



**The leading digitally  
native omnichannel optical  
brand in Europe**

**Investor Meeting Presentation**  
May 2023

# Looking ahead

Agenda for today

1

**Company**

2

**Q1 2023 Results**



1

# Company



## Our purpose

We empower and inspire people to wear glasses with joy and confidence



# Mister Spex at a glance

The #1 online-driven omnichannel optical brand in Europe

**€210m**

Revenue 2022

**8%**

YoY revenue growth

**48%**

Gross margin 2022

**-60bp**

YoY growth

**- €8.2m**

AEBITDA 2022

**€128m**

Cash and cash equivalents 2022

**10**

Countries

**68**

Stores

**>6.6m**

Customers

**72%**

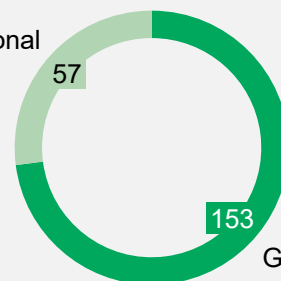
Aided Brand Awareness<sup>(1)</sup>



Revenue by segment

m€

International

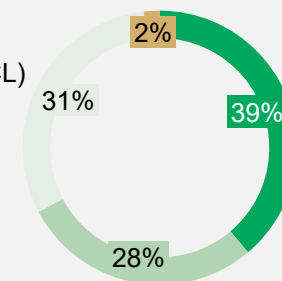


Germany

Revenue by category

Miscellaneous services

Contact lenses (CL)



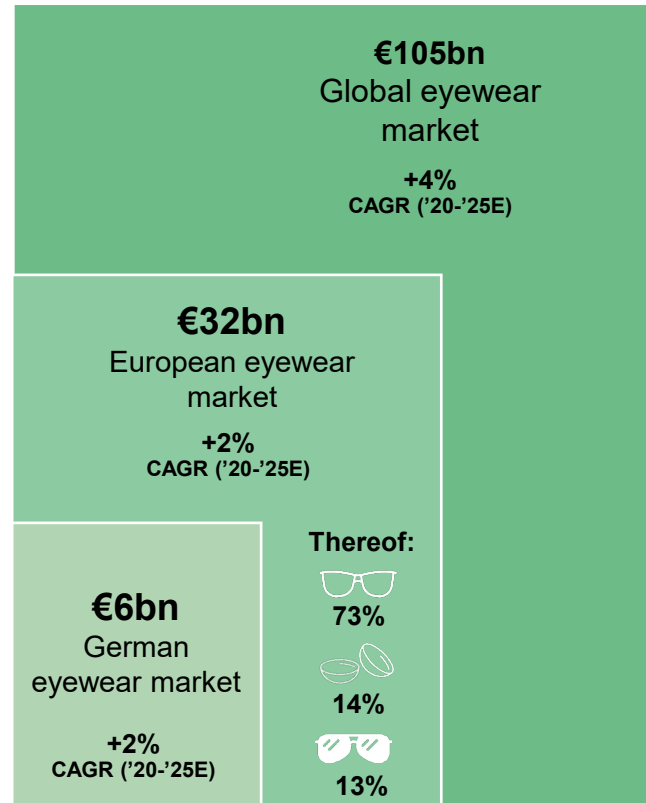
Prescription glasses (PG)

Sunglasses (SG)

(1) Q4 2020 Germany; online shoppers 18-59 years old

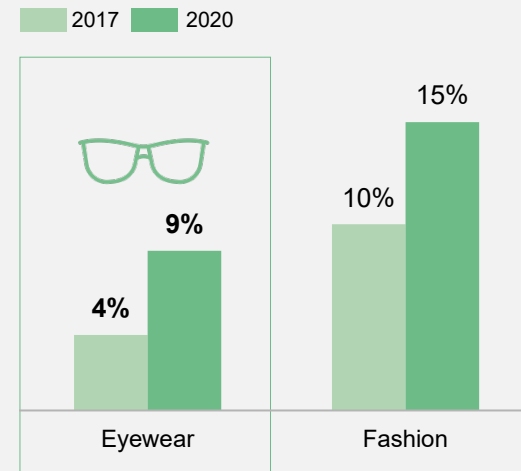
# The eyewear market is large and hasn't changed in the last 100 years

Sizable global eyewear market<sup>(1)</sup> ... that is further propelled by structural tailwinds



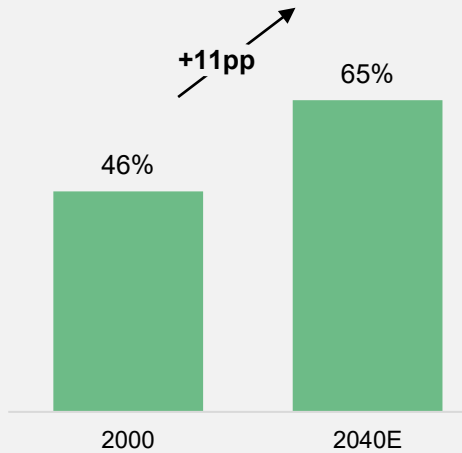
① Consumers are more willing to **shop online**, but the possibilities are limited...

Online penetration by industry in Europe (%)<sup>(2)</sup>



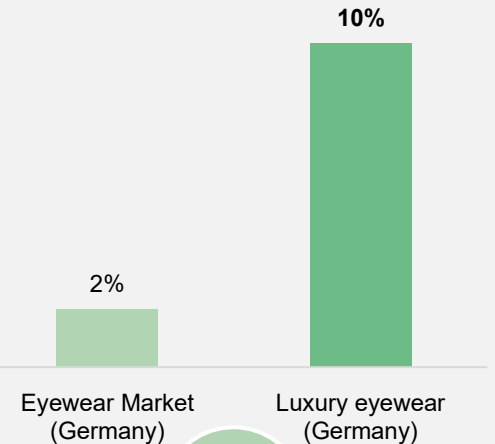
② ... at the same time European population is gradually **ageing**

% European population by age group<sup>(3)</sup>



③ ... and doesn't see eyewear as only a medical device...

**Fashion and luxury eyewear**  
Frame market growth CAGR (2015-19)<sup>(4)</sup>

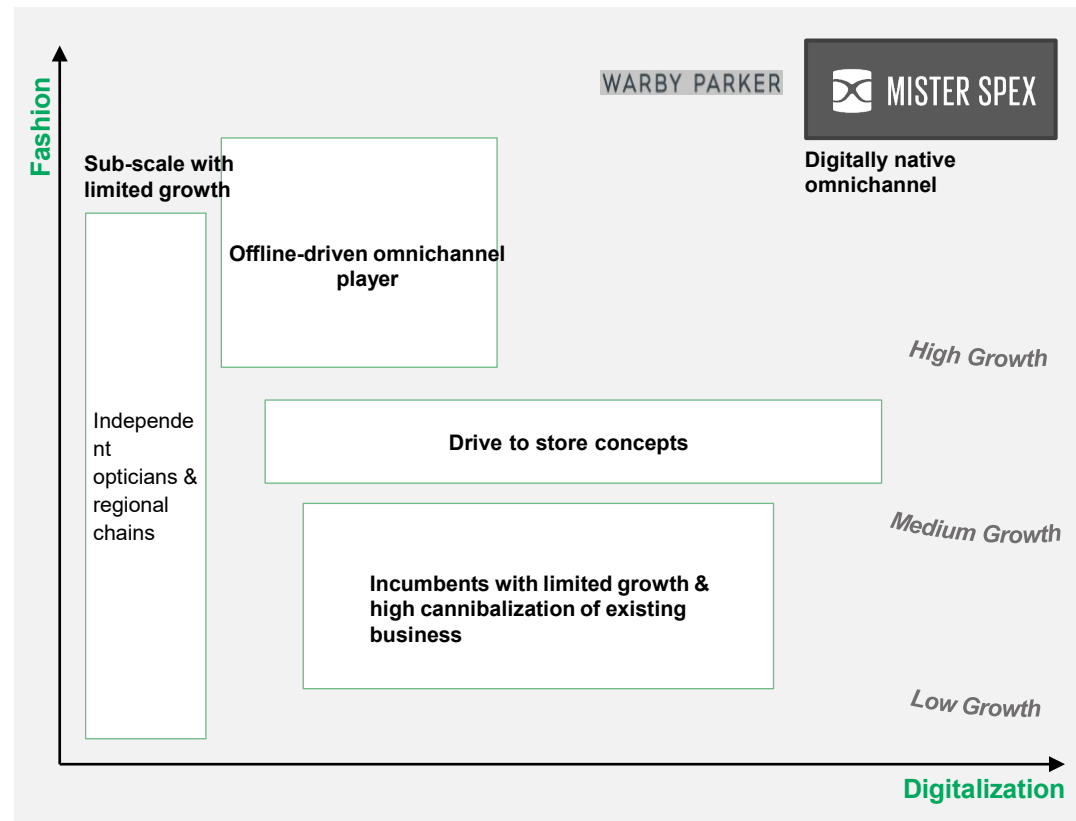


(1) Source: 2020 market sizes per Euromonitor (2021); Graph not to scale  
(2) Source: Euromonitor (2021), Statista (2020)

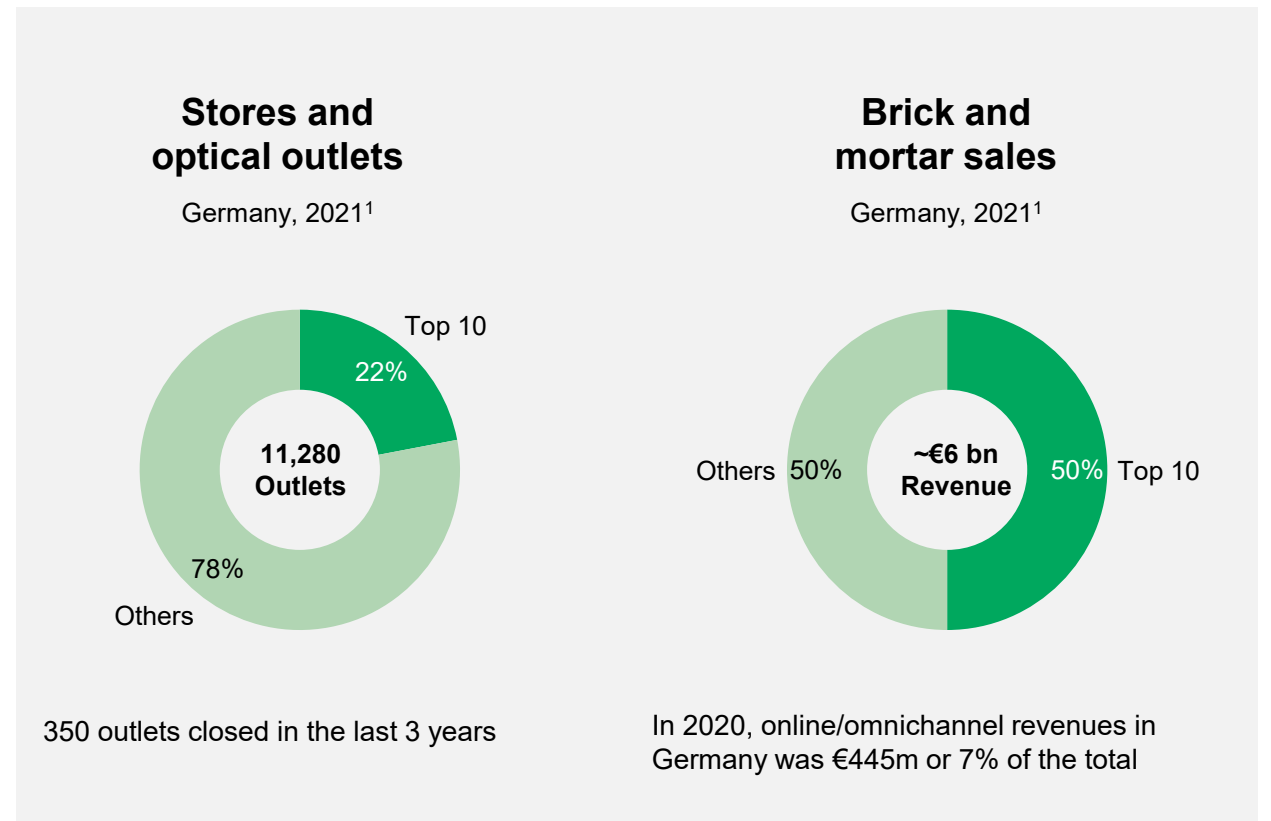
(3) World Bank, database population estimates and projections (2020) – includes European Union, Switzerland and UK  
(4) Based on net frames revenue, with Luxury eyewear defined as gross frame prices above €300, Germany only

# We have a unique positioning in a **fragmented** eyewear market

## Positioning in the eyewear market



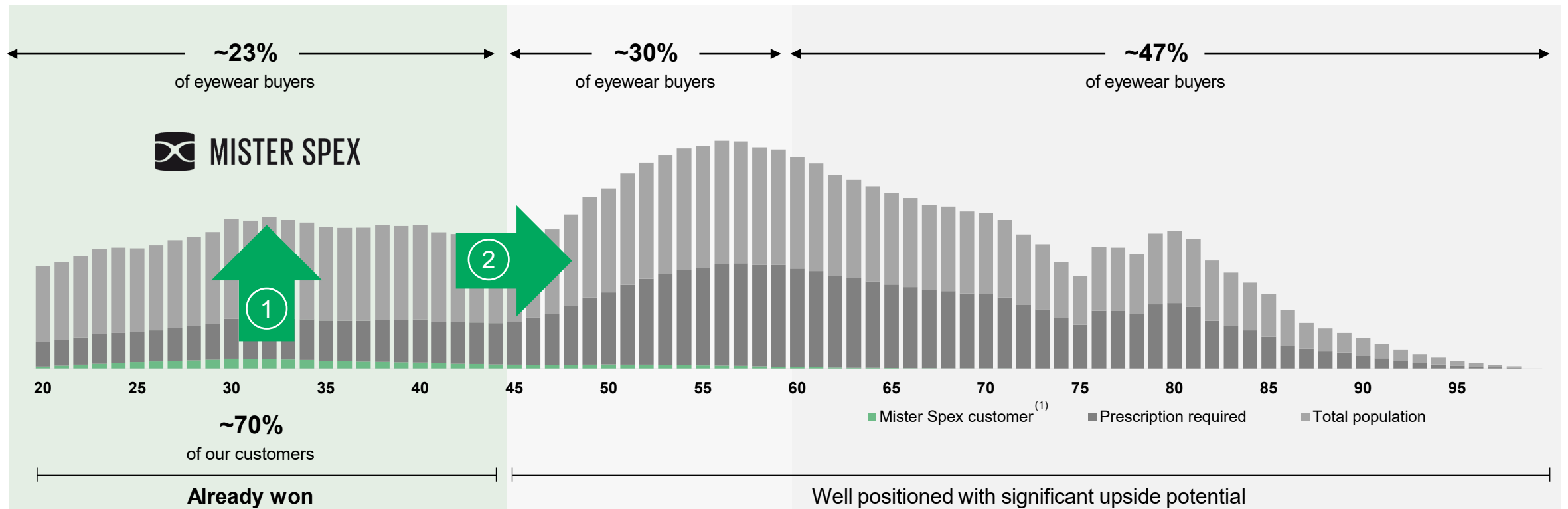
## German eyewear market is highly **fragmented**



(1) Source: ZVA Branchereport Augernoptik: Märkte, Consumer und Trends 2021|2022

# As **the consumer** becomes more digitally savvy, the ease and experience will play a key role

- ① Our **core customers** are digital natives. They value **ease** of the shopping experience and the latest fashion **look** that they can achieve
- ② We **expand our addressable market** by providing an **omnichannel experience** and providing industry leading **expertise** and product knowledge

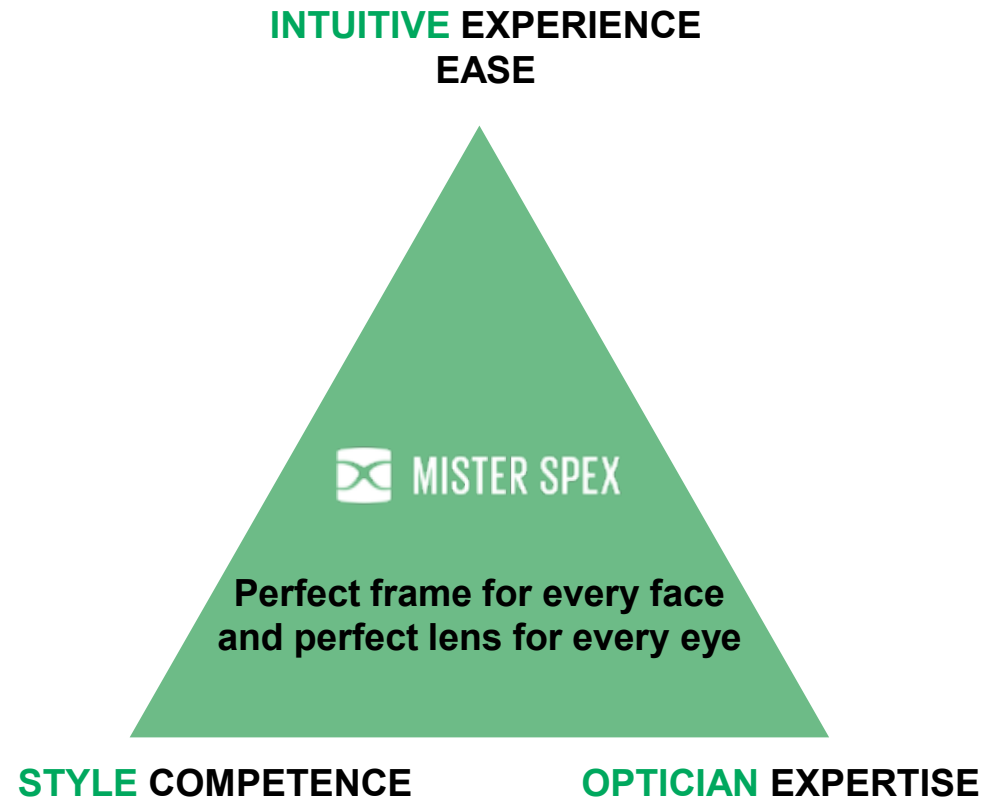


Source: Company information, Statistisches Bundesamt (2020), Allensbach & ZVA (2019)

(1) All customers that bought prescription products or eye exam vouchers



# Therefore, our omnichannel model focuses on delivering on a **brand promise** of...

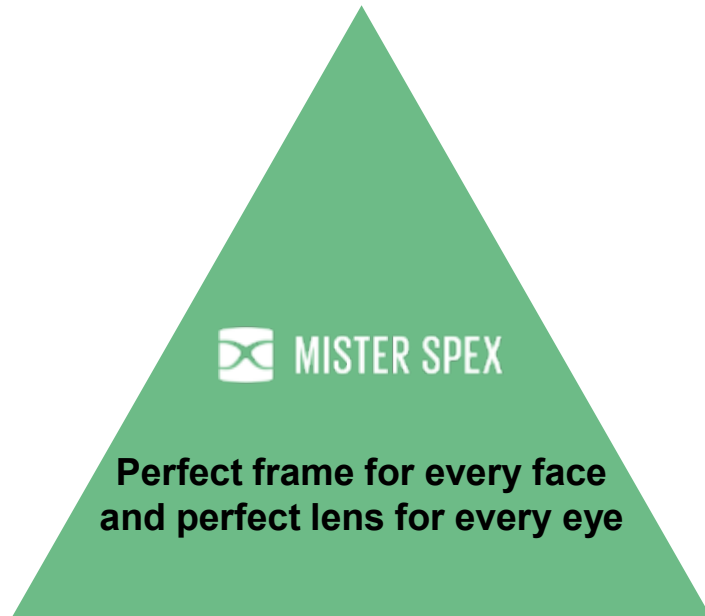


We aim to deliver proof at **every customer touchpoint**

# Delivering a **superior** customer value proposition

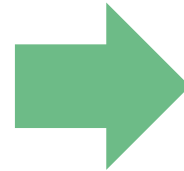
## Brand promise

**INTUITIVE EXPERIENCE**  
**EASE**



**STYLE COMPETENCE**

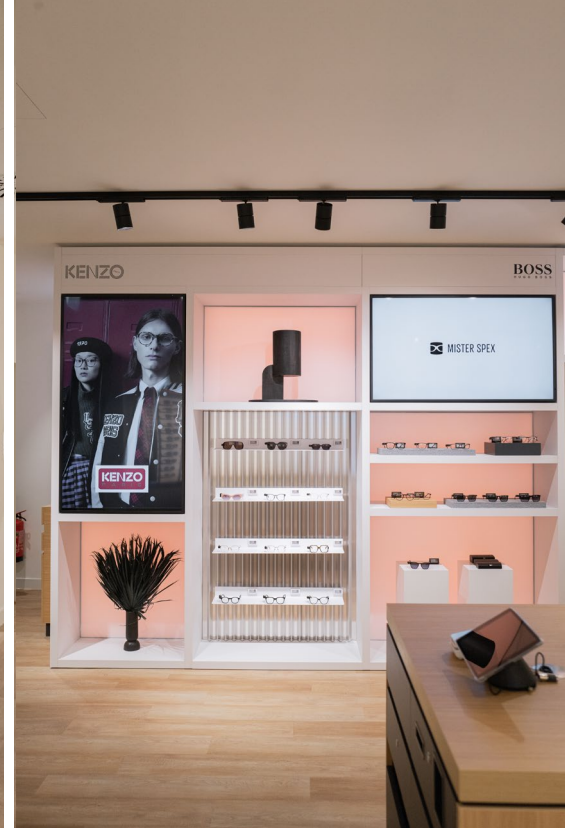
**OPTICIAN EXPERTISE**



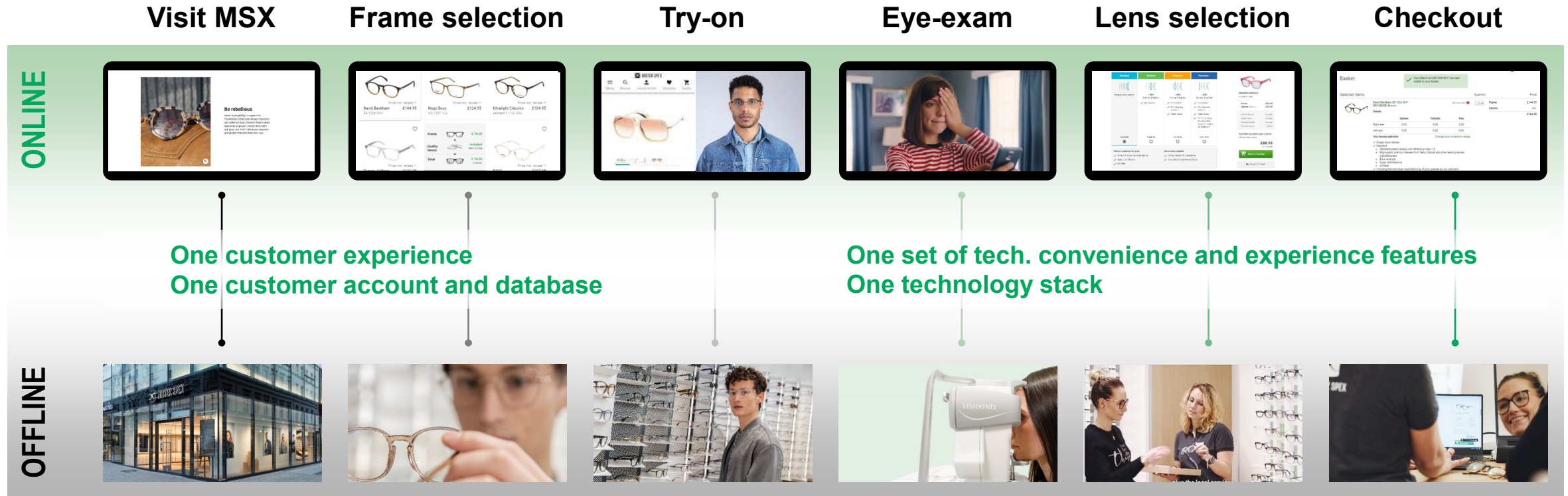
## Strong value proposition

FY2022

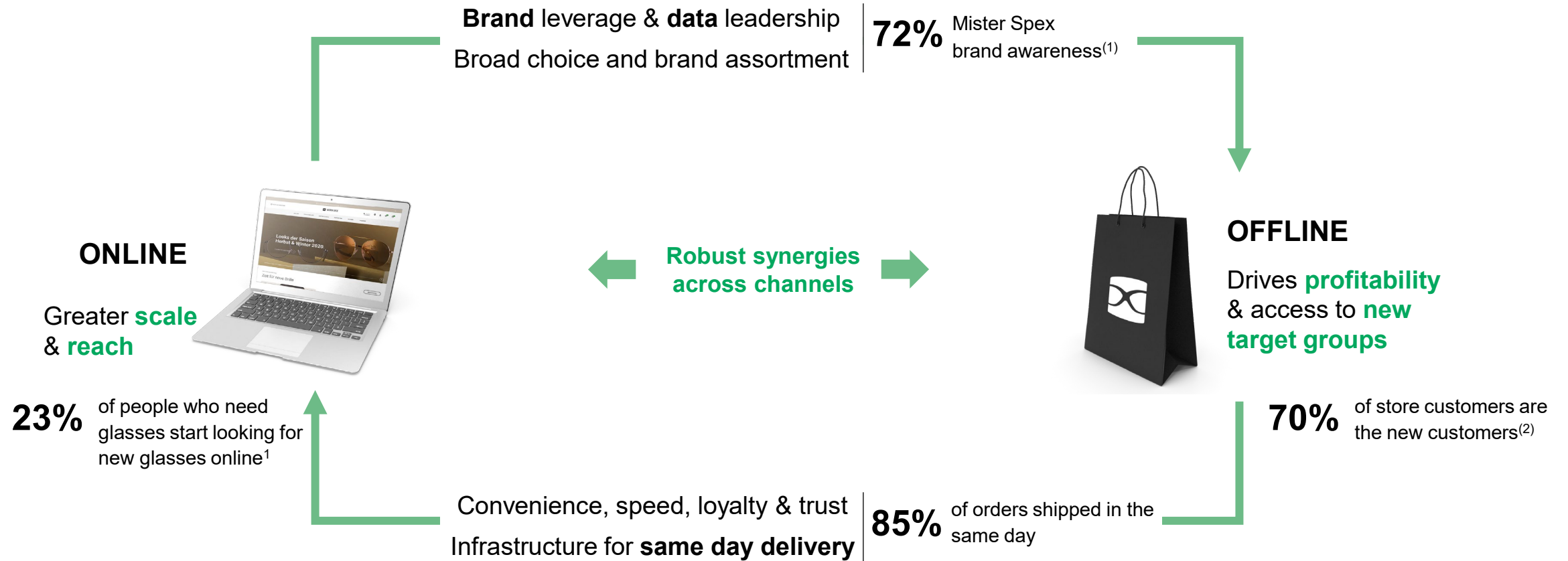
- ✓ ~38% of returning customers are using **recommendation tool**
- ✓ +18% **online eye exams** and >55% of customers are adding lens options
- ✓ +38% in **Boutique** sales (19%oS)
- ✓ 170 **Brands** and +11 new brands in 2022  
17 **collaborations** in 2022



# We ensure a consistent **customer experience** across all online and offline touchpoints



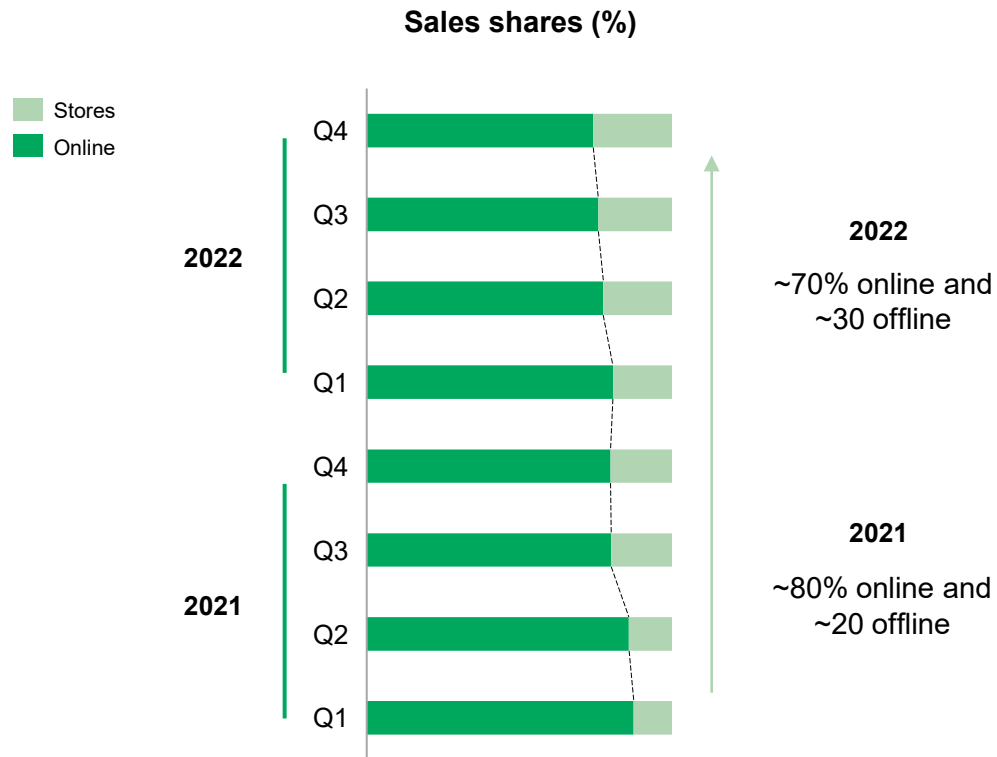
# The omnichannel allows us to achieve **robust synergies** across channels



(1) Source: Mister Spex market research 2021

(2) 2016-2017 store cohorts – share of new customers within 12 months post store opening

# The growing store-based sales continues to support online business



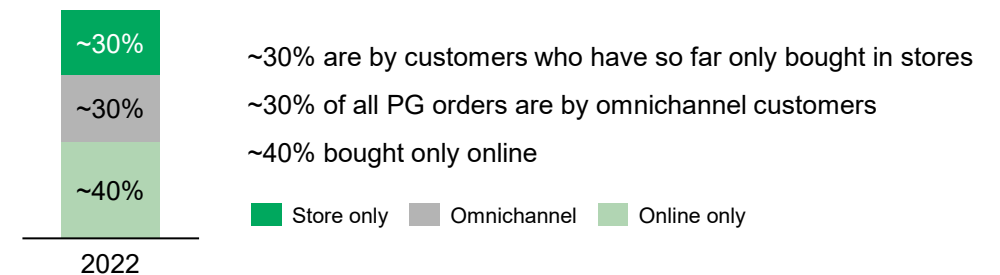
~25% of online sales involved **store touch points** (e.g., returns, eye tests)



~20% of **prescription glasses (PG)** customers are omnichannel (at least one offline and one online order)

## Prescription glasses orders Germany - Regions with stores<sup>1</sup>

Shares (%)



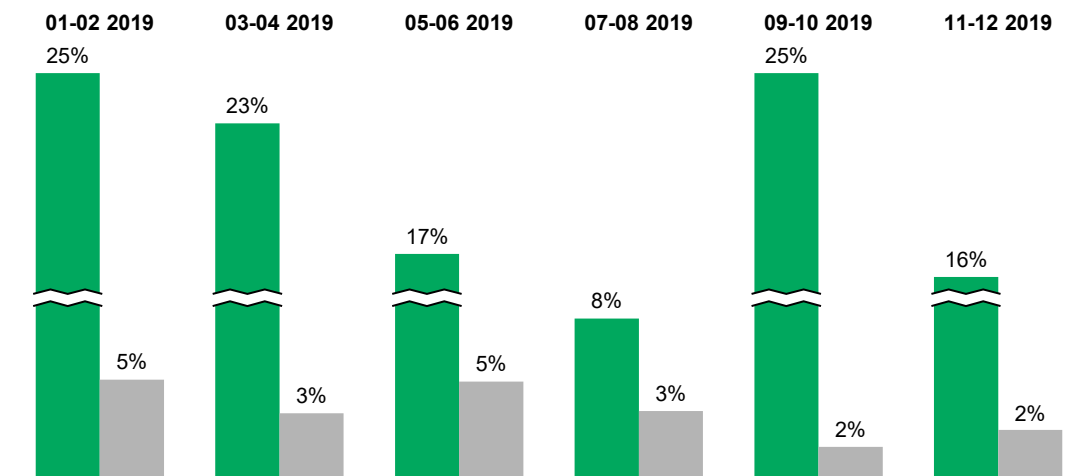
(1) Source: store region encompasses a radius of 6-10km, depending on the store

# Our omnichannel model allows us to outperform ..

... in a **normal** market environment...

Germany – Unit growth in 2019

■ MSX (growth YoY) ■ Market<sup>1</sup> (growth YoY)



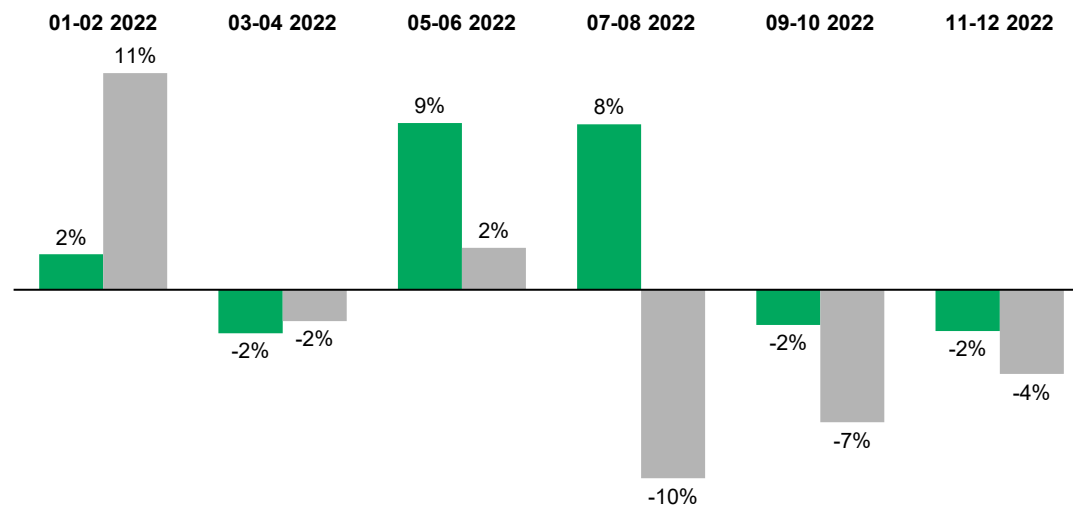
Market outperformance:



... and when consumer sentiment is **down**

Germany – Unit growth in 2022

■ MSX (growth YoY) ■ Market<sup>1</sup> (growth YoY)



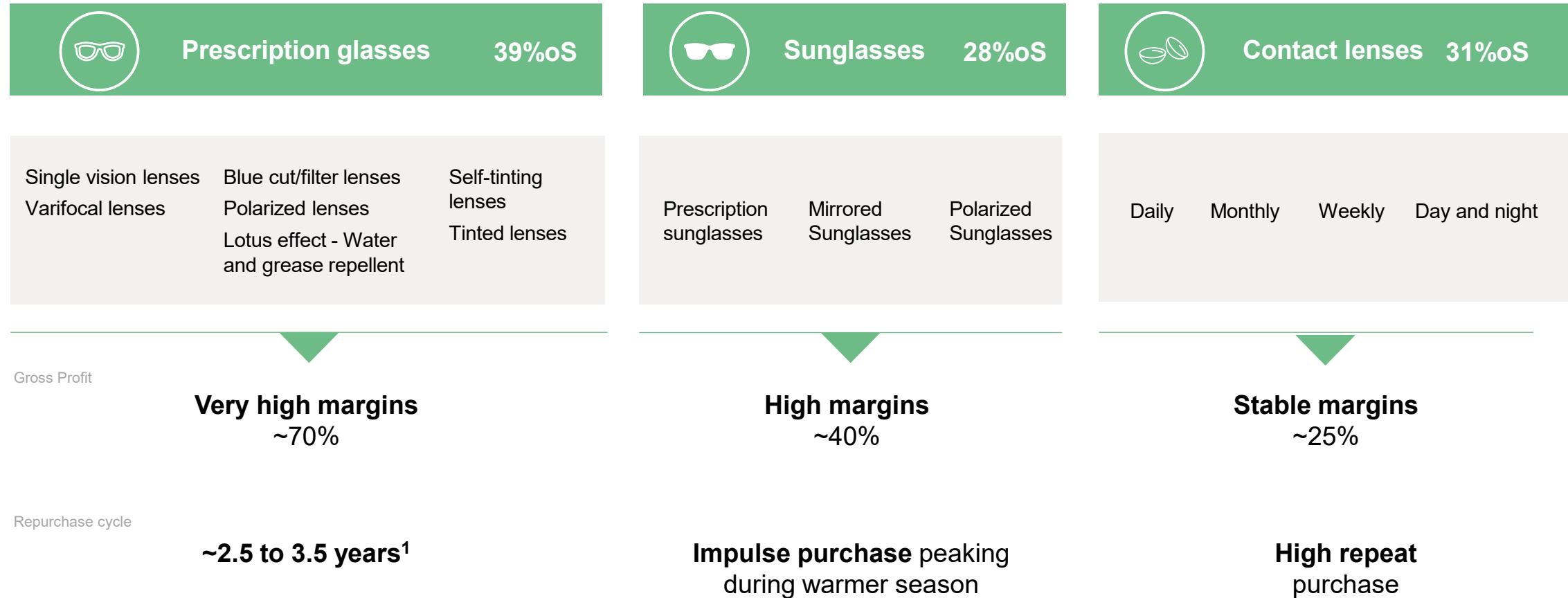
Market outperformance:



1. Market data for independent optical retail of frames, excluding lenses; MSX data including lenses  
Source: GfK Panel Report Optics Total DE (Last update: January 2023)

# We are addressing **all product categories**, with increasing share of prescription glasses

FY 2022



Source: Company information  
 1. Germany: 4.1 to 4.5 years repurchase cycle



# Our offering includes **third-party** brands and **own brands**



## Mister Spex offering

## Own brands and collaborations

**>10,000**  
SKUs

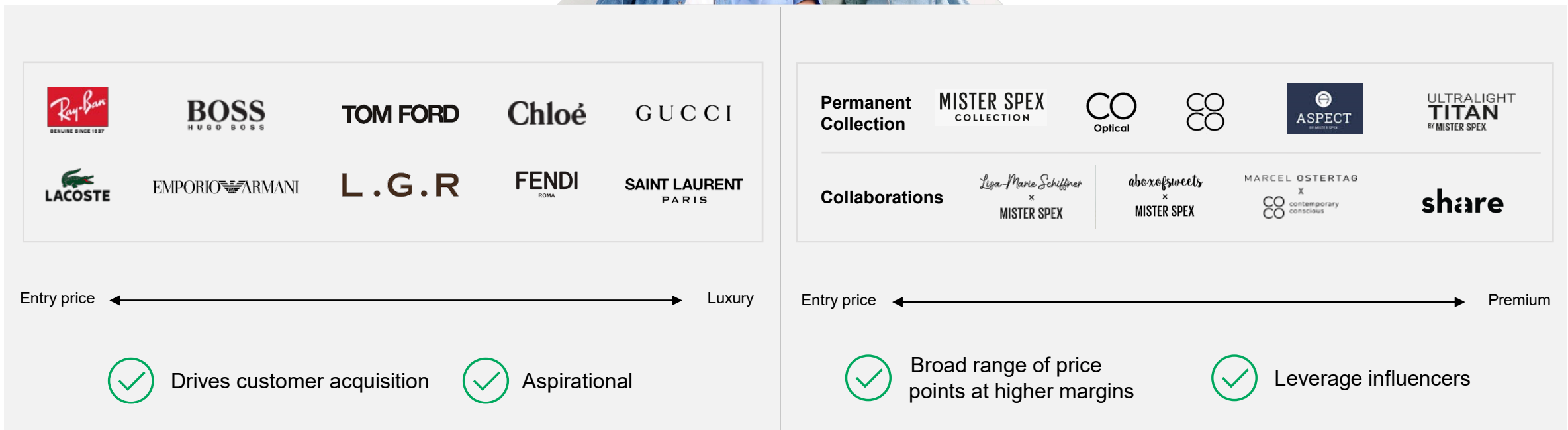
**>100**  
brands

**13%**  
Boutique share

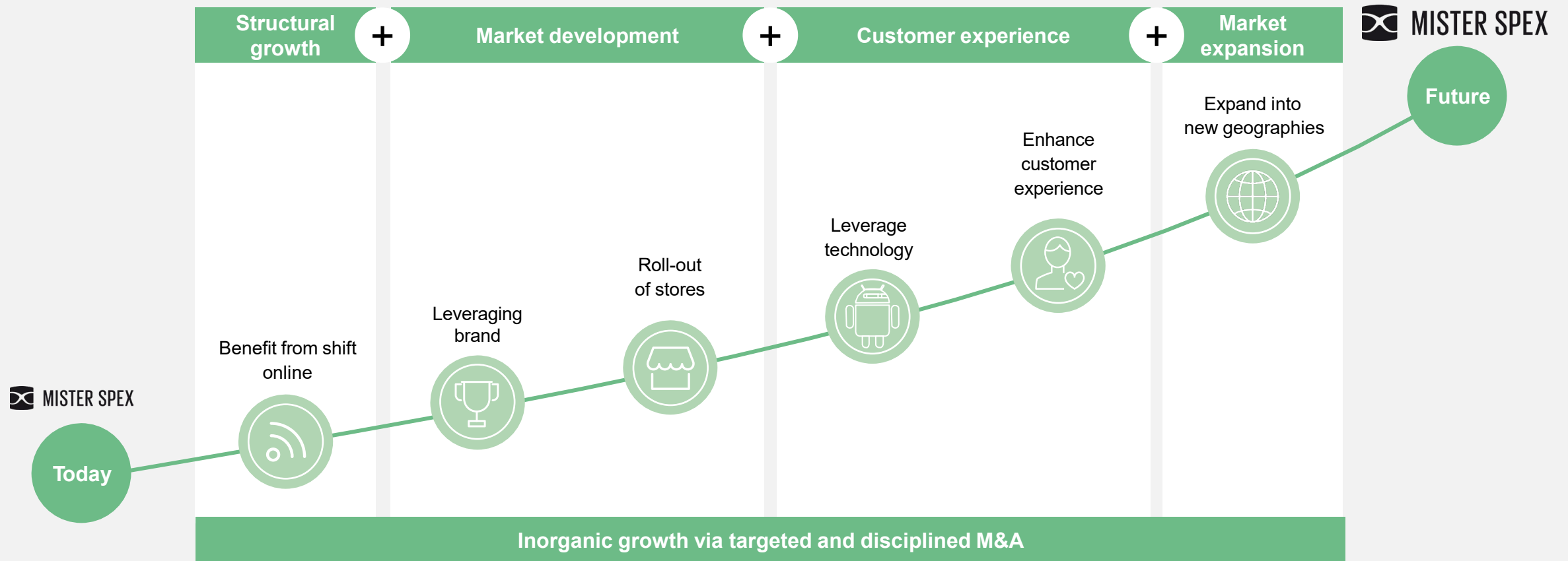
**>1,000**  
SKUs

**7**  
brands

**15%**  
of total revenue



# Multiple drivers of predictable and profitable long-term growth



2

## Q1 2023 results



# Looking ahead

## Agenda for today

### 15 years

Industry and Mister Spex development

### Strategic update

on already visible impacts from Lean 4 Leverage

### Financial update

on non-financial metrics and Q1 financial performance

### Q&A



# How has the industry evolved in the last 15 years...



Evolving beyond being a **pure medical device** to accentuate and complete one's look with an accessory

»»» Shorter replacement cycle and increasing number of purchases



Innovative **digital solutions** and enhanced **service quality**

»»» Accelerating the e-commerce segment of the industry and increasing market penetration



# ... and last 15 years at Mister Spex

**15 years of market outperformance<sup>1</sup>** and 14 years of double-digit growth

**Re-inventing optical retail** and Winning “Store of the Year” for Mister Spex Boutique

**Spearheading the German optical industry** with advanced face scanning technology, paving the way for new innovations

Mister Spex Boutique (Köln) – “Store of the Year”, based on Handelsverband Deutschland e.V. (HDE)



1. Based on Euromonitor and GfK data

# Strategic update



**Improved consumer sentiment**



**Continuous market outperformance**

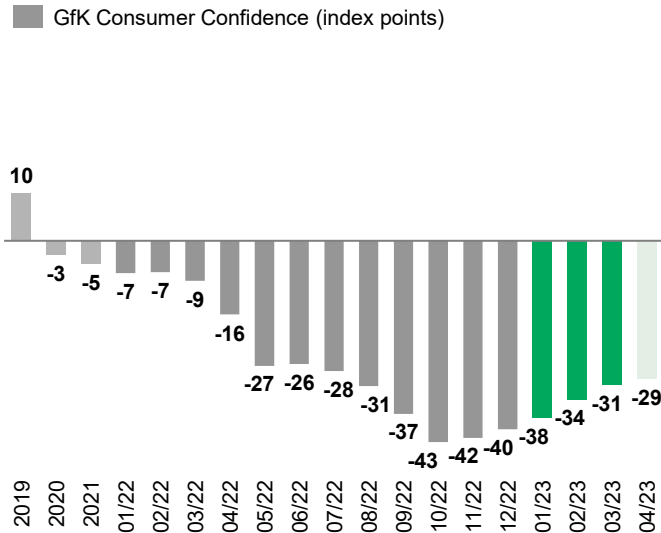


**Lean 4 Leverage update**



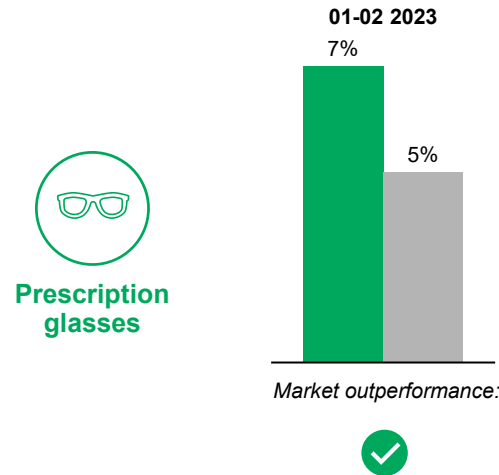
# Continuous market outperformance

The recovery of **consumer sentiment**<sup>1</sup> from its lowest point...



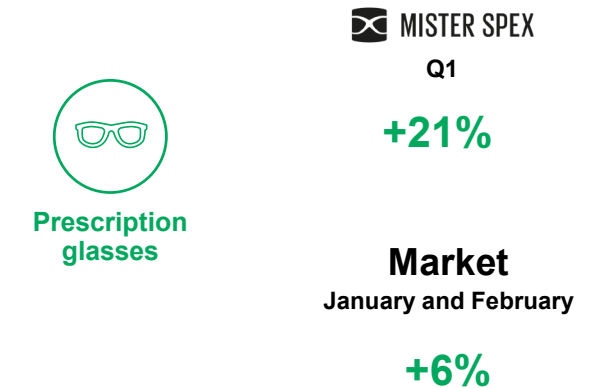
... has supported the materialization of **pent-up demand**...

■ MSX (growth YoY) ■ Market (growth YoY)  
Germany - Unit growth<sup>2</sup>



... resulting in a strong development in **Germany**

Germany – Sales growth<sup>2</sup>



1. GfK; average of monthly development for 2019-2021

2. Market data for independent optical retail of frames, excluding lenses; MSX data including lenses. Based on GfK Panel Report Optics Total DE



# Lean 4 Leverage: Q1

## Areas of focus for 2023

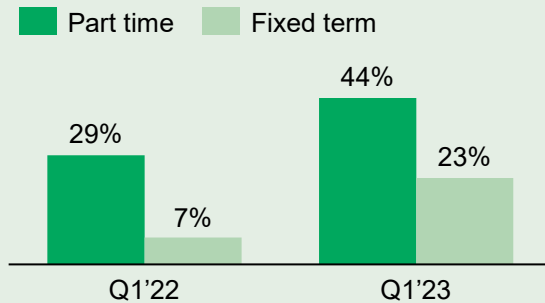
### Concentrate on the core



19% **LFL growth**<sup>1</sup> in Q1, growth in every store cohort




Labor **flexibilization** and increase of part-time employees



### Optimise price, mix and product margin



+440bps improvement in **Gross Margin** YoY  *Next slide*



-320bps improvement in **Marketing** as %oS YoY



€ 10m in **contact lenses inventory** (+€ 6.5m in Q1 in ahead of price increases in 2023)

### Lean for operational leverage



**Transformation office** with direct report to the CEO is set up



**Lean management** philosophy and implementation with external support

Q2

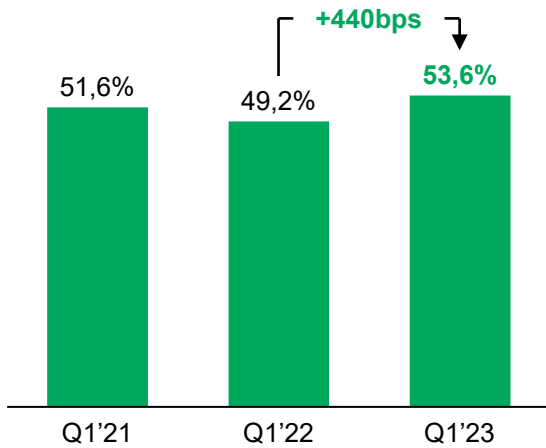


In April, Mister Spex refined its **price proposition** for 1.5 single vision lens

# Lean 4 Leverage: “optimising margin”

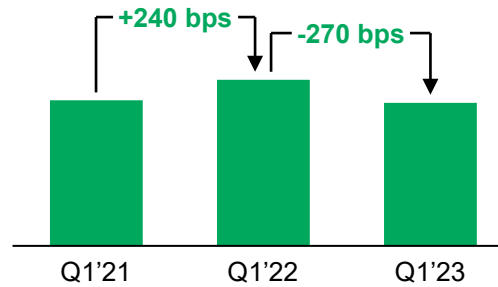
Solid improvement in Q1 **gross margin** was supported by ...

Gross margin (%)



... reduced **discount rates** as a result of lower voucher discounts and higher targeted campaigns

Discount rates (%)

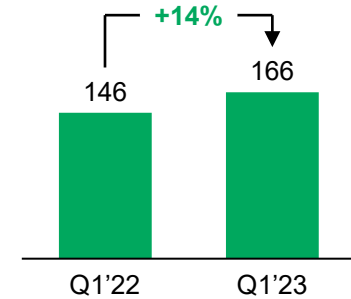


... as well as growing AOV for **prescription glasses** and sunglasses

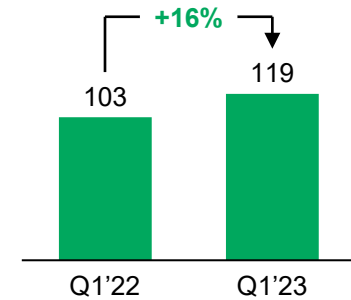
AOV (€)



Prescription glasses

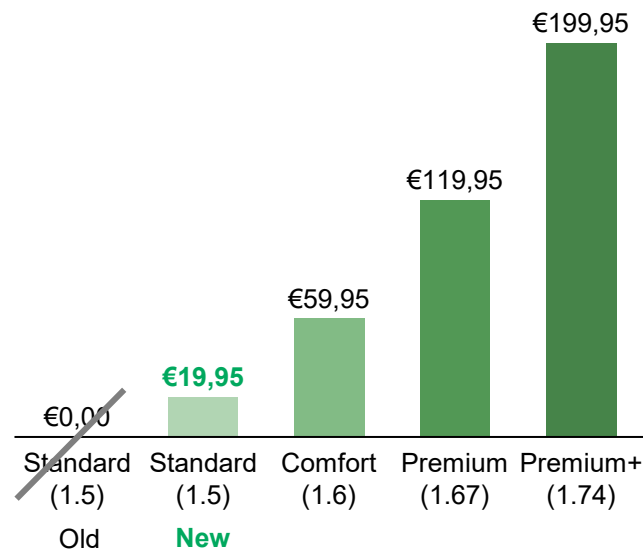


Sunglasses



# “optimising price” - refining our price proposition

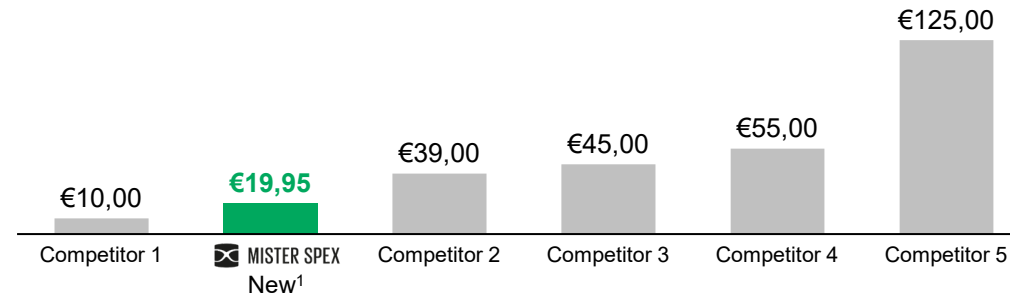
As of April, Mister Spex refined its pricing proposition to start charging **€19.95** for previously free 1.5<sup>1</sup> single vision lens



1. 1.5 index single vision up to +/- 6dpt

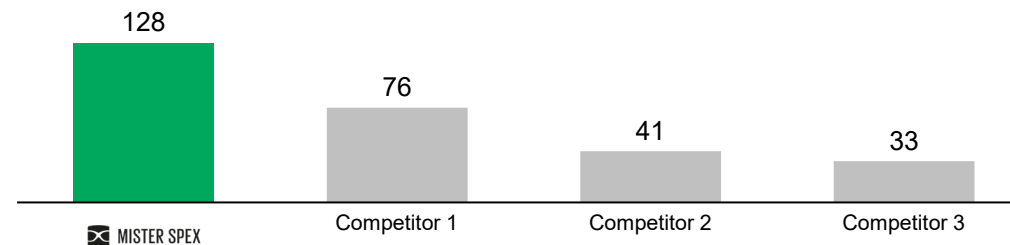
Mister Spex maintains one of the **best price propositions** in the market...

Comparable pricing for a similar 1.5 lens (including monobrand DTC competitors)



... and continues to offer its customers with one of the **widest brand selections**

Number of brands for prescription glasses



# Financial update



**Strong development in key categories**  
and in the key region



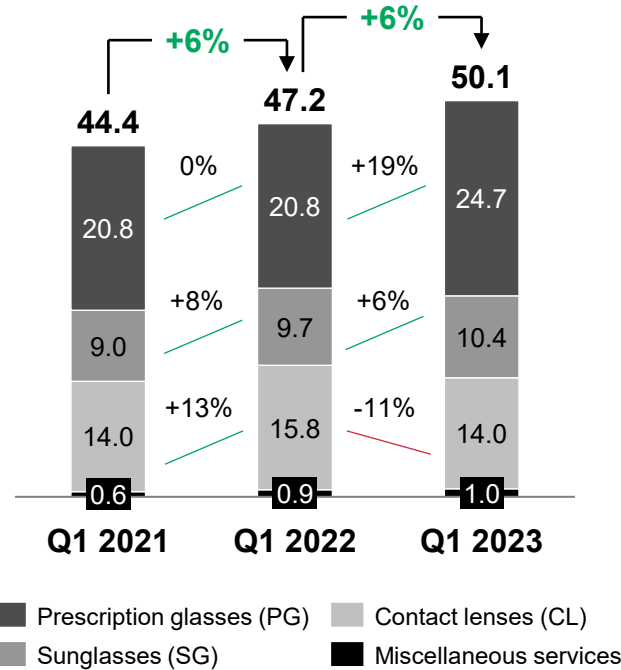
**Sequential improvement Adj EBITDA**  
Supported by improved profitability and lower cost base



# Revenue – category development

## Q1 Revenue

€m



## Q1 2023

**Prescription glasses:** materialization of pent-up demand, as well as opening of new stores

**Sunglasses:** slowdown due to poor weather conditions that affected consumer demand for outdoor activities and products

**Contact lenses:** deliberate decision to reduce marketing and promotion activity and negative currency development in the Nordics

**Boutique** revenue increased by 39%

**Own brand** revenue increased by 13%

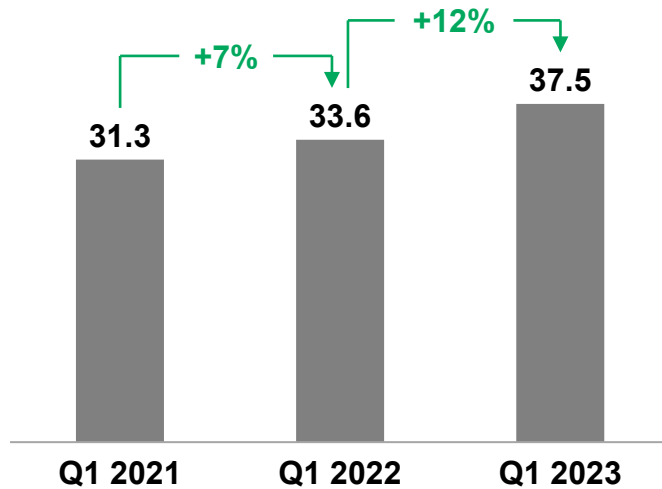
+3 stores in Q1, ending the quarter with 71 stores



# Revenue – segments development

## Net Revenue – Germany

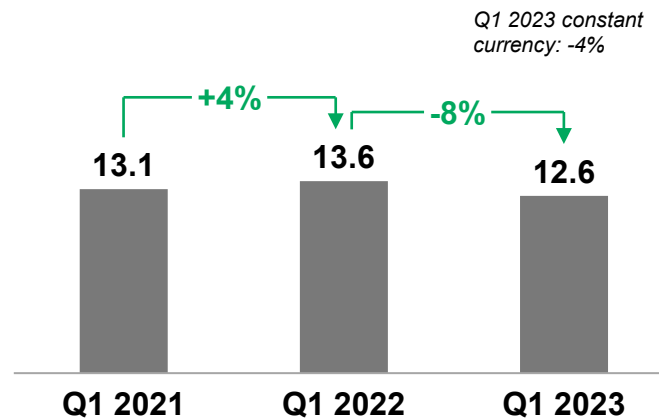
€m



+3 new stores in Germany. All new store openings are in new cities

## Net Revenue – International

€m



The marketing budget has been reallocated towards Germany, as part of Lean 4 Leverage efficiency program  
No new stores in International segment



# Financial performance in Q1 2023

	Q1 2022	Q1 2023	Change
<b>Gross Profit Margin</b>	49.2%	53.6%	4.4pp
Personnel expense	(29.9)%	(30.5)%	(0.5)pp
Marketing expense	(16.1)%	(12.9)%	3.2pp
Other operating expense	(17.9)%	(18.1)%	(0.2)pp
EBITDA	(10.9)%	(3.9)%	7.0pp
<b>Adjusted EBITDA</b>	<b>(9.7)%</b>	<b>(3.3)%</b>	<b>6.4pp</b>

*In Q1 adjusted and reported EBITDA improved significantly from month to month*

## Q1

**Gross profit:** reduced discounts and shift in the product mix with a higher share of prescription glasses

**Personnel expense:** roughly flat despite additional 19 stores YoY. Store personnel expense decreased by 6%

**Marketing expense:** result of efficiency program Lean 4 Leverage

**Other operating expenses:** roughly flat

**Adjusted EBITDA:** strong improvement in gross profit and marketing expense overcompensating for a small increase in personnel expenses and other operating expenses



# Guidance 2023

**Net revenue (€ m)**

**Mid to high single digit growth**



**Adjusted EBITDA margin (%)**

**Low single digit percentage margin**



**»» Q2**

Impact from lens price change, 3 store openings, different product mix





