H1 2022
Results Presentation

7 September 2022

Executive summary

Market — The current broader environment **remains very challenging and is getting tougher for all players,** including Mister Spex

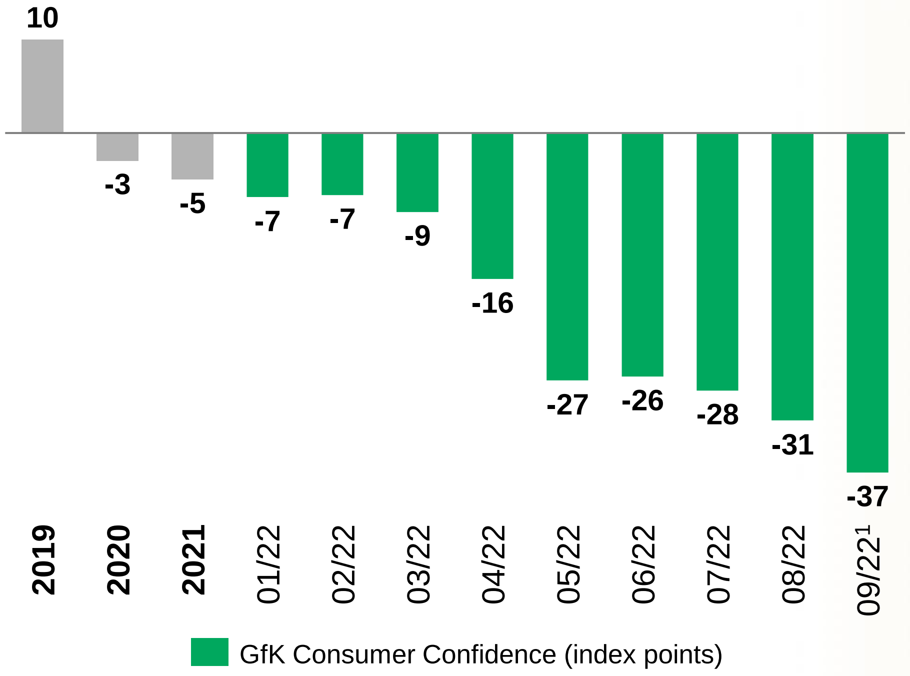
Q2 & H2 — The business is **performing well despite the headwinds but not as well as expected**

Strategy — We have introduced the **"Lean for Leverage" performance programme** to substantially increase profitability. Our **business model remains well positioned** for the future

MISTER SPEX

Market situation remains very challenging with an unfavourable outlook for 2022

Consumer confidence at historic low and projected to further decline



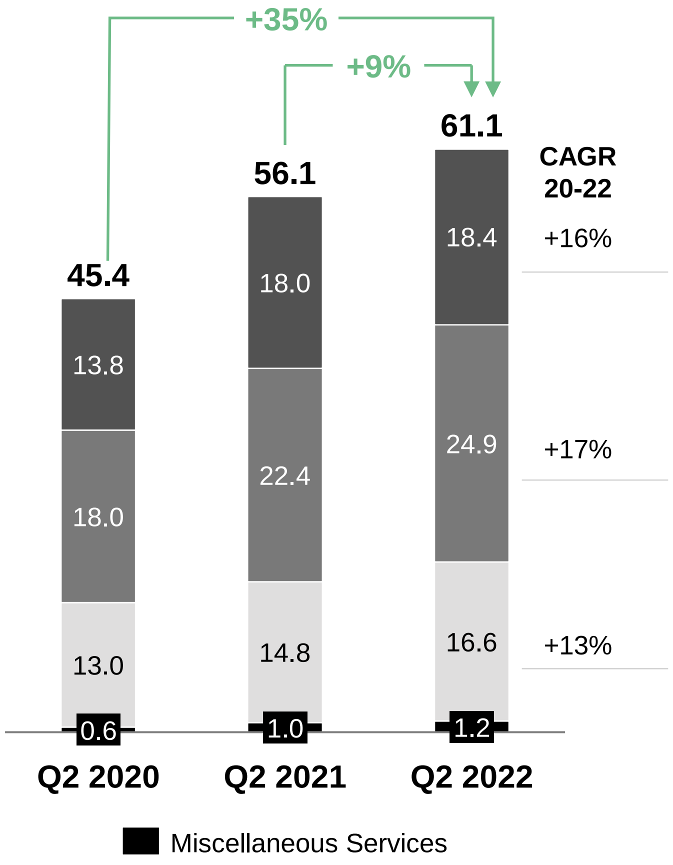
- GfK **consumer confidence** index for Germany **at historic low** since start of measurement in 1991
- Russia's war in Ukraine and soaring inflation due to high energy prices and increasing cost of living weigh on consumer sentiment
- Consumers postpone purchases and trade-down in frames towards more affordable private label
- **Negative development for the German independent optical market** for March-June [2]

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

MISTER SPEX

Despite the headwinds and an all-time high comparison base in Q2/21, we increased revenue by 9%

Revenue – Group
EURm



Overall
- Acceleration in revenue vs. Q1/22 (6%) but less than expected

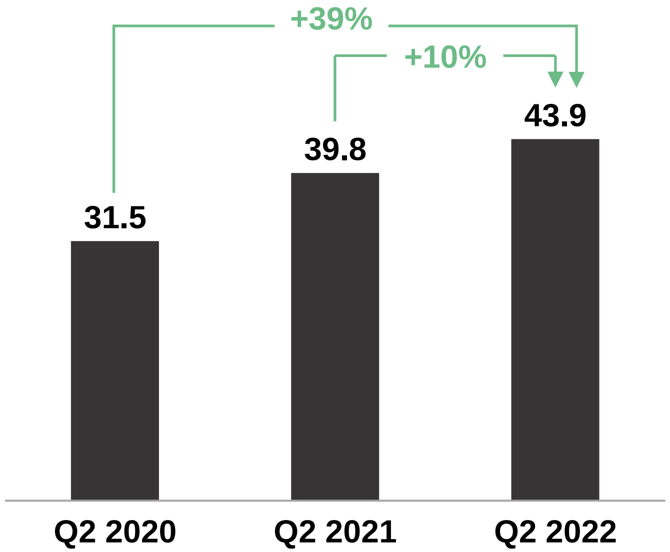
Prescription glasses
- Moderate growth despite increased online competition from lead generation and eyetest drive of established optician chains and high sick rates of employees related to Covid-19

Sunglasses
- Increase driven by return to pre-Covid travel activity, attractive product offering and favourable weather in core markets

Contact lenses
- Recovery trend of contact lenses continues driven by the return to the office and an increase in social events

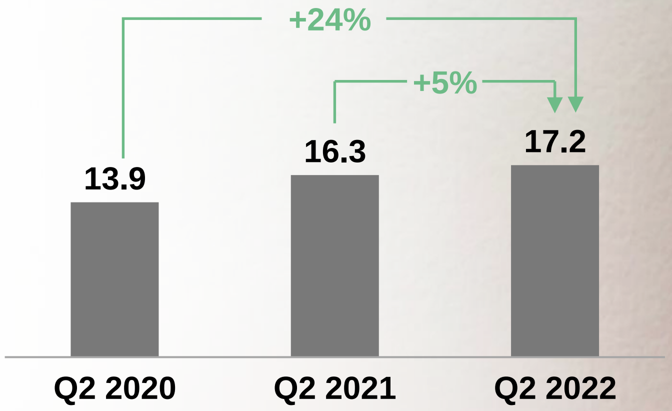
Our focus on Germany paid off with double-digit growth in Q2

Revenue – Germany
EURm



- 30-40%[1] like-for-like growth for brick-and-mortar retail business in Q2 and H1
- 7 new stores opened in Q2 in Germany
- 53 stores in Germany at end of Q2

Revenue – International
EURm



- New store opened in Sweden in Q2
- 7 international stores at end of Q2 – four in Austria and three in Sweden

1. Depending on cohorts, cohorts 2016-2020

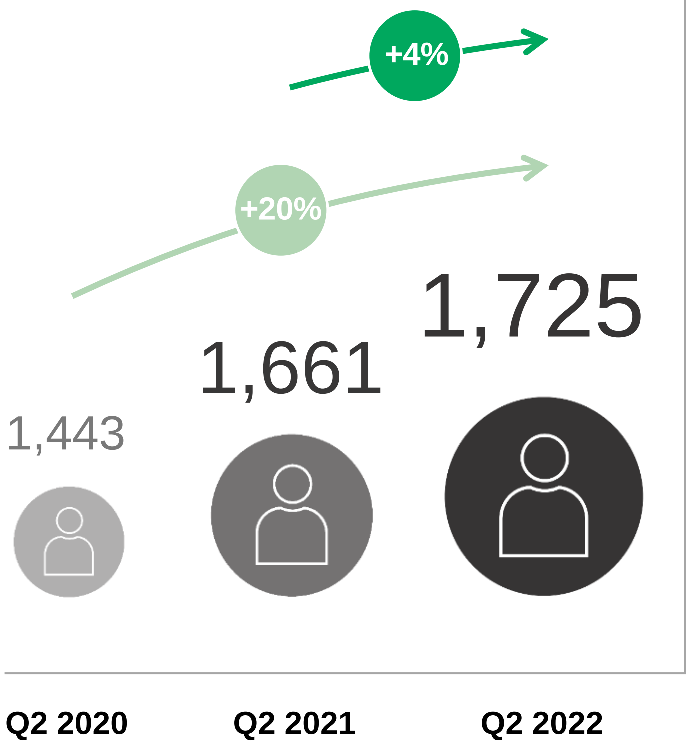
We managed to increase AEBITDA by more than €5M vs. difficult Q1

Revenue EUR million	**Gross profit margin** %	**Adjusted EBITDA** EUR million
61.1	46.8	0.6
• Strong growth in sunglasses and contact lenses	• Declining gross margin mainly due to product mix	• €5.2M improvement vs. Q1/2022

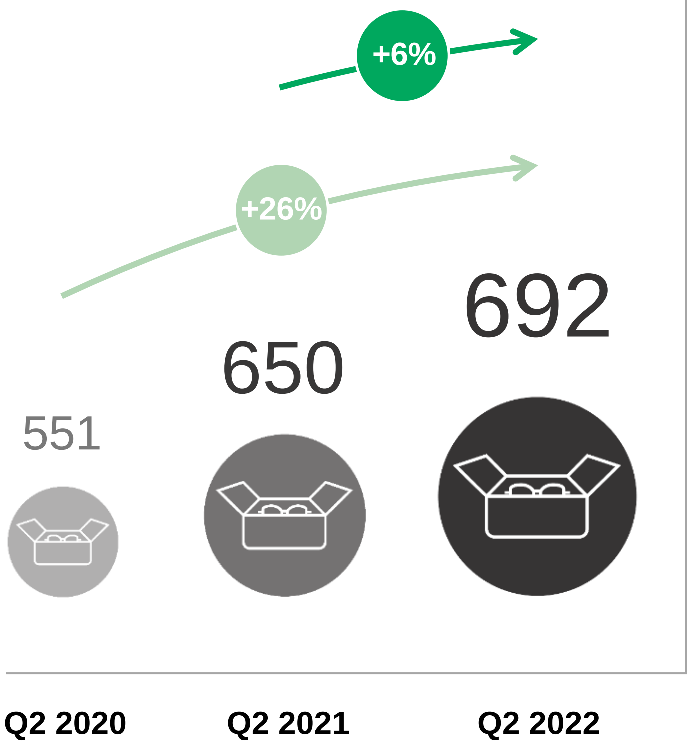
MISTER SPEX

We have grown our customer base and the number of orders

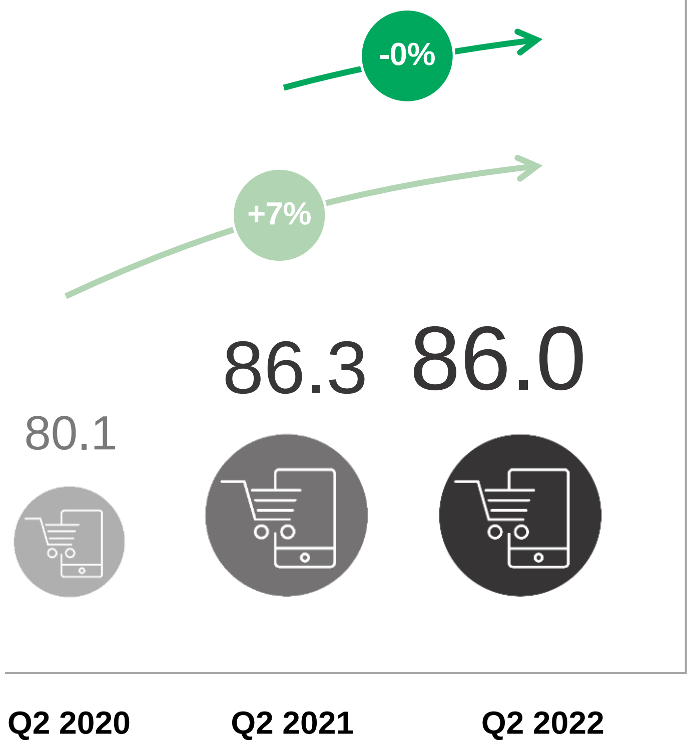
Active customers LTM[1]
thousand



Number of orders[2]
thousand



Average order value LTM[3]
EUR

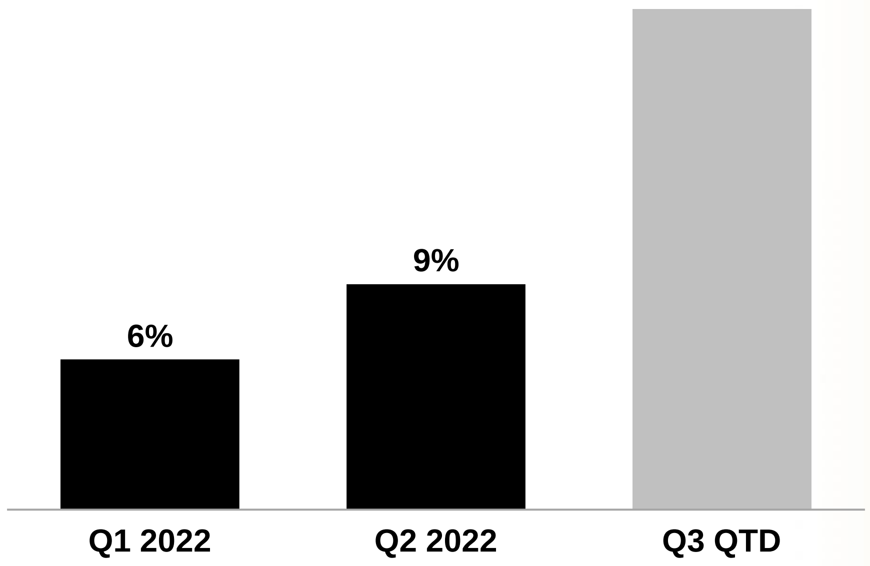


[1] Customers who ordered in the last 12 months excluding cancellations [2] Orders after cancellations and after returns [3] Calculated as revenues divided by number of orders over the last 12 months

MISTER SPEX

While we see a significant uplift in trading in Q3, we previously expected even more

YoY revenue growth, Group



- **Acceleration** of revenue growth **across all business lines** with strongest effect for Germany
- **Acceleration led by strong sunglasses performance** with prescription glasses returning to double-digit growth[1]
- Overall growth expectation reduced for H2 since product mix is based on prescription glasses and contact lenses

1. QTD

There remain several underlying risks for H2 that affect our planned growth and profit

Revenue risks

- Further **deterioration in consumer sentiment** driven by inflation and decreasing purchasing power
- **Postponement of** prescription glasses **purchases**
- **Switch towards more affordable** private label **frames**
- Further **COVID restrictions** decreasing traffic in retail stores

Profitability risks

- **Unfavourable product mix** due to lower prescription glasses share
- **Cost and wage inflation** squeezing the gross margin despite repeated price increases
- **Aggressive campaigning** to protect and gain market share in difficult environment

Mister Spex remains a high-growth business and we hence planned for substantial growth – in the short-term, the business is impacted by the challenging environment

MISTER SPEX

As a result, we need to adjust our guidance for 2022

7% to 12% **Revenue growth for 2022,** thereby further winning market share in a difficult environment

-6% to -3% **Adjusted EBITDA margin for 2022**

MISTER SPEX

We have established the Lean for Leverage performance programme

Lean for Leverage (L4L)

Concentrate on the core

- DACH omnichannel & like-for-like growth
- Retail productivity
- Data-driven customer experience

Optimise price, mix and product margin

- Price increases and reduced discounts
- Prescription glasses, private label, boutique
- Marketing spend effectiveness

Lean for operational leverage

- Personnel cost mgmt. in all functions
- Close management of other costs

L4L will enable us to **substantially improve profitability** in the short-term

Concentrate on the core: full focus on our core markets and like-for-like growth of our retail stores

1 DACH omnichannel

- **Focus on core markets** (DE, AT, CH) and Sweden to leverage brand awareness
- **Optimise like-for-like growth** of existing stores and online for near-term conditions
- **Adapt store rollout speed** to market development (10-20 new stores in 2023)

2 Retail productivity

- **Significantly increase productivity** of existing 60+ stores
- Selected measures include training, assortment, revised store management system, labour cost flexibilization, and sales incentives

3 Data-driven customer experience

- **Drive conversion and reduce returns** by recommending the **perfectly fitting frame for every face**
- Leverage our competitive advantage: extensive customer data and acquisition of deep tech company Tribe GmbH

Full focus on the largest profitability levers

Optimise price, mix and margin: increase share of high-margin multifocal prescription glasses and high-value luxury assortment

1 Prices and discounts

- Selectively **increase prices** across product categories and business lines without losing competitive edge
- **Reduce discounts** and fully roll out smart campaigns

2 Prescription glasses, private label, boutique

- **Increase share of high-margin** (multifocal) **prescription glasses** through targeted campaigns
- **Focus on fashionable private label** frames to offer customers best value for money with high margins
- **Expand boutique assortment** (luxury/independent), which shows very positive development

3 Marketing spend effectiveness

- **Drive attractive high-value customers to stores** through regional, localised and targeted marketing
- **Focus on performance channels** in core markets to increase marketing efficiency and contain costs

MISTER SPEX

Lean for operational leverage: keep organisation lean and flexible towards market developments

1 Personnel costs

- **Reduce overhead HR** costs across all functions with the goal to decrease the HR cost quota
- **Further labour cost flexibilization** for retail stores and re-evaluation of minimum staffing levels
- **Adjust development to revenue growth** and cut open positions

2 Other costs

- **Cut freelance costs** across all functions
- **Establish rigid approval processes** to limit cost inflation
- **Rigorously assess** all other costs and reduce to necessary minimum
- **Renegotiate** retail store **rents**
- Introduce solar panels at logistics centre to increase independence from energy cost inflation

Full focus on cost control to create leverage

MISTER SPEX

L4L will substantially improve our profitability and will put us in an even stronger position to take further market share

Mister Spex remains a disruptive high-growth business

- Market conditions are challenging but the business is strongly positioned

Medium-term opportunity remains very compelling and we continue to take market share

- Consumer sentiment will recover in due course
- We remain very well positioned to take further market share

Our confidence in our medium-term strategy and financial targets remains

- Optimising business performance in the challenging near-term demands refinements to improve profitability and reduce cash burn
- We will be fit and ready when the market recovers

MISTER SPEX

Q&A

MISTER SPEX