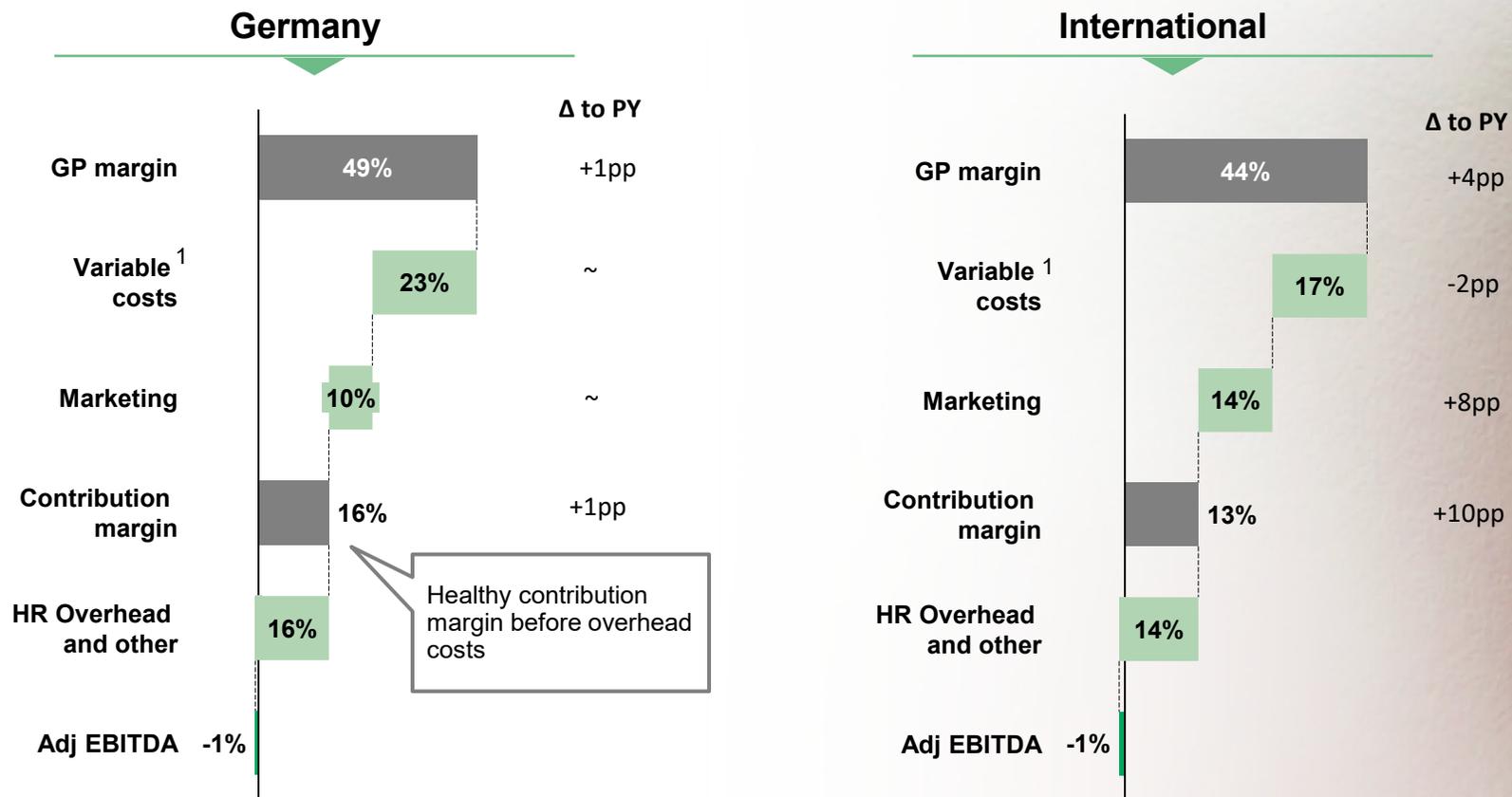


Deeper look into underlying drivers

Growth driven by core market

Q3 2022

% margin



1. Includes fulfilment, customer service and retail staff



Financial performance in Q3

	Q3 2021	Q3 2022	Change	9M 2021	9M 2022	Change
Gross Profit Margin	46.0%	47.1%	1.1pp	48.2%	47.8%	(0.6)pp
Personnel expense	(23.4)%	(25.7)%	(2.4)pp	(25.4)%	(26.0)%	(0.6)pp
Marketing expense	(13.1)%	(10.7)%	2.3pp	(13.4)%	(12.8)%	0.6pp
Other operating expense	(21.6)%	(16.9)%	4.7pp	(20.0)%	(17.2)%	2.8pp
EBITDA	(4.9)%	(3.2)%	1.7pp	(5.6)%	(4.9)%	0.7pp
Adjusted EBITDA	0.5%	(1.0)%	(1.6)pp	1.7%	(2.8)%	(4.5)pp

Q3

Personnel: +20 stores YoY and strong build up of overhead

Marketing: early reallocation towards more efficient channels

Other operating expenses: 2021 included higher legal and consulting fees due to the IPO and change of legal entity

Full year 2022 Guidance confirmed

7% to 12%
Unchanged

Revenue growth for 2022, thereby further winning market share in a difficult environment

-6% to -3%
Unchanged

Adjusted EBITDA margin for 2022

Closing remarks

Building a stronger brand for tomorrow

- 1 Strongly **positioned in the market** with high capacity to navigate current environment
- 2 Our **omnichannel business model**, allows us to continue to outgrow the market and gain market share
- 3 **Lean 4 Leverage** proceeds in line with the plan, we are making continued steps towards leaner business model

We are confident in our strategy, and we will continue to create value for our shareholders over the long-term

Q&A



Upcoming events and calendar

Reporting

Jan Trading Statement

29 March FY 2022 financial results

Conferences and roadshows

15 Nov Roadshow with Bryan Garnier (Virtual)

5 Dec 20th Berenberg European Conference (Surrey)

9 Jan 26th ODDO BHF Forum (Virtual) / IR only

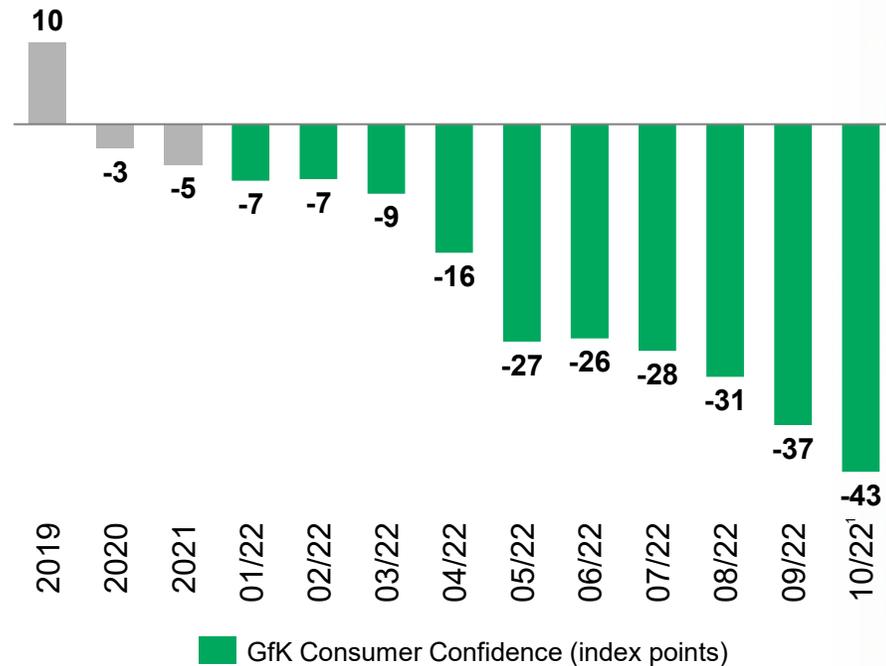


Appendix



Market situation remains very challenging with an unfavourable outlook for 2022

Consumer confidence at historic low and projected to further decline



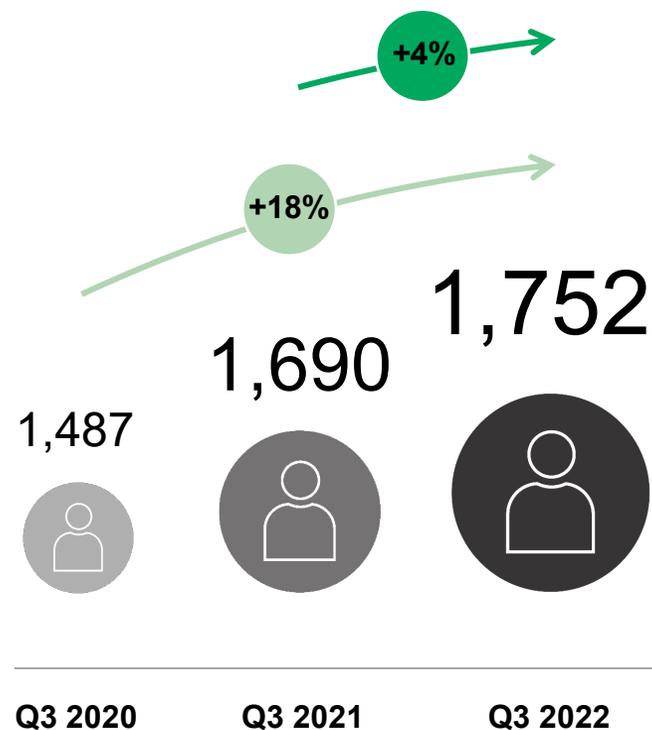
- GfK **consumer confidence** index for Germany **at historic low** since start of measurement in 1991
- Russia's war in Ukraine and soaring inflation due to high energy prices and increasing cost of living weigh on consumer sentiment
- Consumers postpone purchases and trade-down in frames towards more affordable private label
- **Negative development for the German independent optical market for March-August²**



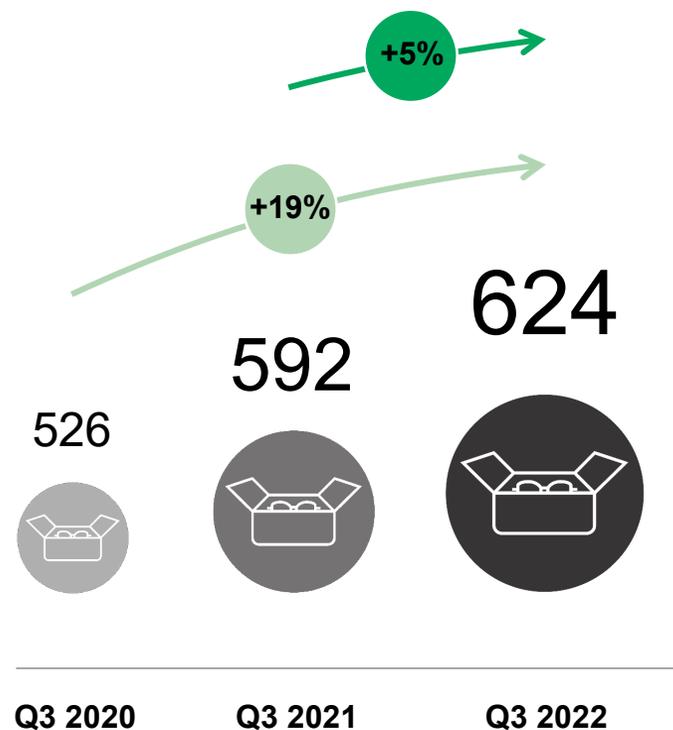
1. Forecast 2. GfK data for frames (revenue)
Source: GfK; average of monthly development for 2019-2021

Non-financial performance indicators

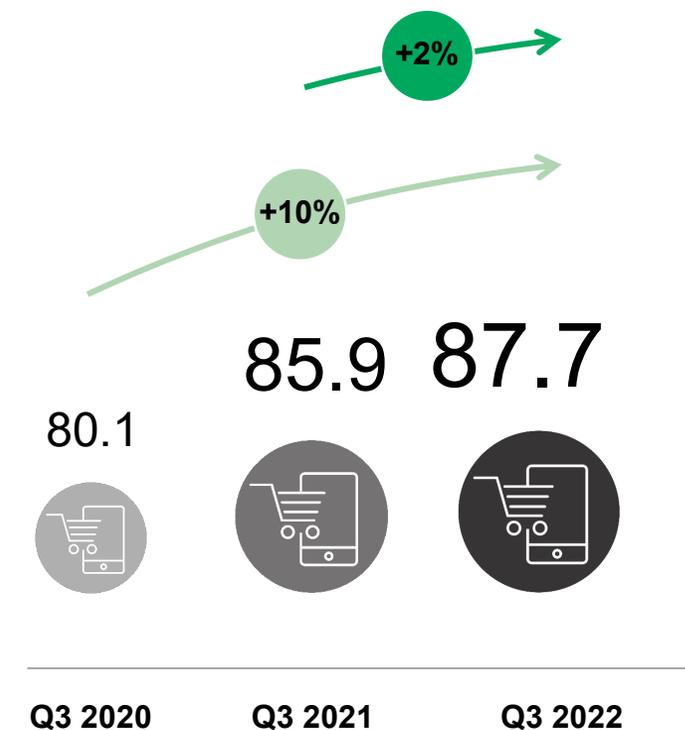
Active customers LTM¹
thousand



Number of orders²
thousand



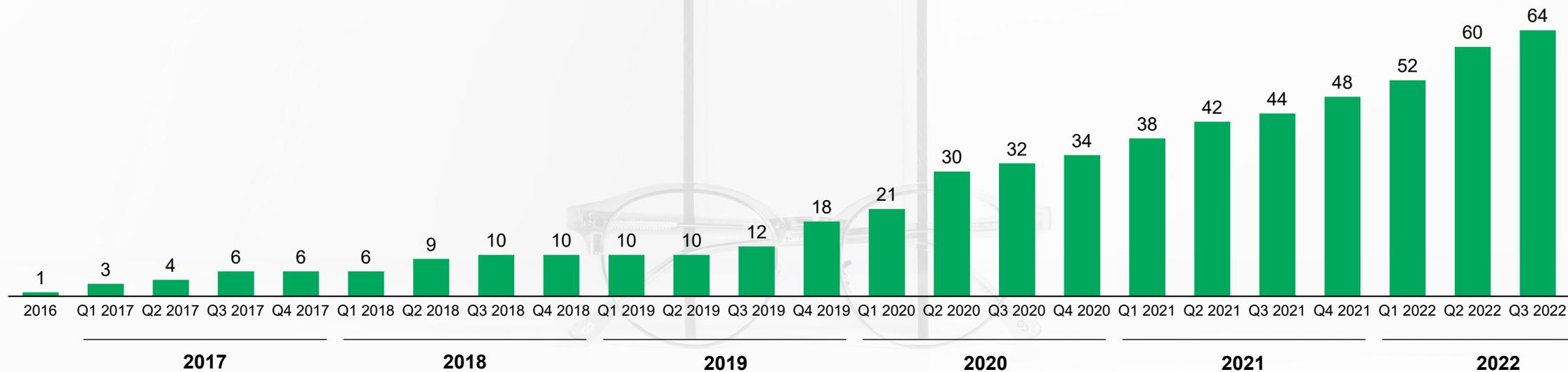
Average order value LTM³
EUR



¹ Customers who ordered in the last 12 months excluding cancellations ² Orders after cancellations and after returns ³ Calculated as revenues divided by number of orders over the last 12 months

Store Footprint

End of period count



Cash Flow

	Q3 2021	Q3 2022
EBITDA	-2,417	-1,852
Non-cash expenses from share-based payments	307	189
Loss from the deconsolidation of associates	0	0
Net Interest	-609	-565
Change in provisions	56	43
Change in inventories and receivables	2,361	-1,740
Change in trade liabilities	-21,914	-10,708
Change in other assets	4,676	4,946
Cash flow from operating activities	-17,540	-9,687
Purchase of investments in associates	0	0
Investment in property, plant and equipment	-1,713	-1,936
Investment in intangible assets	-2,324	-2,080
Purchase of other financial assets	0	-40,000
Cash flow from investing activities	-4,037	-44,016
Cash received from capital increase net of transaction costs	229,948	0
Cash received for the resolved capital increase	0	10
Proceeds from loans	0	3,350
Repayment of liabilities to banks	-35,000	-114
Payment of principal portion of lease liabilities	-1,719	-2,107
Cash flow from financing activities	193,229	1,139

Reconciliation of Adj EBITDA and EBITDA

	Q3 2021	Q3 2022
EBITDA	-2,416	-1,854
Adjustments	2,684	1,244
thereof effects arising from the application of IFRS 2 (share based compensation)	306	-189
thereof transformation costs	2,175	733
thereof other special effects	202	699
Adjusted EBITDA	268	-610

Balance sheet

	30.09.2021	31.12.2021	30.09.2022
Total non-current assets	93,447	105,883	126,366
Goodwill	12,113	12,113	14,987
Intangible assets	16,751	17,904	23,126
Property, plant and equipment	18,368	19,549	23,663
Right-of-use assets	40,072	48,953	55,920
Other financial assets	6,143	7,364	8,670
Total current assets	229,899	219,437	191,801
Inventories	20,895	23,151	31,625
Trade and other receivables	791	2,852	1,108
Other current assets	17,838	43,790	109,352
Cash and cash equivalents	190,375	149,644	49,716
Total assets	323,346	325,320	318,167
Total equity	249,633	244,785	219,786
Subscribed capital	33,742	33,761	33,856
Capital reserves	325,929	326,319	327,476
Other reserves	-828	-787	-541
Accumulated loss	-109,210	-114,509	-141,005
Total non-current liabilities	37,159	45,798	56,189
Non-current lease liabilities	35,233	44,016	49,429
Liabilities to banks	0	0	4,356
Deferred tax liabilities	1,044	1,172	1,847
Other non-current liabilities	882	610	557
Total current liabilities	36,554	34,737	42,192
thereof: Trade payables and simil	16,258	16,222	18,074
thereof: Other current liabilities	20,296	18,515	24,118
Total equity & liabilities	323,346	325,320	318,167



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