



FY 2022 Results Presentation

28 March 2023



Looking ahead

Agenda for today

2022: a year in review

Industry trends

Market outperformance

Strategic update

Delivering on our brand promise

Lean 4 Leverage update

Financial update

Revenue drivers

Deep dive into store metrics

Guidance



2022: a year in review

- 2%

Market decline¹ in 2022



+ 8%

Revenue increase in FY 2022

Deteriorating consumer sentiment

Trend affecting the **consumer and the optical industry** continues to evolve in 2022 and 2023

Market share gains

We continue to take share **in good and bad times**

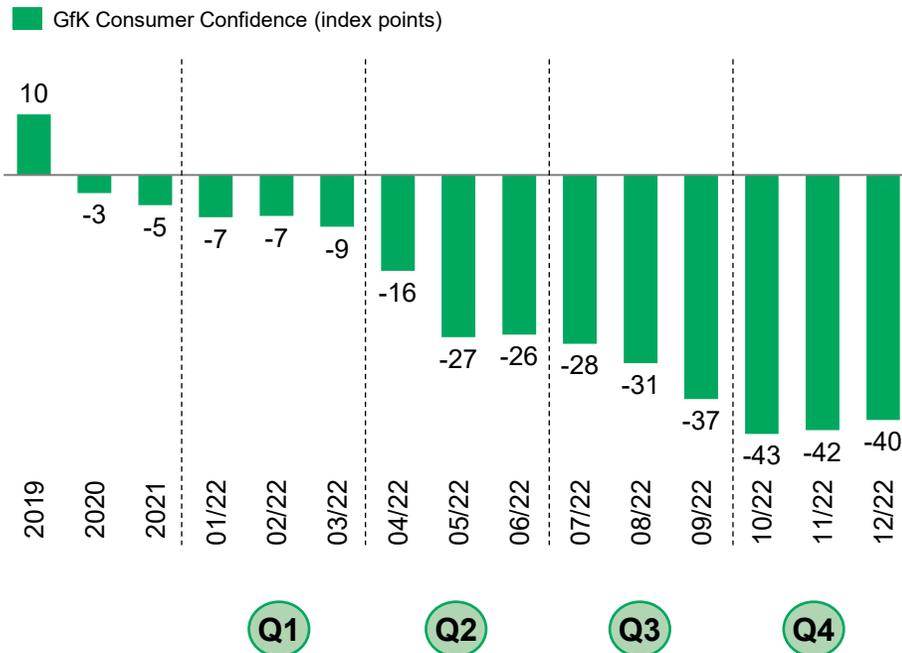
1. Total sales refer to frames, sunglasses, lenses. Based on EFRA-Light December provided by Zentralverband der Augenoptiker und Optometristen – focusing on the medium –sized companies. // Based on the GfK [“Growth from Knowledge”: Consumer Goods Research Company] sales value of the German independent optical market for correction frames declined by 5% in 2022

2022: a year in review

Trends affecting the **consumer** and the **optical industry** continue to evolve

Declining consumer sentiment...

... impacting customer's purchasing behaviour



Consumers adapting “**wait-and-see**” behavior”

Total sales in Germany declined by **-2.4%¹** in 2022

Certain **postponement** of purchases

-6.7%² in number of glasses sold

1. Total sales refer to frames, sunglasses, lenses. Based on EFRA-Light December provided by Zentralverband der Augenoptiker und Optometristen – focusing on the medium –sized companies.

2. Number of glasses refers to prescription glasses and sunglasses. Based on EFRA-Light December provided by Zentralverband der Augenoptiker und Optometristen – focusing on the medium –sized companies

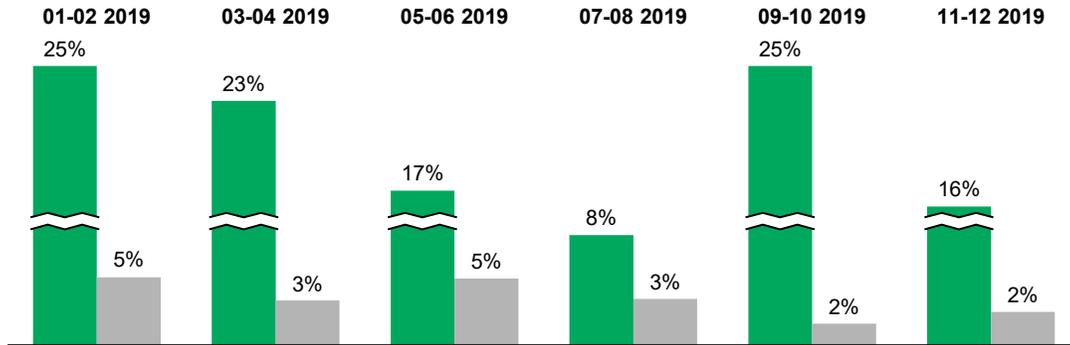
2022: a year in review

We continue to outperform ...

... in a normal market environment...

Germany – Unit growth in 2019

■ MSX (growth YoY) ■ Market¹ (growth YoY)



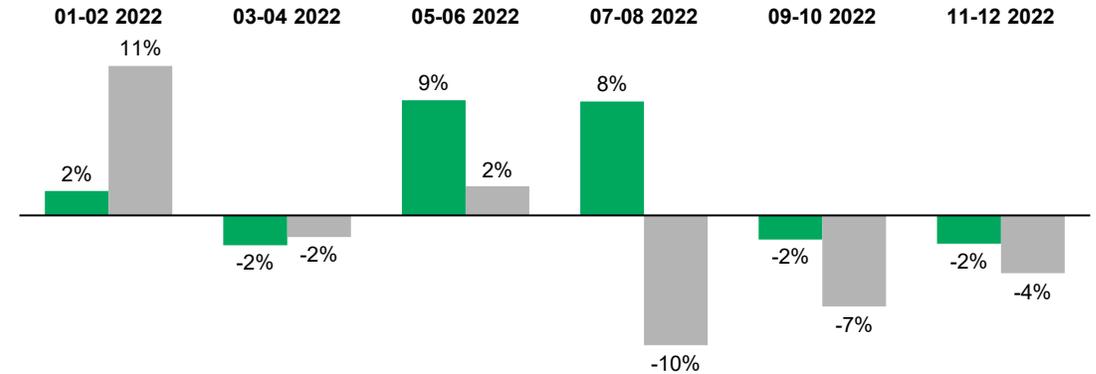
Market outperformance:



... and when consumer sentiment is down

Germany – Unit growth in 2022

■ MSX (growth YoY) ■ Market¹ (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)

Strategic update



Delivering on our brand promise

Perfect frame for every face and perfect lens for every eye with **ease, style and expertise**

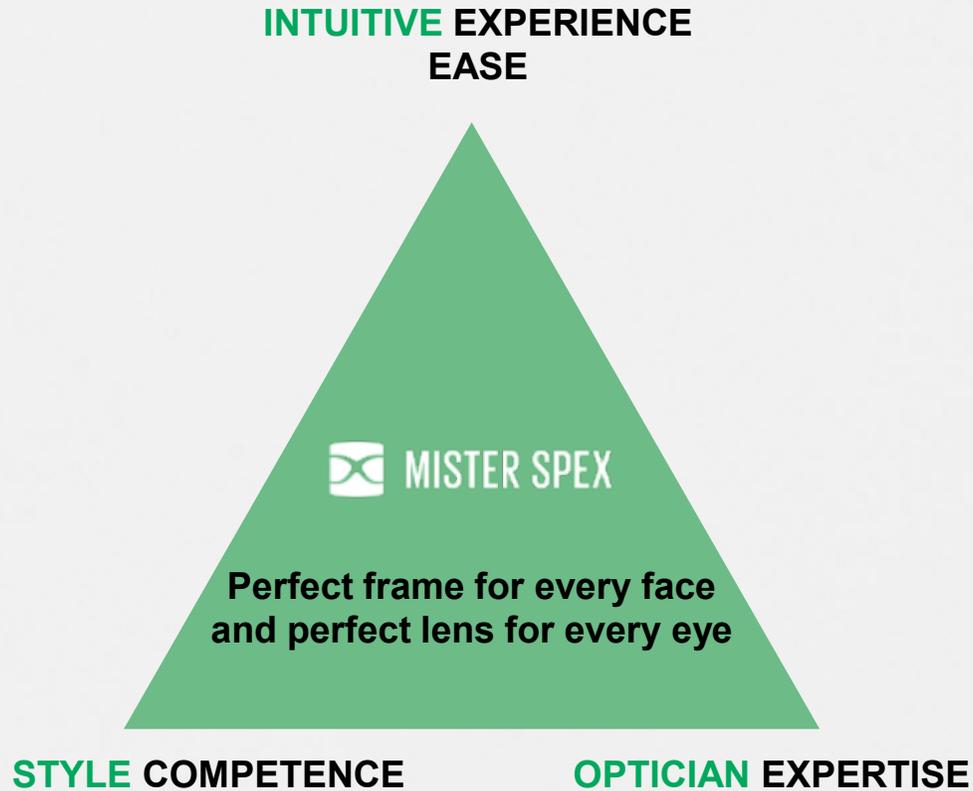


Lean 4 Leverage Update

Selected and careful adjustments to drive **profitability and growth**



Delivering exceptional value to our customers



Finding the perfect frame

STYLE competence



Assortment

Brands

+ 11 brands in '22 170 brands

Collaborations

17 collaborations in '22 >20 planned for '23

BOUTIQUE

+38% in net revenue, representing 19%oS¹

Revenue growth	FY 2022	Category share
+47%		~25%
+28%		~15%

1. 19%oS for Prescription and Sunglasses together. Including Contact lenses this would be 13%oS



Flagship Store in Köln

BOUTIQUE floor: only luxury brands and independent labels

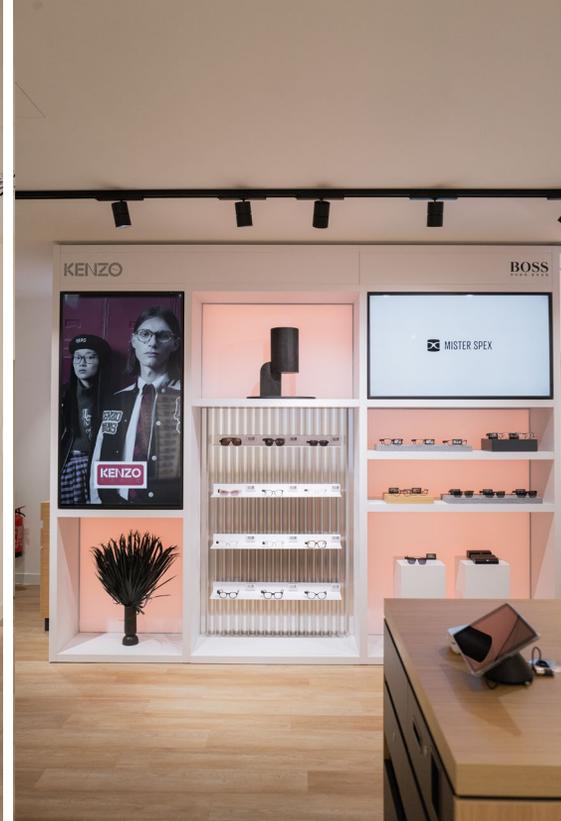
~30% of all new customers bought Boutique assortment

The flagship store:

Helps in acquiring **new brands**

Engaging with suppliers

... is another improvement in our **omnichannel experience**



Finding the perfect lens

Optician EXPERTISE



20 more stores



18% more online eye exams



More lens options¹ with
55% of customers already
ordering with them



+14% prescription glasses (PG) lenses revenue
+24% varifocal revenue



Future revenue growth lever: Increasing revenues from PG lenses

Currently at  ~40% of revenue
..while market is ~70% of revenue

1. Options: lotus effect, blue filter, tints and transitions

Finding the perfect frame and lens

Intuitive experience - EASE

Recommendation algorithm

...for returning customers



Decreasing returns by ~300 bps to low double digit

Increase in home-trial **conversion** by 100 bps to mid double digits

~38% of returning customers are using recommendation tool since the launch in September

...for new customers

In 2023



Frame recommendation and face measurements

»» **Mister Spex EyeD** by Tribe

– customizable frames that provide a perfect fit

Combining 3D face scanning-, fitting- and 3D printing technology



Lean 4 Leverage - Update

Selected and careful adjustments to drive profitability and growth

Concentrate on the core

- ✓ **20% LFL** growth in 2022
- ✓ Labour **flexibilization** and increase of part-time employees
 - Part-time:**
~40% Q4'22 vs ~30% in Q4'21
 - Fixed term:**
~20% Q4'22 vs ~7% in Q4'21
- ✓ Personnel **staffing tool** and incentivisation model
 - Live Q1 2023

Optimise price, mix and product margin

- ✓ Optimized **marketing**:
-80bps in Q4 and -60bps in 2022
- ✓ **Reduced discounts** and targeted campaigns resulted in lower discounts:
Q4 improvement¹: >200 bps
Q3 improvement¹: >60 bps
- ✓ Strategic **pricing actions** drive up AOV

Lean for operational leverage

- ✓ **Leaner organization**
HQ headcount Jan '23 is -8% since August '22 and below Jan '22

1. Improvement year on year

Optimise price, mix and product margin



Prescription glasses



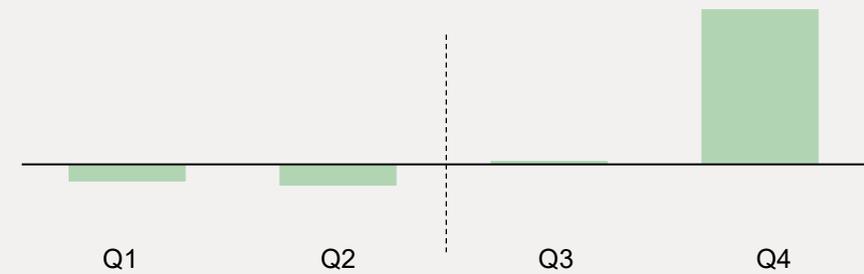
Sunglasses

Average order value* (EUR)

2021 2022



Gross profit margin (Δ pp YoY)



----- L4L

*AOV: selective quarter.

Lean 4 Leverage

Areas of focus for 2023

Concentrate on the core



Store **portfolio rationalization**



Staffing tool and incentivisation model



Improving **store training** and more part-time employees, experienced opticians

Sales productivity: low double-digit improvement in first months of 2023

Optimise price, mix and product margin



Improving **marketing spent** in Germany and International



Strategic buying of contact lenses ahead of price increases in 2023



Hungary facility **improves production speed**, with no extra costs



Improve pricing and **discounts further**

Lean for operational leverage



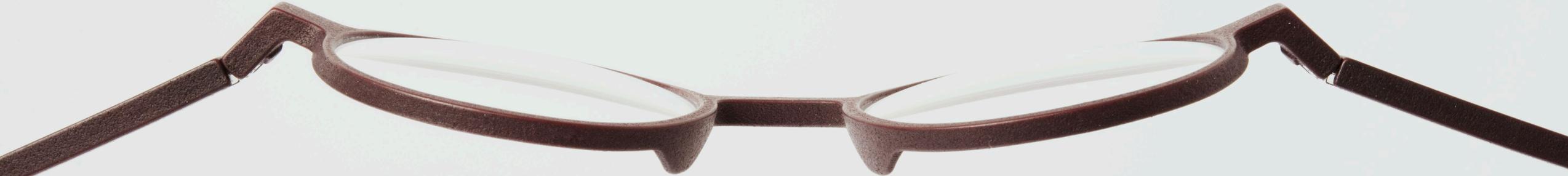
Further optimization of **corporate overhead and SG&A**



Operational excellence projects in supply chain have already started

Financial highlights

Good result in a challenging environment



+8%

Net revenue in 2022

Net revenue supported by:

Resilient **unit economics**...
...excellence in all **product categories**
... and steadily growing **omnichannel model**

+20%

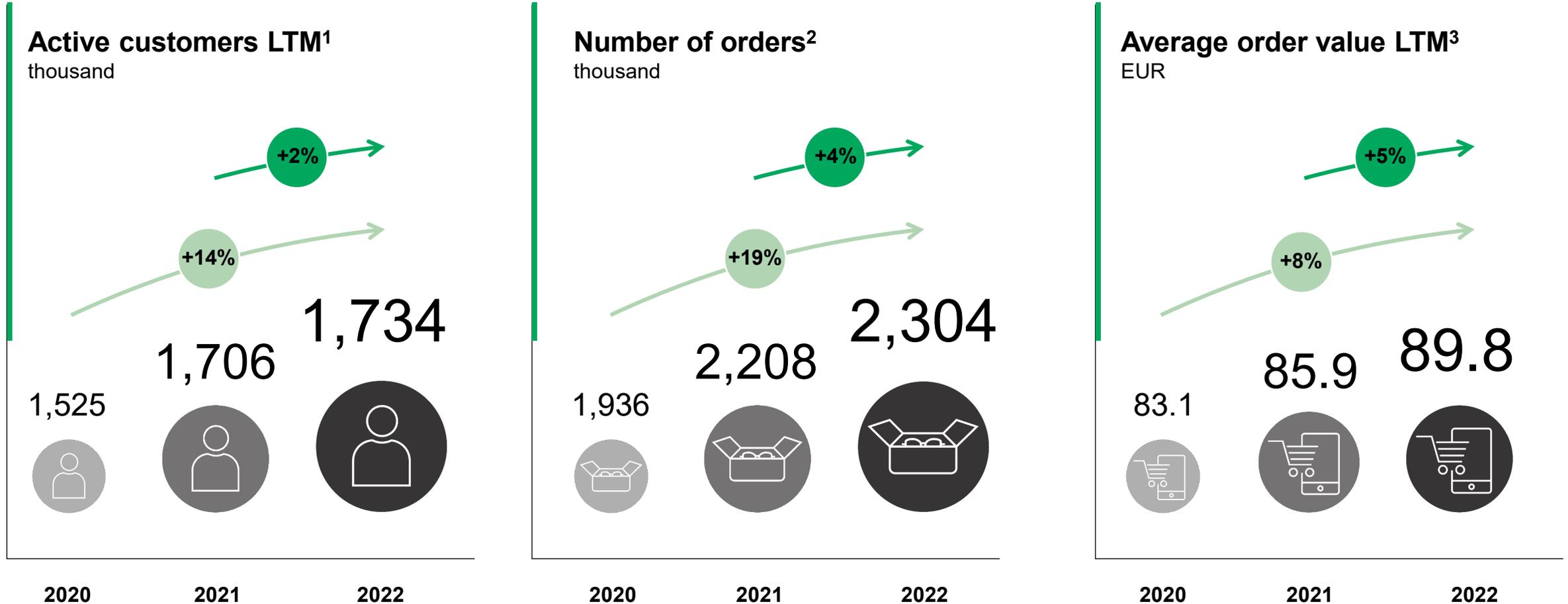
Store LfL¹ growth in 2022

LfL growth is driven by:

The core market, **Germany**
...and healthy **store cohorts**

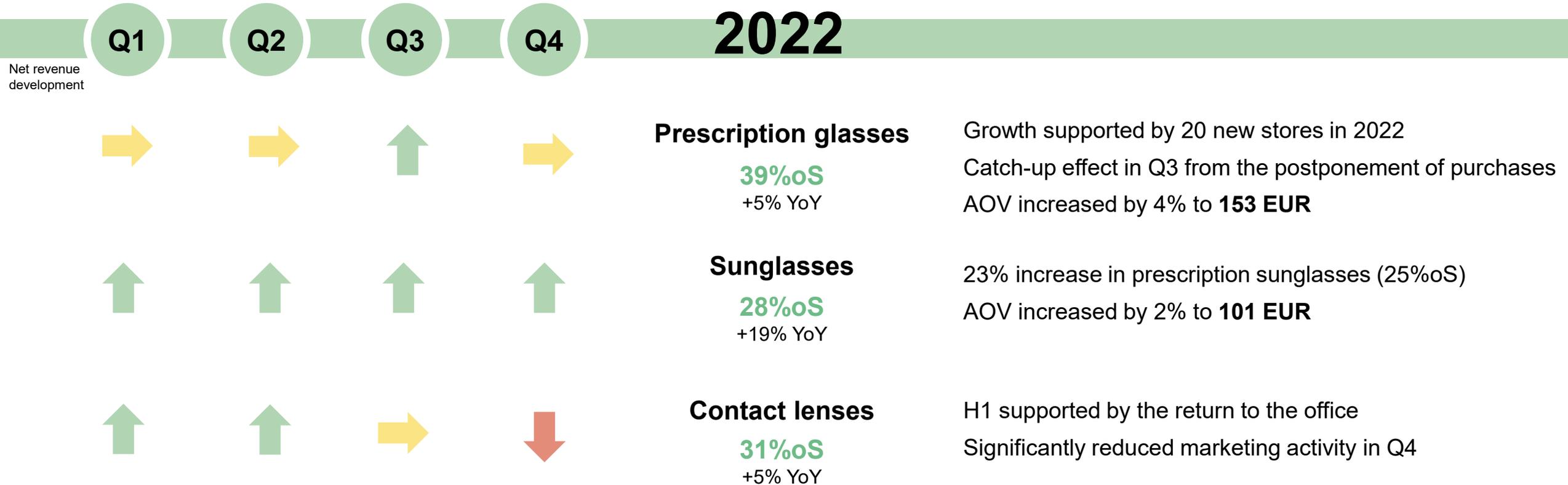
1. Like for like growth

Revenue supported by resilient unit economics...



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

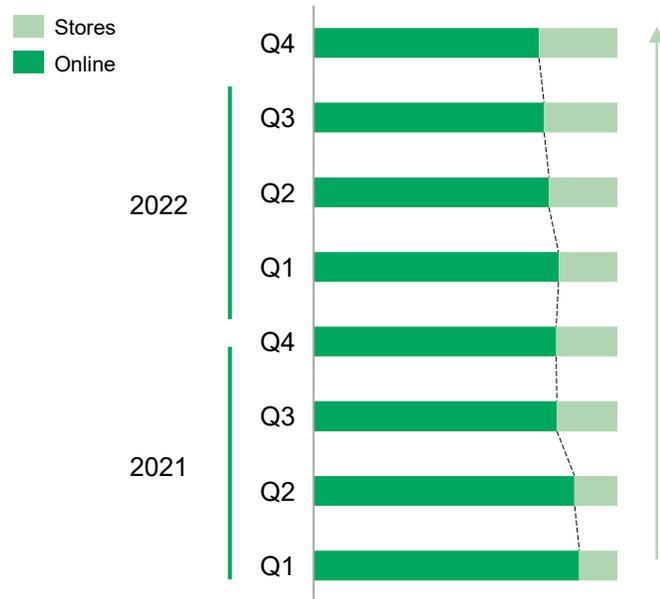
... excellence in all product categories ...



oS: % of sales in 2022

... and steadily growing omnichannel model

Growing store-based sales share...



...that continues to support online

~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)



Germany – regions with stores

~30% are by customers who have so far only bought in stores

~30% of all PG orders are by omnichannel customers

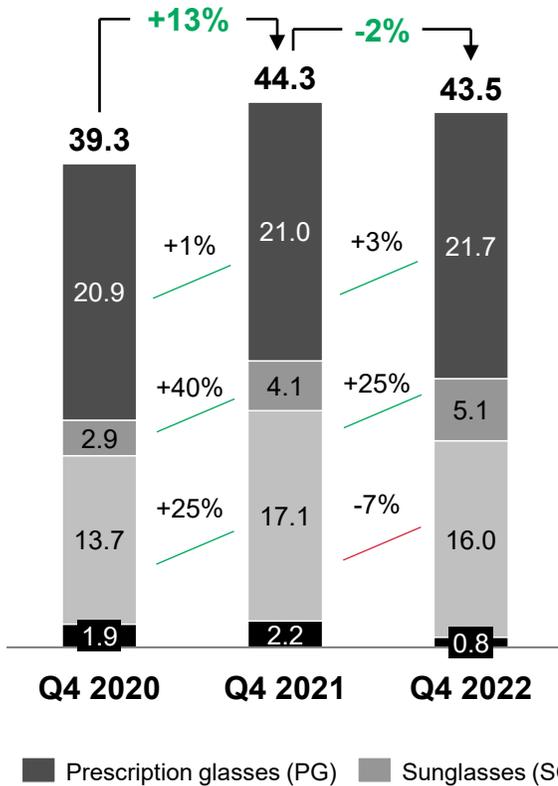
~40% bought only online

■ Store only ■ Omnichannel ■ Online only

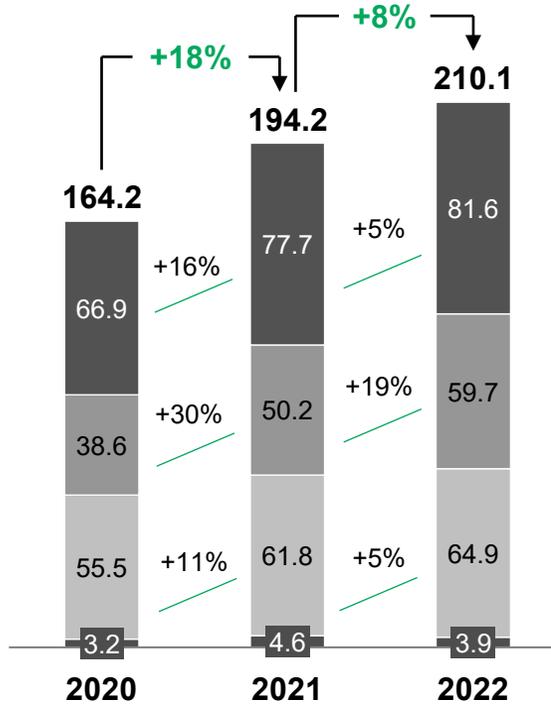


Net revenue development

Q4 Net Revenue
EURm



2022 Net Revenue
EURm



2022

Boutique sales increased by 38%, accounting for 13% of the group's net revenue
 Own brand sales increased by 4%, accounting for 15% of the group's net revenue

Q4

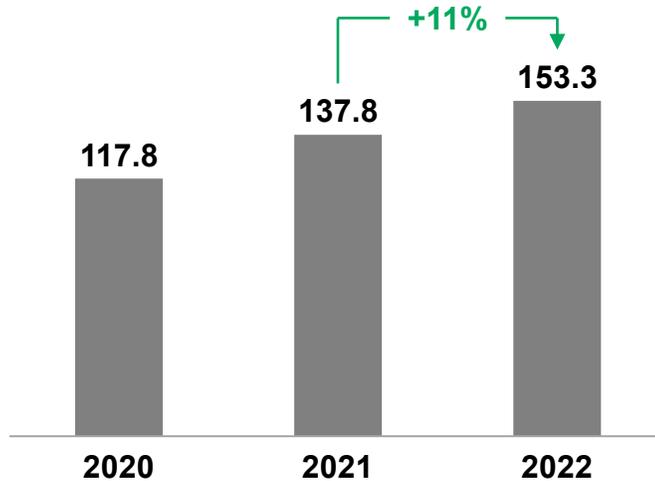
Decline in contact lenses driven by lower promotional activity
 +3 stores in Q4, ending the year with 68 stores (+20 stores in 2022)



Net revenue development – segments

Net Revenue – Germany

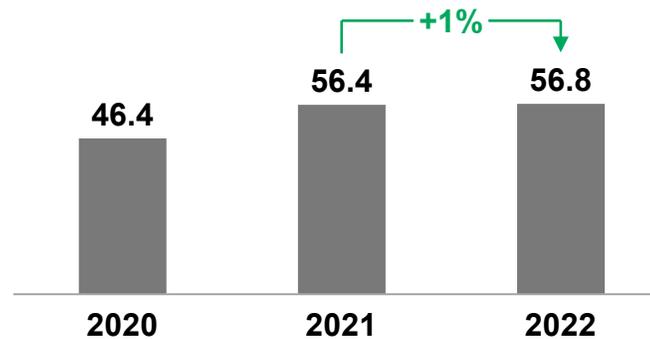
EURm



+16 new stores in Germany. All new store openings are in new cities

Net Revenue – International

EURm



+4 stores in International segment (2 in Austria, 1 in Sweden, 1 in Switzerland)

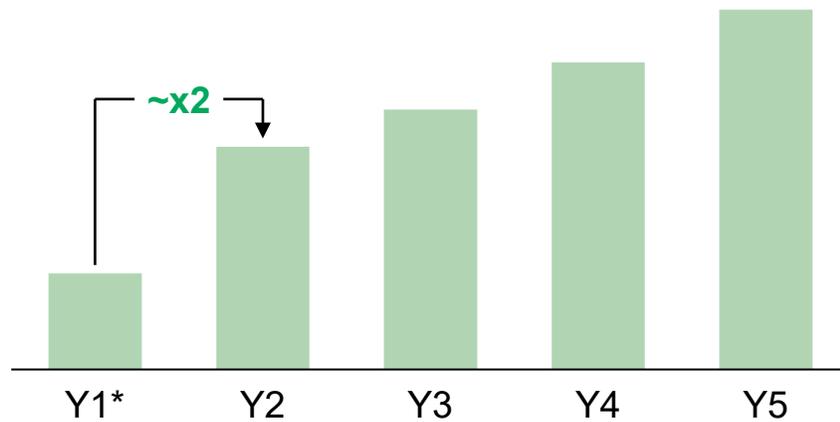


Germany: the driving force behind our growth

Healthy metrics behind majority of the stores

Net revenue per store

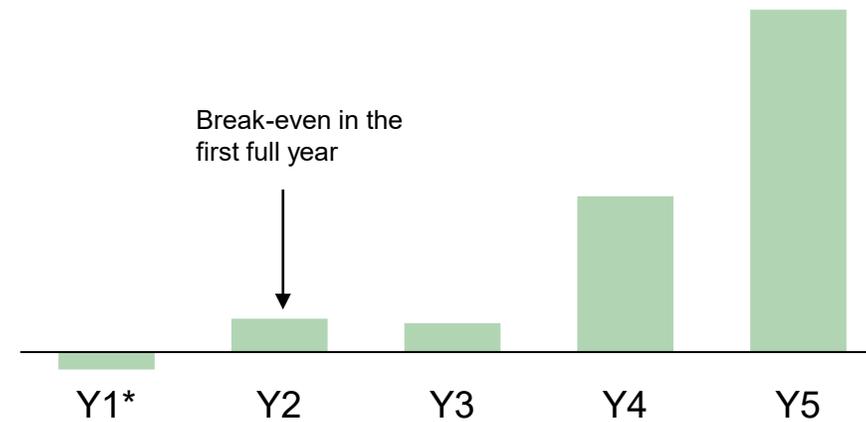
Stores opened in 2020 and before



Stores reach approximately €1 million in net revenue by their third year or second full year of operation

4-Wall EBITDA¹ per store

Stores opened in 2020 and before



Stores break-even in the first full year of operation (incl. rent)

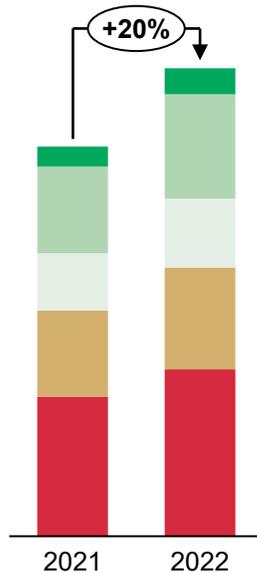
1. Including rent

*Y1 – year of the opening. On average a store is open for 6 months in the first year

Focusing on the store cohorts

Healthy metrics behind majority of the stores

LFL growth in 2022



+20%

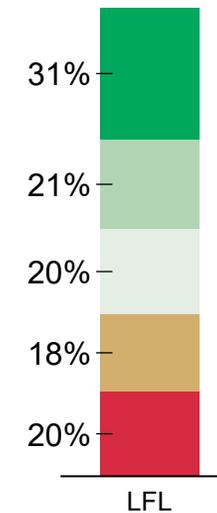
LFL growth in 2022

Each store cohort contributes to our growth

Year of the opening (new stores)



Store cohort growth in 2022



Financial performance in 2022

	Q4 2021	Q4 2022	Change	2021	2022	Change
Gross Profit Margin	52.2%	51.9%	(0.2)pp	49.1%	48.5%	(0.6)pp
Personnel expense	(25.8)%	(33.3)%	(7.4)pp	(25.5)%	(27.5)%	(2.0)pp
Marketing expense	(10.9)%	(10.2)%	0.8pp	(12.8)%	(12.2)%	0.6pp
Other operating expense	(18.1)%	(21.6)%	(3.4)pp	(19.6)%	(18.1)%	1.5pp
EBITDA	0.3%	(8.6)%	(9.1)pp	(4.2)%	(5.7)%	(1.5)pp
Adjusted EBITDA	3.5%	(8.8)%	(12.0)pp	2.1%	(4.0)%	(6.1)pp

2022

Personnel: +20 stores YoY

Results impacted by severance payments

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

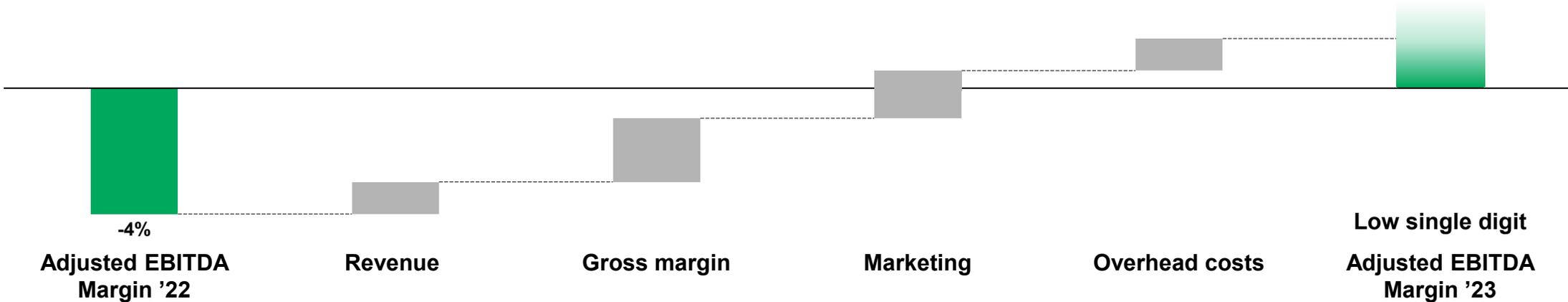
Q4

Other operating expenses: increase driven by general business costs



Adjusted EBITDA improvements

Drawn not to scale



Drivers

Volume growth: new stores from '22 and '23
Price increases

Discounts: reduction and simplification
Product mix
Price increases

Further **rationalization** of marketing spent

Productivity increase in logistics and HR
 Reduction of **admin. expenses**

Commercial outlook for 2023

The economy continues to be both dynamic and unpredictable, and we'll continue to adjust our business as trends affecting the economy, the consumer and the optical industry continue to evolve

Core principles

Improve customer offer and value proposition

Leverage omnichannel model to meet varying consumer demands

Strategy to navigate 2023

Increase **store profitability** without compromising on customer experience

Focusing on growth in **prescription glasses**

Focusing on **cost management** and operational excellence

Delivering of our **brand promise** “Perfect frame for every face and perfect lens for every eye”

Current trading: Q1 in **line with expectations**, coupled with healthy unit economics and gross margin development

Guidance 2023

	2022	Guidance 2023	Comments
Net revenue (€ m)	210	Mid to high single digit growth	Supported by price increases and volume growth
Prescription share (%)	39%		Increasing due to further store roll out and maturing store portfolio
Gross profit margin (%)	48.5%		Increases due to reduced discounts and favorable product mix
Adjusted EBITDA margin (%)	-4%	Low single digit percentage margin	Driven by margin improvement, cost consciousness and operating leverage
Capex (€ m)	~19	Flat	Up to 10 new stores in 2023
Inventory (€ m)	30		Strategic buying in contact lenses ahead of price increases. + € 4.5m in Q1'23
End cash and cash equivalents balance (€ m)	128	105 - 110	Better operational performance and cost consciousness

Q&A



Looking ahead

Reporting

- 11 May** Q1 2023 financial results
- 31 August** H1 2023 financial results
- 9 November** Q3 2023 financial results

Conferences and roadshows

- 28 March** Jefferies Pan-European Mid-Cap Conference – London
- 25 May** Bank of America Virtual e-commerce fieldtrip (virtual)
- 31 May** Quirin champions conference - Frankfurt

Appendix |





Krefeld - Hochstr. 73-75

Consolidated statement of profit or loss

Consolidated statement of profit or loss

in € k	Note	2022	2021
Revenue	1.	210,067	194,248
Other own work capitalized	6.	6,845	6,399
Other operating income	3.	819	2,400
Total operating performance		217,731	203,047
Cost of materials	11.	-108,182	-98,792
Personnel expenses	2., 15.	-57,822	-49,567
Other operating expenses	3.	-63,701	-62,926
Earnings before interest, taxes, depreciation and amortization (EBITDA)		-11,974	-8,238
Depreciation, amortization and impairment	6., 7., 8., 17.	-29,847	-15,215
Earnings before interest and taxes (EBIT)		-41,821	-23,453
Finance income	4.	1,470	807
Finance costs	4.	-4,065	-5,384
Financial result	4.	-2,595	-4,577
Share of results of associates	9.	-302	-345
Earnings before taxes (EBT)		-44,718	-28,376
Income taxes	5.	-209	-3,140
Loss for the period		-44,927	-31,515
Thereof loss attributable to the shareholders of Mister Spex SE		-44,927	-31,515
Basic and diluted earnings per share (in €)	27.	-1.33	-1.11



Consolidated statement of cash flows

Consolidated statement of cash flows

in € k	Note	2022	2021
Operating activities			
Loss for the period		-44,927	-31,515
Adjustments for:			
Finance income	4.	-1,470	-807
Finance costs	4.	4,065	5,384
Income tax expense	5.	209	3,140
Amortization and impairment of intangible assets	6.	7,932	4,893
Depreciation and impairment of property, plant and equipment	7.	6,335	2,758
Depreciation and impairment of right-of-use assets	17.	13,423	7,563
Impairment of goodwill	6.	2,158	-
Non-cash expenses for share-based payments	15.	1,246	1,295
Increase (+)/decrease (-) in non-current provisions	19.	1,213	91
Increase (-)/decrease (+) in inventories	11.	-6,890	-5,545
Increase (-)/decrease (+) in other assets	10.	2,957	-15,367
Increase (+)/decrease (-) in trade payables and other liabilities	16., 18.	-5,855	3,666
Share of results of associates	9.	302	345
Loss from deconsolidation of associated companies		674	-
Income tax paid	5.	-230	-2
Interest paid		-2,176	-3,732
Interest received		192	9
Cash flows from operating activities		-20,842	-27,824

Consolidated statement of cash flows

in € k	Note	2022	2021
Investing activities			
Purchase of investments in consolidated subsidiaries, net of cash acquired		-1,000	-
Purchase of other financial assets	10.	-	-25,087
Sale of other financial assets		24,427	-
Investments in property, plant and equipment	7.	-10,717	-6,996
Investments in intangible assets	6.	-8,959	-8,849
Cash flow from investing activities		3,751	-40,932
Financing activities			
Cash received from capital increases, net of transaction costs	14.	439	241,108
Cash received for the resolved capital increase	14.	-	85
Cash received from liabilities to banks	16.	-	35,000
Repayments of liabilities to banks	16.	-	-65,882
Cash received from borrowings	16.	3,350	-
Cash outflows from repayment of borrowings	16.	-267	-
Payment of principal portion of lease liabilities	17.	-8,283	-6,447
Cash flow from financing activities		-4,761	203,864
Net increase in cash		-21,852	135,108
Cash and cash equivalents at the beginning of the period		149,644	14,536
Cash and cash equivalents at the end of the period		127,792	149,644



Consolidated statement of financial position

Consolidated statement of financial position

Assets			
in € k	Note	31. Dec 2022	31. Dec 2021
Non-current assets		120,411	105,883
Goodwill	6.	12,829	12,113
Intangible assets	6.	21,738	17,904
Property, plant and equipment	7.	23,922	19,549
Right-of-use assets	17.	53,193	48,953
Investments in associates	9.	–	2,073
Other financial assets	10.	8,729	5,291
Current assets		172,821	219,437
Inventories	11.	30,041	23,151
Right of return assets	1.	759	723
Trade receivables	10.	2,742	2,852
Other financial assets	10.	868	32,613
Other non-financial assets	12.	10,619	10,454
Cash and cash equivalents	13.	127,792	149,644
Total assets		293,232	325,320

Consolidated statement of financial position

Equity and liabilities			
in € k	Note	31. Dec 2022	31. Dec 2021
Equity	14.	201,005	244,785
Subscribed capital		33,866	33,761
Capital reserves		327,668	326,319
Other reserves		–1,094	–787
Accumulated loss		–159,435	–114,509
Non-current liabilities		56,736	45,798
Provisions	19.	1,563	350
Liabilities to banks	16.	1,120	–
Lease liabilities	17.	50,376	44,016
Other financial liabilities	16.	2,462	160
Other non-financial liabilities	18.	42	100
Deferred tax liabilities	5.	1,173	1,172
Current liabilities		35,491	34,737
Provisions	19.	1,054	900
Trade payables	16.	12,857	16,222
Refund liabilities	16.	2,166	1,983
Lease liabilities	17.	10,159	7,675
Other financial liabilities	16.	1,433	1,010
Contract liabilities	1.	1,121	1,090
Other non-financial liabilities	18.	6,700	5,857
Total equity and liabilities		293,232	325,320



