Annual report 2024

MISTER SPEX

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Company

A new Vision and Mission

for the Next Stage

At Mister Spex, updating our vision and mission reflects the natural evolution of who we are as a company. As the world of optics and the needs of our customers change, we must evolve as well. This journey is driven by our new claim: **"The optician of your life."** This is the core of our brand repositioning as the premium optician in the market.

This claim embodies our ambition to be more than just an eyewear retailer. It highlights our commitment to being a lifelong partner in vision care – whether offering advanced eye health solutions as our customers age, or matching eyewear to personal style at any stage of life. **"The optician of your life"** means we are there for every milestone, combining expertise, innovation, and trust to meet evolving needs. We are committed to supporting eye and consumer health throughout every stage of our customers' lives.

"The optician of your life."
Our new Claim

Our vision

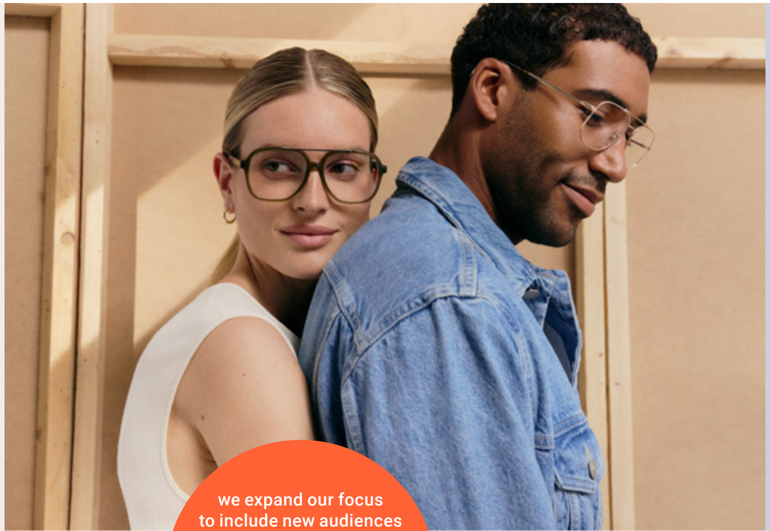
Our vision, **"We empower people to see and to be seen"**, builds on this foundation. "To see" captures our dedication to eye health and innovation, ensuring that we provide the best possible care for our customers' vision over time. "To be seen" celebrates our heritage, empowering individuals to express their identity and style with confidence and ease. Together, these principles reinforce our promise to support our customers throughout their lifetime.

This redefinition is also central to SpexFocus, our transformation and restructuring program launched in August 2024 to enhance profitability and cashflow. As part of this, we are expanding our focus to serve a broader audience, including those aged 40 to 60, while delivering tailored solutions for every life stage.

By committing to being **"The optician of your life"**, Mister Spex is redefining what it means to care for our customers – not just today but for all the years to come.

Interview with Stephan Schulz-Gohritz, Chairman of the Management Board

New Chapter of Growth



Our new vision, mission, and claim
reflect our commitment to supporting our customers through every stage of life.

we expand our focus to include new audiences like those aged

40–60

Why did Mister Spex decide to introduce a new vision, mission, and claim at this point in its journey?
Vision and Mission go hand in hand with our brand repositioning, serving as the foundation for Mister Spex's continued evolution. Over the years, Mister Spex has evolved from a digital eyewear pioneer to a comprehensive vision-as-a-service provider. This transformation required us to reflect deeply on who we are and what we stand for. Our new vision, mission, and claim represent our commitment to accompany our customers at every stage of their lives, providing not just glasses but tailored solutions for their vision, health, and style. This repositioning isn't just cosmetic; it's essential to aligning with our customers' evolving needs and strengthening our role as their trusted partner for life.

How does the new claim, "The optician of your life", tie into the company's broader strategy and the SpexFocus program?
Our transformation and restructuring program SpexFocus is about creating a business that is financially strong and adaptable to change. By focusing on profitability and cash flow, we ensure that Mister Spex remains resilient in a competitive market. **"The optician of your life"** ties into this strategy by sharpening our value proposition. It emphasizes lifetime customer relationships and positions us as the go-to optics expert for every stage of life. This alignment strengthens both our business foundation and our ability to connect meaningfully with customers, particularly as we expand our focus to include new audiences like those aged 40 to 60. It starts with the brand, anchoring our identity and ensuring that every touchpoint reflects our vision and commitment to being a lifelong partner in vision care.

"Contributing to preserving and improving eye health is extremely fulfilling for me."

Stephan Schulz-Gohritz,
Chairman of the Management Board

On a personal level, what inspires you most about this new direction for Mister Spex?
For me, the most inspiring aspect is the genuine impact we can have on people's lives. Vision is such a fundamental part of how we experience the world, and to play a role in maintaining eye health and improving that for our customers is incredibly rewarding. The claim "The optician of your life" resonates with me because it speaks to our long-term commitment. It's about trust, consistency, and innovation – building relationships that go beyond a transaction and truly empowering people to see and to be seen. This is what excites me most: being part of a brand that is purpose-driven and focused on creating lasting value for its customers.

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Management Team

STEPHAN SCHULZ-GOHRITZ
Chairman of the Management Board

With over 30 years of leadership experience across global roles in finance, strategy, and innovation, Stephan brings a proven track record of driving transformation and building resilient organizations to his role as Chairman of the Management Board at Mister Spex.

Stephan's Favorite Model

"I am motivated by the chance to shape the future of Mister Spex: building a strong, resilient company that empowers people to see and be seen, every day and for life."

"What drives me is the opportunity to push boundaries – making Mister Spex the most trusted and innovative partner for our customers, where eyewear meets expertise and personal style."

FRANCESCO LIUT
Chief Commercial Officer

With over 20 years of global experience in marketing, e-commerce, and retail – including 10 years in the eyewear industry – Francesco is passionate about driving innovation and customer-focused strategies to shape Mister Spex into the leading destination for eyewear and vision services.

Francesco's Favorite Model

Vision-as-a-service

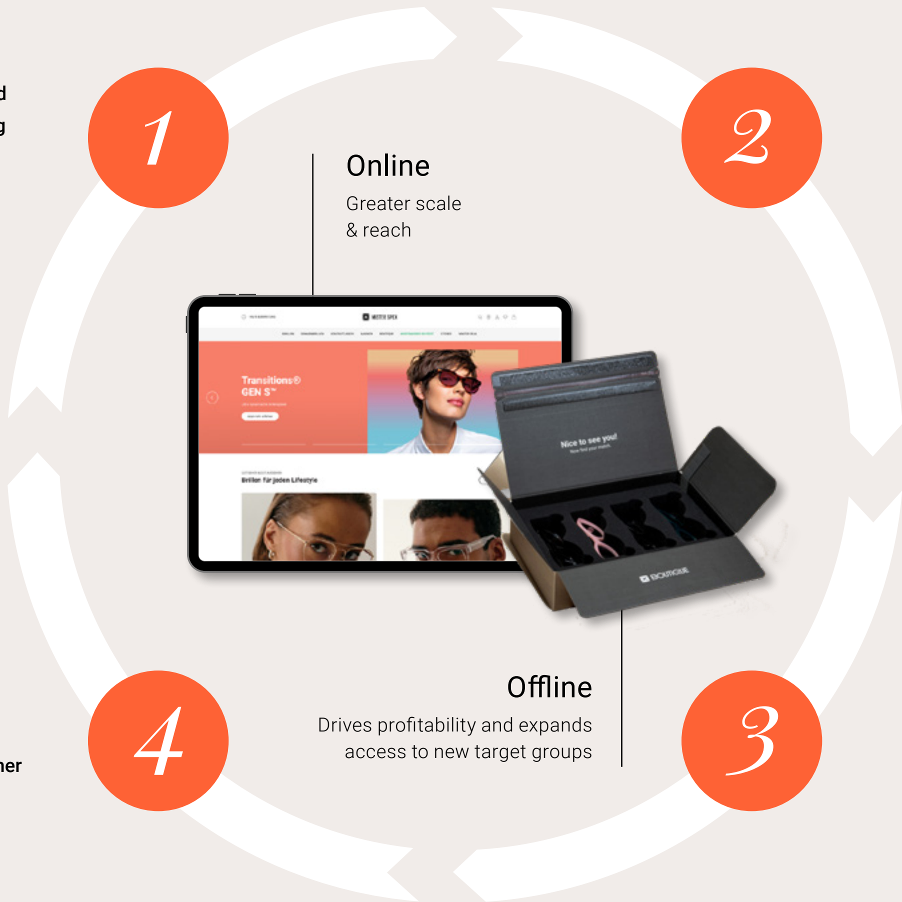
From Online Retailer *to Comprehensive Optical Expert*

Online

- Online offers features like online eyewear try-on and appointment booking for in-store eye tests, bridging digital and physical touchpoints.
- Brand campaigns drive awareness and interest, increasing website traffic and online purchases, particularly in target demographics.
- Online presence in 10 countries.

Omnichannel

- Consistent messaging across online and offline channels reinforces trust, helping Mister Spex stand out in a competitive eyewear market.
- Omnichannel model leverages customer data across channels to provide tailored recommendations, whether online or in-store, enhancing customer satisfaction.



Brand leverage & data Leadership

- Omnichannel model combines the convenience of online shopping with the personalized service of physical stores, ensuring a unified customer experience across channels.
- Most attractive assortment of 100 brands and 12,000 SKUs.
- Campaign enhances cross-channel collaboration, with online ads driving foot traffic to stores and in-store promotions reminding customers of digital options.

Offline

- A network of physical stores complements the digital platform, enabling access to a broader audience and creating multiple entry points for customer engagement.
- Strategic campaigns elevate brand visibility, encouraging customers to visit physical stores for personalized services such as fittings and consultations.
- 66 stores in Germany and logistics in Berlin serving all countries.

Interview
with Mark Beckmann
Director Retail

What role do physical stores play in Mister Spex's transformation to Vision-as-a-Service?
Our stores are essential for delivering top optical expertise. Personalized consultations and precise eye exams set us apart. By retaining and growing the best opticians, we ensure every store visit delivers exceptional quality, builds trust, and supports our customers' long-term eye health.

How does in-store service differ from the online experience?
Online, we offer digital tools like virtual try-ons for convenience. In-store, personal interaction takes center stage. Our experts provide tailored solutions, assess individual needs, and make adjustments that go beyond what's possible digitally. The combination of online tools, most attractive offering of brands and products and in-person consultations makes our concept unique.

What defines excellent in-store service, and how do you ensure consistency?
Excellent service means individualized advice and top-tier expertise. We invest in staff training to ensure technical skills and personal care are consistent across all stores. Whether in Berlin, Hamburg, or Munich, every visit should build trust and leave a lasting, positive impression

Interview
with Benjamin Asprion
Optician at Mister Spex Store Berlin

You've been an optician for 10 years and with Mister Spex for 4. What makes working here different?
Mister Spex combines a strong digital presence with personalized in-store care. This allows me to focus on helping customers find the right solutions while leveraging advanced tools for precise, high-quality service. The diversity of customers and focus on both health and style make my work especially rewarding.

How does the omnichannel concept impact your role?
The omnichannel approach is transformative. Customers often start online with virtual try-ons or appointment bookings and then visit the store for expert advice. Home trial plays a key role here, serving as a bridge between our online offering and offline services. This seamless experience allows me to focus on personal interaction and precise eye exams. By combining convenience with expertise, we ensure that every customer enjoys a tailored and cohesive journey, no matter where they begin.

What sets Mister Spex apart for customers, and how does that reflect on your work?
Mister Spex provides more than glasses—it offers a complete vision experience. Customers value the mix of convenience, expertise, and choice, which allows me to deliver personalized care, from detailed exams to helping select frames that suit their style.

Novel solutions – The Optician of Your Life:

Positioning as an Optical Expert

In 2024, Mister Spex has continued to set new standards in vision care with innovative solutions that strengthen our position as the leading optical expert. By combining cutting-edge technology, premium quality, and customer-centric design, we've launched products that meet the evolving needs of our customers – both in everyday life and performance-driven settings.

With SpexPro, we introduced a new generation of premium lenses. Designed to deliver exceptional clarity, durability, and comfort, SpexPro has quickly become a customer favorite. Its advanced coatings and tailored vision solutions address modern challenges like digital eye strain, ensuring optimal visual performance throughout the day.

14 % of units sold are multifocal

24 % Share of all orders sold as SpexPro

Another highlight was the launch of Spex MOOVE, our private label sports eyewear brand. Developed with active lifestyles in mind, Spex MOOVE combines lightweight materials, innovative lens technology, and a secure fit – making it ideal for sports and outdoor enthusiasts. The strong positive feedback from customers underlines the demand for performance-oriented eyewear that doesn't compromise on style or comfort.

These solutions reflect our ambition to be **"The optician of your life"** – delivering products that align with every moment and every need, while showcasing our expertise in optical innovation.

Interview with Eileen Preuss,
Head of Optical Expertise:

Raising the Bar in Optical Expertise

How is Mister Spex ensuring customers receive the highest level of optical care?
Precision and quality are key. We've expanded our premium lens portfolio with solutions like SpexPro, offering exceptional clarity, durability, and comfort for challenges like digital eye strain. At the same time, we're optimizing store processes with advanced tools to ensure tailored, efficient advice for every customer.

How does innovation improve the customer experience at Mister Spex?
Technology plays a central role in enabling precision, comfort, and a holistic vision experience. We are continuously working to enhance our digital measurement tools and seamlessly integrate them into our omnichannel experience. Looking ahead, our goal is to take a more comprehensive approach to eye health and to leverage modern technologies specifically to support that vision.

Why is optimizing the lens portfolio so important, and what can customers expect?
Lenses are central to vision care. We're expanding our premium portfolio with high-performance options like SpexPro, delivering clarity, durability, and comfort. This reflects our ambition to be **"The optician of your life"** – a trusted partner offering tailored solutions for every stage of life.

Personalities and Styles

A Portfolio That Sets Us Apart

In 2024, Mister Spex has once again proven its commitment to offering the broadest and most diverse eyewear portfolio on the market. With over 100 brands – spanning luxury, lifestyle, and performance – we ensure that every customer finds eyewear that perfectly matches their personality, needs, and style.

A highlight this year was the launch of our exclusive collaboration with Jacquemus.

A highlight this year was the launch of our exclusive collaboration with Jacquemus, a luxury collection that combines elegance and innovation, setting new standards in fashion eyewear.This diverse portfolio not only strengthens our position as an optical expert but also sets us apart in the market. By combining renowned global brands, exciting collaborations, and innovative private labels, Mister Spex continues to lead the way – ensuring that style, quality, and functionality are accessible to all.

How Collaborations Define the Mister Spex Brand

At Mister Spex, eyewear is more than just vision – it's about expressing personality and style. In 2024, we partnered with leading figures from fashion, music, and culture, showing our creativity and flexibility as a brand.

The year kicked off with renowned designer **Marcel Ostertag** in February, whose bold and contemporary aesthetic added a fresh perspective to our collection.

In March, we continued our long-standing collaboration with **Michael Michalsky**, a partnership built on shared values of innovation and timeless design. Michalsky's influence over the years has consistently inspired collections that combine premium style with everyday wearability.

9 Own Brand labels representing ~20% of Net Revenue

Top selling article in PG and SG

34 % share of own brand in prescription glasses revenue

Best collaboration in terms of sales – Michalsky Glasses: Exclusive collaboration with Mister Spex

In April, German music legend **Jan Delay** brought his unmistakable style and energy to Mister Spex, proving once again how eyewear can reflect individuality and confidence.

Summer followed with **Willy Iffland** in July, whose digital reach and authentic appeal connected us to a younger, style-driven audience.

Finally, in October, we celebrated another milestone with Berlin-based rapper **Prinz Pi**, a creative partner who has collaborated with us for several years. His continued involvement is a testament to the trust and long-term relationships we build with personalities who share our vision of self-expression through eyewear.

These collaborations not only strengthen our market position but also reinforce our mission: to empower everyone to see and be seen – authentically, confidently, and in style.

Interview with Daniel Wunderlich, Director Category Management:

Strengthening Our Market Position with an Optimally Curated Portfolio

Daniel Wunderlich,
Director Category Management

„A well-curated assortment ensures that our customers always find the perfect product to match their needs.“

Mister Spex offers one of the largest eyewear portfolios on the market. Why is this assortment so central to your strategy?
With an optimally curated product portfolio, we cater to the diverse needs of our customers – from everyday eyewear to premium options. Our boutique brands and private label collections, in particular, reinforce our position as an optical expert while driving profitability – both key objectives of the SpexFocus program. A well-curated selection ensures that we meet every style and preference, allowing us to stand out in the market.

Why are private label brands so important for Mister Spex?
Our private label collections combine optical expertise with outstanding quality and performance. They enable us to meet high customer expectations while maintaining control over innovation and pricing. This strengthens our profitability and solidifies our position as **"The Optician of Your Life"** by offering tailored solutions. A great example is Spex MOOVE, our proprietary sports eyewear brand designed specifically for active individuals. With lightweight materials, innovative lenses, and an optimal fit, it delivers both functionality and style. The positive customer feedback highlights the strong demand for eyewear that balances performance, comfort, and aesthetics—an essential element in enhancing our portfolio and reinforcing our market positioning.

How does a well-curated assortment align with Mister Spex's role as "The optician of your life"?
Being **"The optician of your life"** means providing the right vision solution for every stage of life. A carefully curated portfolio ensures that our customers always find the perfect product to meet their needs—whether it's their first pair of glasses, everyday contact lenses, stylish sunglasses, or progressive lenses for optimal visual comfort. This diversity makes Mister Spex a trusted companion in every life situation.

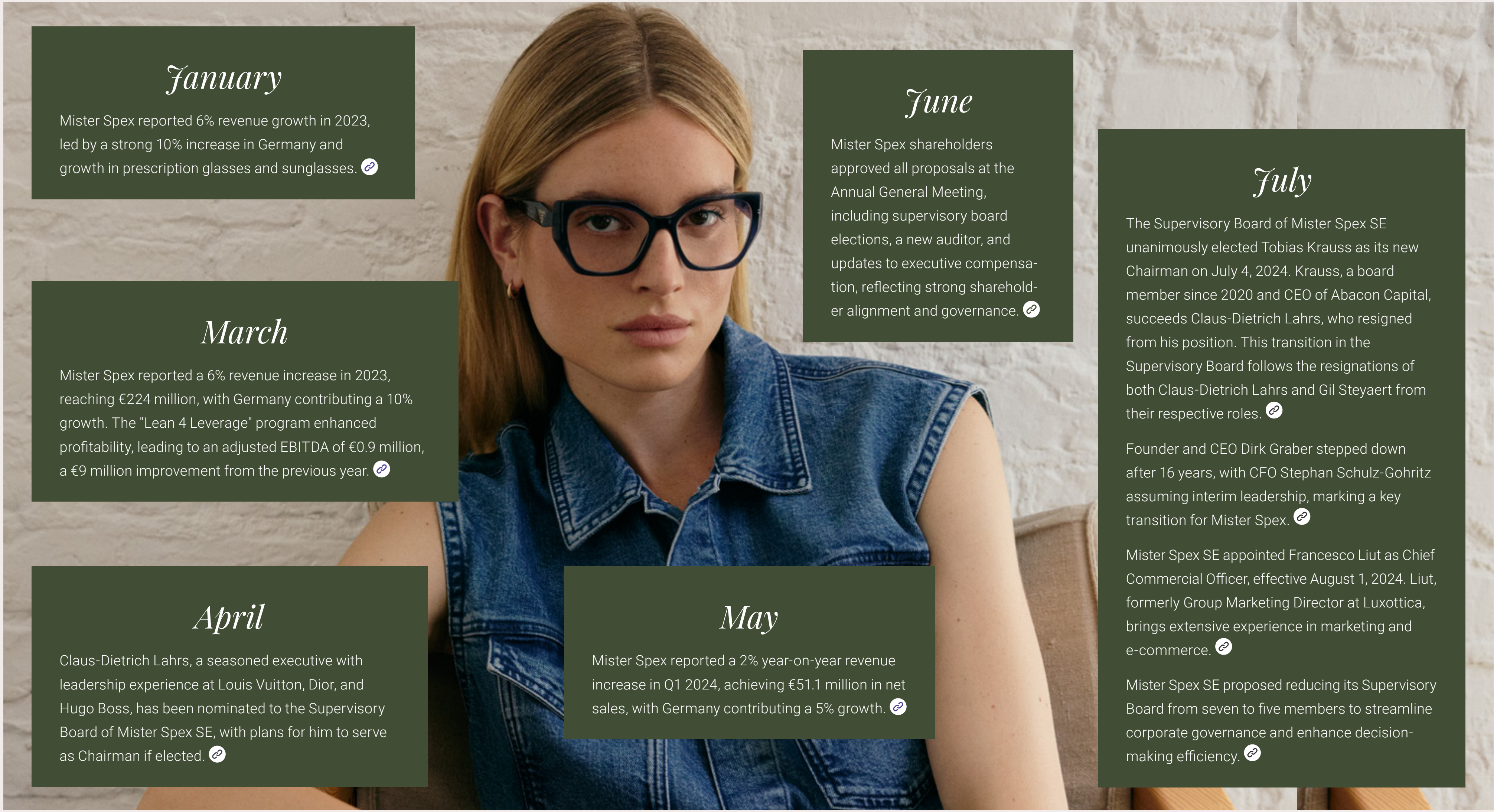
Looking back at 2024

Key Figures

	1. Jan. to 31. Dec.		
in € k	**2024**	**2023**	Change
Financial performance indicators			
Revenue	216,752	223,530	–3%
Revenue by product category			
Prescription glasses	89,859	90,114	0%
Sunglasses (incl. prescription sunglasses)	64,933	67,491	–4%
Contact lenses	57,903	61,300	–6%
Miscellaneous services	4,057	4,625	–12%
Gross profit [1]	108,016	113,157	–5%
Gross profit margin [2]	49,8%	50,60%	–79 bp [3]
EBITDA	–24,724	–4,693	>100%
Adjusted EBITDA	–5,801	900	>–100%
Financial position			
Cash flow from operating activities	–16,299	6,037	
Cash flow from investing activities	–6,377	–14,606	
Cash flow from financing activities	–15,846	–8,569	
Non-financial performance indicators			
Active customers [4] (in k)	1,573	1,747	–10%
Number of orders [5] (in k)	2,095	2,295	–9%
Average order value [6] (in €)	101.71	95.67	6%
Number of employees (average)	1,212	1,293	–6%
Number of stores	66	75	–12%

1 Management defines gross profit as sales revenue less the cost of materials
2 Management defines gross profit margin as the ratio of gross profit to revenue
3 bp = basis points
4 Customers who ordered in the last twelve months excluding cancellations
5 Orders after cancellations and after returns in the reporting period
6 Calculated as revenues divided by number of orders after cancellation and after returns, over the last twelve months

2024 Milestones and Highlights



January

Mister Spex reported 6% revenue growth in 2023, led by a strong 10% increase in Germany and growth in prescription glasses and sunglasses.

March

Mister Spex reported a 6% revenue increase in 2023, reaching €224 million, with Germany contributing a 10% growth. The "Lean 4 Leverage" program enhanced profitability, leading to an adjusted EBITDA of €0.9 million, a €9 million improvement from the previous year.

April

Claus-Dietrich Lahrs, a seasoned executive with leadership experience at Louis Vuitton, Dior, and Hugo Boss, has been nominated to the Supervisory Board of Mister Spex SE, with plans for him to serve as Chairman if elected.

May

Mister Spex reported a 2% year-on-year revenue increase in Q1 2024, achieving €51.1 million in net sales, with Germany contributing a 5% growth.

June

Mister Spex shareholders approved all proposals at the Annual General Meeting, including supervisory board elections, a new auditor, and updates to executive compensation, reflecting strong shareholder alignment and governance.

July

The Supervisory Board of Mister Spex SE unanimously elected Tobias Krauss as its new Chairman on July 4, 2024. Krauss, a board member since 2020 and CEO of Abacon Capital, succeeds Claus-Dietrich Lahrs, who resigned from his position. This transition in the Supervisory Board follows the resignations of both Claus-Dietrich Lahrs and Gil Steyaert from their respective roles.

Founder and CEO Dirk Graber stepped down after 16 years, with CFO Stephan Schulz-Gohritz assuming interim leadership, marking a key transition for Mister Spex.

Mister Spex SE appointed Francesco Liut as Chief Commercial Officer, effective August 1, 2024. Liut, formerly Group Marketing Director at Luxottica, brings extensive experience in marketing and e-commerce.

Mister Spex SE proposed reducing its Supervisory Board from seven to five members to streamline corporate governance and enhance decision-making efficiency.

August

Mister Spex welcomed 41 new apprentices – 38 in optometry and 3 in commercial fields – across Berlin, Cologne, Münster, Reutlingen, and Mannheim, reinforcing its commitment to developing future optician experts.

Mister Spex launched its new brand campaign, "The Optician of Your Life", focusing on optician expertise, premium lenses, and first-class service to strengthen its position in the optical industry. **Commercial "eye test"** und **commercial "multifocal"** und **commercial "style"**.

Mister Spex adjusted guidance and launched the "SpexFocus" restructuring & transformation program, aiming to improve profitability by €20 million by 2026, alongside repositioning its brand with a focus on premium lenses and optician expertise. Mister Spex also appoints Christopher Douglas as Chief Restructuring Officer.

Mister Spex launched the "Mister Spex MOOVE" sports eyewear collection, tapping into the growing market for active lifestyle products and expanding its premium private label portfolio.

Mister Spex reported a 1% increase in net revenue for H1 2024, reaching €119 million, with a 4% like-for-like growth in Germany during Q2. The company also initiated the "SpexFocus" restructuring program, aiming for over €20 million in EBITDA savings by 2025-2026.

September

Mister Spex expanded its premium portfolio by adding the Jacquemus sunglasses collection, featuring modern designs and high-quality materials, available online and in select stores.

Mister Spex launched SpexPro, its premium private label lenses, offering enhanced clarity, comfort, and durability, marking a significant step in expanding its high-margin product portfolio. Roughly a third of all customers choose SpexPro, highlighting its strong appeal and growing popularity.

Mister Spex held an Extraordinary General Meeting, approving all management proposals, including reducing the Supervisory Board size and reaffirming strategic initiatives like the "SpexFocus" transformation program and the launch of premium SpexPro lenses.

October

Mister Spex appointed Eileen Preuss as Head of Optical Expertise, reinforcing its commitment to quality assurance and leadership in the optical industry.

November

Mister Spex reported a 2% revenue increase in its core German market for Q3 2024, with a 4% rise in prescription glasses sales, leading to a 302 basis point improvement in gross margin. The company confirmed its guidance for the full year 2024.

December

Mister Spex delivered outstanding results during its Black Friday 2024 campaign, achieving over 30% same-store sales growth in Germany, €10 million in net revenue, 7,500+ eye exams (+11%), and processing 110,000 orders with shorter delivery times, showcasing the strength of its omnichannel strategy and operational efficiency.

Letter to the shareholders

STEPHAN SCHULZ-GOHRITZ
Chairman of the Management Board and CFO at Mister Spex

Dear Shareholders,

2024 has been a transformational year for Mister Spex, as we continued to solidify our position as Europe's leading omnichannel optician. Our relentless focus on value creation, customer centricity, and operational efficiencies, has set the stage for sustainable, long-term profitable growth. With the launch of our premium lens brand, SpexPro, we elevated our product portfolio while starting to reshape our financial profile. Expanding our premium private label segment has enabled us to increase profitability and deliver unmatched value to our customers.

Financial Performance

2024 was a year of strategic transformation, marked by resilience in our core market and decisive actions to enhance long-term profitability. While we navigated subdued consumer sentiment and weather-related challenges, our commitment to the SpexFocus strategy shaped our performance, particularly in the second half of the year.

For the full year, gross margin decreased by 79 basis points, reflecting the impact of lower volumes due to our disciplined shift away from discounting and the closure of international stores. While gross margin had expanded by 58 basis points after the first nine months, the reversal in Q4—driven by reduced promotional activity and lower sales volumes—led to a negative full-year margin impact.

In our core German market, sales grew by 3% after nine months. However, our deliberate strategy to significantly reduce discounting and promotional campaigns in Q4 led to a sharp decline of -11% in the final quarter, resulting in flat full year. Despite this top-line impact, the underlying business remained strong, with like-for-like sales growing by 2% for the full year, demonstrating continued customer engagement and market leadership.

Our strategic execution under SpexFocus was key to navigating this transitional year. While revenue in the International segment declined due to planned store closures, we successfully shifted our product mix toward higher-margin categories. The introduction of our premium private label SpexPro lenses, combined with reduced discounting and promotional activities, helped mitigate margin pressures

Prescription glasses remained a cornerstone of profitability, accounting for 41% of total sales in 2024, up from 40% in the prior year. This category continues to drive value for Mister Spex and aligns with our long-term strategy of expanding high-margin offerings.

With a sharpened focus on profitability, premiumization, and operational efficiency, we remain confident in our ability to drive long-term sustainable growth. As we complete the transition away from discount-driven sales and fully execute our SpexFocus strategy, Mister Spex SE is well-positioned to capitalize on future opportunities and further strengthen its leadership in Germany

Strategic Highlights

This year, we started to reposition our brand towards a premium brand with the campaign "The Optician of Your Life", a pivotal step in reinforcing Mister Spex as a trusted partner for eyewear and eye health. The campaign's innovative messaging, amplified through TV, digital platforms, and in-store experiences, strengthened our focus on optical expertise and broadened our appeal to discerning customers. Following the campaign, all benefit dimensions improved, with a significant increase in awareness of our customizable lens options and the extensive selection available at Mister Spex. Specifically for YouTube, we observed a 7% uplift in overall brand consideration among the 45–54 age group, further demonstrating the campaign's success in expanding our appeal across key demographic.

Another milestone was the introduction of SpexPro, our premium private label lenses developed in Germany. These lenses, offering unparalleled clarity, sharpness, and durability, have elevated our product offering and boosted our market share in prescription eyewear. The higher average order value of approximately 300 EUR for SpexPro underscores the strategic importance of premium products in driving profitability.

Operational Achievements

In 2024, Mister Spex advanced its position as Europe's leading omnichannel optician through notable achievements:

- Expanding our product portfolio with the launch of SpexPro lenses and the Mister Spex Moove sports eyewear collection, as part of Mister Spex's strategic positioning as a premium brand in the market, catering to the growing demand for specialized optical products
- Achieving 2% like-for-like growth in Germany's brick-and-mortar stores, underscoring the resilience and importance of our retail network within our omnichannel strategy.
- Executing the SpexFocus transformation program, aimed at enhancing profitability through cost optimization and strategic market realignment.

Our operational resilience was further demonstrated by our ability to adapt to shifting consumer behaviors and external conditions. By leveraging advanced technologies, we ensured that every customer interaction – whether online or in-store – met the highest standards of quality and personalization.

Leadership Transition

This year also marked a significant leadership transition for Mister Spex SE. After 16 years of visionary leadership, our founder, Dirk Graber, stepped down, entrusting me with the responsibility to lead Mister Spex into its next chapter. Dirk's legacy is extraordinary – transforming a bold idea into Europe's leading omnichannel optician. His vision, combining digital innovation with exceptional customer service, remains a central element to our mission.

As we move forward, I am committed to building on this legacy, further strengthening our market position, and delivering exceptional value to all stakeholders.

Looking ahead

As we look to 2025 and beyond, our priorities remain clear:

- Expanding our premium offerings, including the continued success of SpexPro lenses.
- Driving innovation with a focus on eye health
- Optimizing operations to ensure profitability and sustainable growth.
- Reaching sustainable profitable financial profile, enabling future growth

With the groundwork laid by SpexFocus, we are well-prepared to navigate future challenges and seize growth opportunities. By prioritizing customer satisfaction, operational excellence, and shareholder value, we will reinforce our leadership in the optical industry.

On behalf of the Management Board, I extend my heartfelt gratitude to our employees, partners, and you, our shareholders, for your unwavering support. Together, we will continue to redefine optical retail and shape the future of the industry.

Thank you for your trust and confidence in Mister Spex. We look forward to an exciting 2025.

Berlin, 26 March 2025

Stephan Schulz-Gohritz
Chairman of the Management Board

„As we reflect on 2024, I am proud to present a year of strategic transformation and meaningful progress for Mister Spex SE. “

Report of the Supervisory Board

Dear shareholders,

On behalf of the entire supervisory board, I would like to express our sincere thanks to all employees. Their tireless commitment and daily efforts to advance Mister Spex form the basis for the Company's success. As a supervisory board, we look forward to continuing to support Mister Spex on its positive transformation journey and to shaping a successful future together with all employees, partners and shareholders.

Changes in the Composition of the Supervisory Board

Pursuant to (i) Art. 40 (2), (3) SE Regulation (SEVO), (ii) Sec. 17 SE Implementation Act (SEAG), (iii) Sec. 21 (3) SE Participation Act (SEBG), (iv) Part Two of the Agreement on the Participation of Employees in Mister Spex SE dated May 7, 2021 and (v) Sec. 9 (1) of the articles of incorporation in the version dated September 19, 2024, the supervisory board is composed of five members, who, in accordance with Sec. 9 (2) of the articles of incorporation, are elected by the general meeting without being bound by election proposals.

The terms of office of Peter Williams and Stuart Paterson on the supervisory board ended at the close of the general meeting held on June 7, 2024. A new election was therefore necessary.

In accordance with the recommendation given by the nomination and remuneration committee to the supervisory board and pursuant to the supervisory board's election proposal given to the general meeting on June 7, 2024, the general meeting elected Claus-Dietrich Lahrs and Gil Steyaert as shareholder representatives to the supervisory board with the appointment being effective as from the end of the general meeting held on June 7, 2024 for a period until the end of the general meeting that resolves the discharge for the financial year 2027. The election proposal took into account the objectives resolved by the supervisory board for its composition in accordance with Figure C.1 of the German Corporate Governance Code (as amended on April 28, 2022) and aims to fulfill the profile of skills and expertise developed by the supervisory board for the body as a whole. Both candidates had the expertise in the fields of accounting and auditing required by Sec. 100 (5) German Stock Corporation Act (AktG).

On June 13, 2024, the members of the supervisory board elected Mr. Claus-Dietrich Lahrs as Chair and Mr. Gil Steyaert as Deputy Cair of the supervisory board.

On July 3, 2024, Mr. Claus-Dietrich Lahrs and Mr. Gil Steyaert resigned from the supervisory board with immediate effect.

On July 4, 2024, the members of the supervisory board elected Mr. Tobias Krauss as Chair and

Mr. Nicola Brandolese as Deputy Chair of the supervisory board.

At the extraordinary general meeting held on September 19, 2024, a resolution was passed to reduce the number of members of the Company's supervisory board from seven to five and to amend the articles of incorporation accordingly.

In summary, the composition of the supervisory board and its committees during the financial year was as follows:

In the period from January 1 to June 7, 2024 [1]:

Supervisory Board:
- Peter Williams (Chairman)
- Nicola Brandolese (Deputy Chair)
- Tobias Krauss
- Birgit Kretschmer
- Pietro Luigi Longo
- Stuart Paterson
- Nicole Srock.Stanley

Audit Committee:
- Birgit Kretschmer (Chair)
- Tobias Krauss
- Stuart Paterson
- Peter Williams

Nomination and Remuneration Committee:
- Peter Williams (Chair)
- Nicola Brandolese
- Tobias Krauss
- Stuart Paterson

Strategy and ESG Committee:
- Nicola Brandolese (Chair)
- Tobias Krauss
- Birgit Kretschmer
- Stuart Paterson
- Nicole Srock.Stanley
- Peter Williams

1 until the end of the ordinary general meeting

In the period from June 7 to July 3, 2024:

Supervisory Board:
- Claus-Dietrich Lahrs (Chair)
- Gil Steyaert (Deputy Chair)
- Nicola Brandolese
- Tobias Krauss
- Birgit Kretschmer
- Pietro Luigi Longo
- Nicole Srock.Stanley

Audit Committee:
- Birgit Kretschmer (Chair)
- Tobias Krauss
- Claus-Dietrich Lahrs
- Gil Steyaert

Nomination and Remuneration Committee:
- Gil Steyaert (Chair)
- Nicola Brandolese
- Tobias Krauss
- Claus-Dietrich Lahrs

Transformation Committee:
- Gil Steyaert (Chair)
- Nicola Brandolese
- Tobias Krauss
- Claus-Dietrich Lahrs

Strategy and ESG Committee:
- Nicola Brandolese (Chair)
- Gil Steyaert (Deputy Chair)
- Tobias Krauss
- Birgit Kretschmer
- Claus-Dietrich Lahrs
- Nicole Srock.Stanley

For the period since July 4, 2024:

Supervisory Board:
- Tobias Krauss (Chair)
- Nicola Brandolese (Deputy Chair)
- Birgit Kretschmer
- Pietro Luigi Longo
- Nicole Srock.Stanley

Audit Committee:
- Birgit Kretschmer (Chair)
- Tobias Krauss
- Pietro Luigi Longo

Nomination and Remuneration Committee:
- Nicola Brandolese (Chair)
- Tobias Krauss
- Birgit Kretschmer

Transformation and Strategy Committee:
- Tobias Krauss (Chair)
- Nicola Brandolese
- Nicole Srock.Stanley

Advisory and monitoring of the management board

The supervisory board advised the management board on the management of the Company and monitored its activities. It performed its duties in accordance with the legal requirements, the articles of incorporation, the rules of procedure of the supervisory board and the German Corporate Governance Code, in an orderly and dutiful manner and with great care. It kept itself regularly and comprehensively informed, both in writing and orally, about the intended business strategy, key issues of financial, investment and personnel planning, business performance and the profitability of the Company, and was briefed on relevant issues regarding the risk situation, the risk management and the compliance.

The management board particularly coordinated the strategic direction of Mister Spex with the supervisory board. Furthermore, the supervisory board was directly involved in all fundamental decisions. The management board presented all business requiring approval and discussed them with the supervisory board in advance of the decision. The discussions took place at meetings of the supervisory board or its committees. Outside the meetings of the supervisory board and its committees, the Chair of the supervisory board, the Chair of the audit committee and other members of the supervisory board also were in regular contact with the management board and the auditor of the annual accounts, as well as with individual managers of the Company, in order to discuss current developments and significant decisions.

Meetings and material resolutions

In the financial year 2024, ten meetings of the entire supervisory board took place, of which seven meetings were held in person and three meetings were held by video conference.

In detail:

Meetings and major Resolutions in the 2024 fiscal year

Date	Form	**Material topics** (in addition to the regular discussion of financial and operational performance and various projects)
February 1, 2024	In person	Adoption of resolutions on adjustments to the allocation of business and the rules of procedure of the management board.
March 26, 2024	Virtual	Discussion and adoption of resolutions on the annual financial statements, the use of treasury shares and transactions requiring approval.
April 18, 2024	In person	Discussion and decision on the election proposals for the auditor and the candidates for the supervisory board, on short-term management board remuneration (target achievement in the prior year and targets for the current year), on changes to long-term management board remuneration, on the remuneration report and on the convening of the general meeting, the agenda and the proposed resolutions for the general meeting.
June 13, 2024	In person	Resolutions on the chairmanship and deputy chairmanship of the supervisory board, the establishment of a transformation committee, the composition and chairmanship of the supervisory board committees, and the update of the competency matrix.
July 3, 2024	Virtual	Resignations of the supervisory board members Lahrs and Steyaert.
July 4, 2024	Virtual	Adoption of resolutions on the chairmanship and deputy chairmanship of the supervisory board.
July 18, 2024	In person	Resolutions on the composition and chairmanship of the supervisory board committees, on updating the competency matrix, on the termination of the management contract with Mr. Dirk Graber, on the proposal to the general meeting to reduce the size of the supervisory board, and on the convening of an extraordinary general meeting, the agenda for such a meeting and the proposed resolutions for such a meeting.
August 14, 2024	In person	Discussion of and decision-making on the restructuring and transformation program SpexFocus and the adjustment of the guidance for the capital market.
September 11, 2024	In person	Discussion and adoption of resolutions on the actions against the resolutions of the general meeting, the legal representation and the chairmanship of the meeting at the extraordinary general meeting.
November 28, 2024	In person	Discussion and adoption of resolutions on the 2025 budget, amendments to the rules of procedure of the management board and supervisory board, the declaration of conformity with the German Corporate Governance Code and the legal representation with regard to the lawsuits against resolutions of the extraordinary general meeting.

Mr. Krauss was unable to attend the supervisory board meeting on March 26, 2024 due to urgent scheduling reasons. Mr. Longo and Mr. Brandolese were unable to attend the supervisory board meeting on August 14, 2024, which was arranged at short notice. All members attended all other meetings of the entire supervisory board.

In addition to the meetings, the supervisory board passed three circular resolutions. The subject of two circular resolutions was the respective resolution of the supervisory board on countermotions to agenda items and proposed resolutions for the two general meetings. The third circular resolution concerned the supervisory board's resolution on a motion by a shareholder during the extraordinary general meeting to amend the agenda of the general meeting.

The supervisory board also met regularly without the management board.

Work in the supervisory board's committees

To ensure that it performs its duties properly and efficiently, the supervisory board has formed committees:

The content and results of the committee meetings were regularly reported to the supervisory board plenum. The tasks of the respective committees are listed in detail in the supervisory board's rules of procedure and in the declaration on corporate governance.

Audit committee

The audit committee held five meetings in the financial year 2024. All meetings were held in the form of a video conference. The Company's auditor also attended four of the meetings and was available to answer questions from the committee members. In addition, depending on the agenda item, the heads of the central accounting and internal audit & compliance departments also attended and were available to answer questions.

The main topics of the meeting on March 18, 2024 were the presentation of the status of the annual financial statements by the Company and an update on the selection of the auditor for the financial year 2024 and the recommendation of the management board for the corresponding election proposals to the general meeting. Furthermore, the risk report of the Group was discussed and the Company's internal audit function informed the audit committee about current audits and the audit planning in 2024. The audit plan was approved.

At the meeting held on March 25, 2024, the auditor presented the final results of the audit. The audit committee then decided to recommend to the supervisory board to approve the annual financial statements, the consolidated financial statements and the combined management report of the Company and the Group for the financial year 2023. Furthermore, the audit committee decided to recommend to the supervisory board the election of the auditor for the financial year 2024.

The main topics discussed at the audit committee meeting on May 7, 2024 were the regular reports from the ESG reporting, compliance, internal audit and IT security departments.

On August 27, 2024, the audit committee discussed the half-year report as of June 30, 2024, as well as updated reports on the status of ESG reporting, compliance, internal audit and IT security.

At the meeting held on November 12, 2024, the management board provided information on the quarterly figures for the third quarter of 2024. The audit committee received updates on the status of compliance, internal audit, and IT security. In addition, the status of the audits and the audit priorities were discussed with the auditor at this meeting.

The audit committee regularly reviewed and discussed the structures and processes as well as current developments in the areas of accounting, the internal control system, the internal audit system, the risk management system and compliance.

The supervisory board holds the opinion that the participation of the management board and the heads of the accounting, internal audit and compliance functions, and their involvement in the discussion with the auditor, also provides added value for the supervisory board and the audit committee and their audit activities.

In addition, a discussion with the auditor took place regularly in the corresponding meetings without the presence of the management board.

Nomination and remuneration committee

The nomination and remuneration committee held two in person meetings in the financial year 2024.

At its meetings on February 1, 2024 and April 17, 2024, the nomination and remuneration committee discussed the short- and long-term variable remuneration of the members of the management board, i.e., the achievement of STI and VSOP targets in 2023 and the new targets for the financial year 2024. At its meeting on April 17, 2024, the committee decided to make corresponding recommendations to the supervisory board regarding STI and VSOP. In addition, the remuneration report for the financial year 2023 was approved. The election of candidates for the supervisory board was discussed and it was decided to recommend to the supervisory board and the general meeting that Mr. Lahrs and

Mr. Steyaert be elected to the supervisory board and that the supervisory board's remuneration be changed.

Transformation committee and strategy and ESG committee
In accordance with the approval of the general meeting on June 7, 2024, a transformation committee was established at the supervisory board meeting on June 13, 2024. At its meeting held on July 18, 2024, the supervisory board resolved to combine the transformation committee with the strategy and ESG committee to form the strategy and transformation committee.

The transformation and strategy committee and its two predecessor committees did not hold any formal meetings in the financial year 2024. Instead, the members of the committee discussed operational and strategic measures for the restructuring and transformation of the Group in numerous meetings with the management board and members of the broader management team, and developed and made recommendations for the management board and the supervisory board.

Individualized disclosure of meeting attendance

Member of the Supervisory Board	Term on the board	Plenum	Audit	Remuneration	Strategy/ transformation
Tobias Krauss	Since December 11, 2020	9 / 10	4 / 5	2 / 2	0 / 0
Nicola Brandolese	Since June 15, 2021	9 / 10	–	2 / 2	0 / 0
Birgit Kretschmer	Since June 15, 2021	10 / 10	5 / 5	–	0 / 0
Pietro Luigi Longo	Since May 20, 2021	9 / 10	0 / 2	–	–
Nicole Srock.Stanley	Since July 1, 2021	10 / 10	–	–	0 / 0
Peter Williams	until June 7, 2024	3 / 3	3 / 3	2 / 2	0 / 0
Stuart Paterson	until June 7, 2024	3 / 3	3 / 3	2 / 2	0 / 0
Claus-Dietrich Lahrs	June 7 to July 3, 2024	2 / 2	0 / 0	–	0 / 0
Gil Steyaert	June 7 to July 3, 2024	2 / 2	0 / 0	–	0 / 0

Participation refers to the meetings held in the financial year 2024 during the term of office of the respective members.

Due to other scheduling commitments, Pietro Luigi Longo was unable to attend one meeting of the supervisory board and two meetings of the audit committee. Tobias Krauss was unable to attend one meeting of the supervisory board and one meeting of the audit committee due to other scheduling commitments. Nicola Brandolese was unable to attend one supervisory board meeting. Otherwise, all supervisory board members were present at all meetings of the supervisory board and the respective committees during their respective terms of office.

Corporate governance
Pursuant to Sec. 161 (1) sentence 1 AktG, the executive board and supervisory board must declare each year that the recommendations of the "Government Commission on the German Corporate Governance Code" published by the Federal Ministry of Justice in the official section of the Federal Gazette have been and will be complied with or which recommendations have not been or will not be applied and why not (so-called declaration of conformity). In December 2024, the executive board and supervisory board published the annual declaration of conformity, which is reproduced on **page 70** and has been made permanently available on the **Company's website**. Further information on the Company's corporate governance can be found in the declaration on corporate governance.

In accordance with good corporate governance and the supervisory board's rules of procedure, the supervisory board members are obliged to disclose to the supervisory board without undue delay any conflicts of interest, in particular those that may arise as a result of an advisory or executive role or employee status at customers, suppliers, lenders or other third parties. There were no such issues in 2024.

The members of the supervisory board took responsibility for undertaking the training and continuing professional development measures required for their tasks. The Company provided the members of the supervisory board with appropriate support for their training and continuing professional development measures.

Audit and approval of the annual financial statements and approval of the consolidated financial statements
The management board submitted the annual financial statements and the consolidated financial statements for the financial year 2024, together with the combined management report for the Company and the Group for the financial year 2024 (collectively referred to as the "**closing documents**"), to the members of the audit committee and the supervisory board after their preparation. The auditor, Deloitte GmbH Wirtschaftsprüfungsgesellschaft, has audited the annual financial statements and the consolidated financial statements, as well as the combined management report of the Company and the Group for the financial year 2024, and issued an unqualified audit opinion in each case.

The closing documents together with the auditor's reports, including the audit opinion on the remuneration report, were sent to the members of the supervisory board and, in the presence of the auditor, were examined and discussed in detail, particularly with regard to their legality and correctness, at the meeting of the audit committee on March 17, 2025 and at the meeting of the supervisory board on March 26, 2025, both of which took place at the Company's premises, and were examined and discussed in detail in the presence of the auditor, particularly with regard to their legality and correctness. The auditor reported on the key findings of his audit, the defined audit priorities, the key audit matters described in the respective audit opinion and the related audit procedures. The management board and the auditor were available to the audit committee and the supervisory board to answer further questions and to provide additional information. After extensive discussion, the audit committee

decided to propose to the supervisory board the approval of the closing documents.

The supervisory board approved the results of the audit. The final outcome of the supervisory board's review did not give rise to any objections. In accordance with the recommendations of the audit committee, the supervisory board approved the annual financial statements and the consolidated financial statements for the financial year 2024 as well as the combined management report of the Company and the Group at its meeting on March 26, 2025; the financial statements for the financial year 2024 were thus adopted.

A resolution on the appropriation of net retained profits will not be passed at the general meeting 2025, as the Company's annual financial statements show a net accumulated loss. No dividend proposal for the financial year 2024 will therefore be submitted for resolution to the general meeting 2025.

Management board

Mr. Dirk Graber and Mr. Stephan Schulz-Gohritz were jointly members of the management board until July 31, 2024. During this period, Mr. Graber, as CEO of the Company, was responsible for the areas of Category Management, Customer Service, Data, Marketing, Nordics, Operations, Product, Retail and Tech (IT). During this period, Mr. Schulz-Gohritz, as Chief Financial Officer (CFO), was responsible for the areas of Accounting, Compliance, Controlling, Human Resources, Internal Audit, Investor Relations, Legal, Strategic Projects, Tax and Treasury.

Mr. Dirk Graber resigned from his position on the management board with effect from the end of July 31, 2024, by best mutual agreement with the Company. His service contract ended on the same day.

As of August 1, 2024, Mr. Stephan Schulz-Gohritz has been the sole management board member. His term of office runs until December 31, 2026.

The supervisory board would like to thank the management board and all employees for their excellent performance and high level of commitment in the financial year 2024.

Berlin/Germany, March 26, 2025

For the supervisory board

Tobias Krauss
Chairman of the Supervisory Board

Supervisory Board

Tobias Krauss

Nicola Brandolese

Birgit Kretschmer

Pietro Luigi Longo

Nicole Srock.Stanley

Mister Spex share

Our Declaration of Conformity can be found on our **Website**.

Capital markets and share price development

In 2024, Mister Spex SE operated within a complex market environment marked by persistent cost inflation pressures and evolving consumer behavior. Despite these challenges, the company remained committed to its omnichannel strategy and launched the transformation and efficiency program SpexFocus, driving operational improvements, business simplification, and reinforcing its position as a leading optical expert.

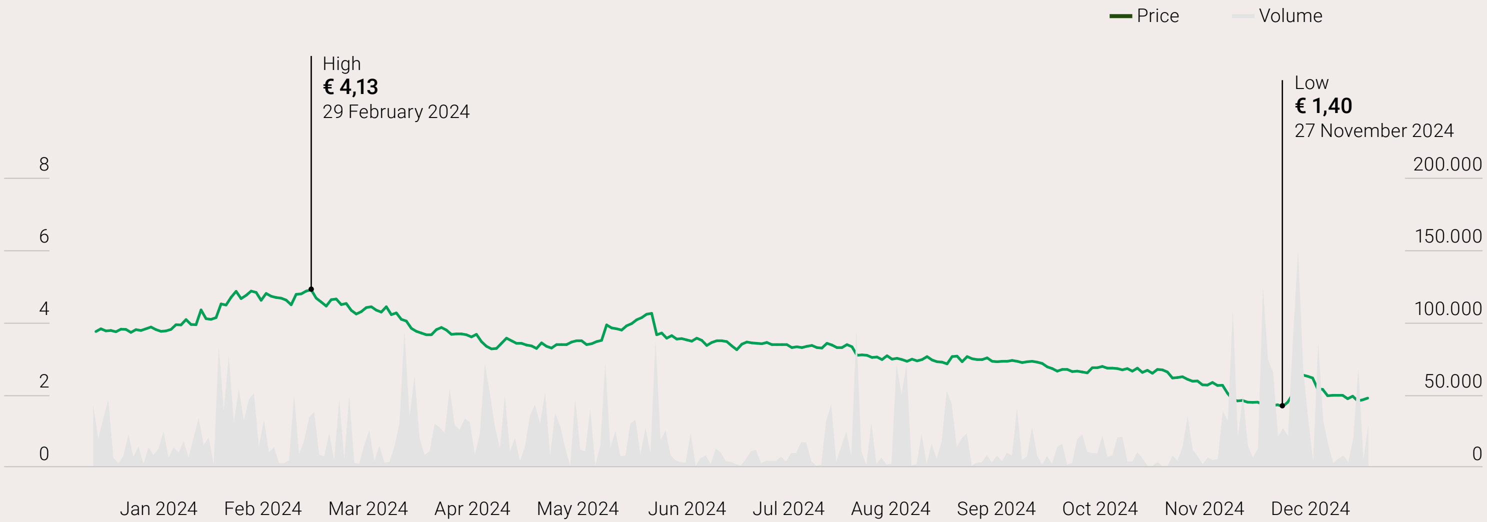
The Mister Spex SE share exhibited mixed performance throughout the year, shaped by internal developments and external market dynamics. The first half of the year showed stability, supported by the reaffirmation of 2024 guidance and strong results from Mister Spex's core market, Germany. However, the second half faced company-specific challenges, including changes in both management and supervisory boards, as well as an ad hoc announcement and a profit warning related to the rollout of the SpexFocus program, which impacted the financial performance for 2024.

As of 31 December 2024, the Mister Spex SE share closed at €1.56. This performance underscores the need for ongoing adaptation to shifting market conditions and consumer expectations while strengthening Mister Spex SE's position as a trusted optical expert.

Mister Spex share

Share type	Ordinary bearer shares without par value
Highest price (29.02.2024)	€ 4.13
Lowest price (27.11.2024)	€ 1.40
Closing price (30.12.2024)	€ 1.56
Market capitalization (30.12.2024) in € million	53
Share capital	35,048,001
Number of share issued	35,048,001
Number of outstanding shares	34,075,001
ISIN	DE000A3CSAE2
WKN	A3CSAE
Ticker symbol	MRX
Stock market	Frankfurt Stock exchange
Market segment	Prime standard of the Frankfurt stock exchange

Performance of the Mister Spex share in the period 01.01.2024 to 31.12.2024 (in €)



Shareholder structure

EssilorLuxottica is the largest shareholder of Mister Spex, holding 11% of the voting rights. This strategic investor participated in the IPO and is represented on the Supervisory Board by one member. Another significant shareholder, with more than 10% of the voting rights and is represented on the Supervisory Board by one member is Albert Büll, Christa Büll, Sabine Büll-Schroeder, and Nathalie Büll-Testorp, acting through ABACON Invest GmbH. Both shareholdings are classified as strategic investments.

The Platform Group AG and Paladin Asset Management jointly hold 10% of the voting rights under a pooling agreement established on 16 May 2024.

According to the Deutsche Börse definition, the free float stood at 67.4% as of the end of December 2024. The voting rights of EssilorLuxottica, Albert Büll, Christa Büll, Sabine Büll-Schroeder, Nathalie Büll-Testorp, Scottish Equity Partners, and shares held by Mister Spex itself are excluded from the free float.

1. Shareholder identification pursuant to § 67d of the German Stock Corporation Act (AktG) as of the closing date on 1 December 2024.
2. Vote on exercising voting rights under the pooling agreement.

In our latest ownership analysis conducted in December 2024, we identified over 95% of our shares outstanding. In terms of geographical distribution, the German market currently accounts for roughly 32% of institutional shareholdings.

Research-Coverage

Analyst recommendation (31 December 2024)

Last update	Institution	Analyst	Recommendation	Price Target (€)
14/11/2024	mwb Research	Thomas Wissler	Buy	5.00
14/11/2024	Bryan, Garnier & Co.	Cédric Rossi	Buy	7.00
14/11/2024	ODDO BHF	Jean Danjou	Hold	1.85
15/11/2024	Quirin Bank	Ralf Marinoni	Buy	7.00

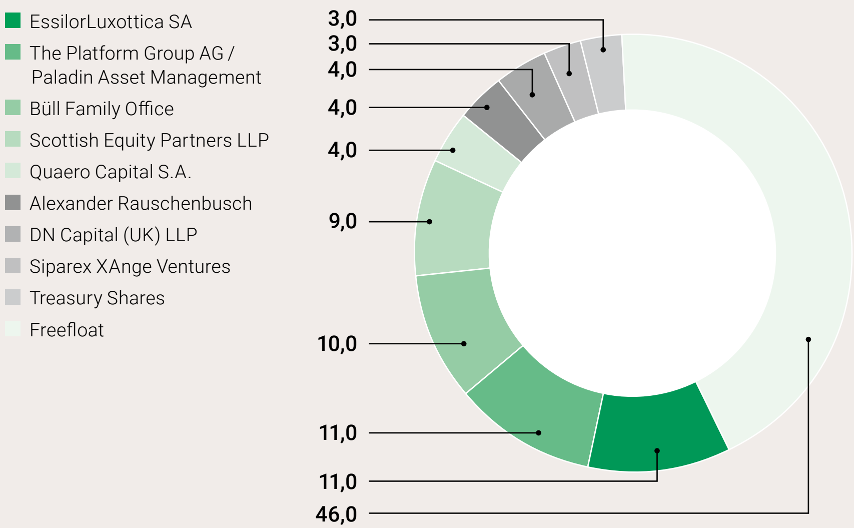
By 31st December 2024, the Mister Spex share was covered by four research analysts with median target price 6.00 €.

Investor relations activities

The investor relations department is committed to informing all capital market participants equally in a timely and transparent manner about current developments. Investor relations department continuously engages with institutional investors in numerous one-on-one meetings, calls, roadshows, and conferences.

The Investor Relations section of the Mister Spex website is a key communication tool with the investor community at ir.misterspex.com. The website offers additional information about the strategy and business developments, current publications, financial reports and presentations as wells as upcoming events.

Shareholder structure on 31 December 2024 (in %) [4]



4 Shareholder structure based on a shareholder analysts by a third party provider. The chart only shows shareholdings > 2.9% of the share capital.

Contact

Mister Spex SE
Hermann-Blankenstein-Straße 24
10249 Berlin
Germany
Email: investorrelations@misterspex.de

Combined management report

2

Management report

1. Background of the Group

Mister Spex is one of Germany's leading optical retailers with more than 8.0 million customers.[1]

Ever since Mister Spex was founded in 2007, it has enjoyed healthy revenue growth, consistently grown its customer base and continuously evolved its offering. Mister Spex is viewed as one of the top-selling optical brands in the GSA region (GSA stands for Germany, Switzerland and Austria).

Mister Spex Group is managed by its ultimate parent company Mister Spex SE, which was founded in 2021. Mister Spex SE is registered in Berlin/Germany and bundles all management functions of the Group. In addition to the parent company, Mister Spex has six wholly owned subsidiaries in Germany and abroad in the areas of online store and store operations, as well as holding functions, as of December 31, 2024.

Mister Spex SE is a European public limited company (Societas Europaea, SE), which is managed by the management board and the supervisory board in accordance with the German Stock Corporation Act (AktG).

Mr. Stephan Schulz-Gohritz has been the sole executive director of Mister Spex SE since August 1, 2024.

Mr. Dirk Graber, the previous CEO and executive director, resigned on July 31, 2024. He was responsible for the areas Category Management, Customer Service, Data, Marketing, Nordics, Operations, Product, Retail and Tech in the period from January 1, 2024 to July 31, 2024. During this period, Mr. Schulz-Gohritz was CFO and executive director responsible for the areas Accounting, Internal Audit & Compliance, Controlling, Human Resources, Investor Relations, Legal, Strategic Projects, Tax and Treasury.

The management board is in turn overseen by the supervisory board, which also advises the management board. It is directly involved in decisions of fundamental importance to the Company. In accordance with the requirements of Sec. 171 AktG, it reviews the annual financial statements, the combined management report and the consolidated financial statements.

At the extraordinary general meeting held on September 19, 2024 the shareholders resolved to reduce the number of members of the supervisory board from seven to five in order to streamline the management of the Company and increase the efficiency of the decisionmaking processes. At the end of 2024, the supervisory board had five members.

Mister Spex's management report of the Company and of the Group has been combined. The comments below relate to the entire Group. They also apply for the company Mister Spex SE. Selected information on the economic situation of the parent company is presented in a separate chapter of this report.

1.1 Business model

With an average of 1,212 employees from 62 countries and more than 8 million customers, Mister Spex is one of the leading omnichannel retail brands in the optical industry in Germany[2]. The Company's portfolio comprises nine own brands and more than 100 premium and luxury labels. In addition, Mister Spex works with independent designers and influencers to offer exclusive collections and ensure customers have access to fashionable and high-quality glasses.

In September 2024, Mister Spex launched its new own brand for premium lenses, SpexPro. These premium lenses have been developed in collaboration with Rodenstock. With the introduction of SpexPro, Mister Spex is pursuing a strategic expansion of its premium product portfolio, especially in the high-margin segment of prescription glasses. The aim of this initiative is to drive both sales growth and profitability. Mister Spex remains true to its claim to combine high-quality products with expert optical advice and thus strengthens its position as an important optician in Europe.[3]

Mister Spex's seamless omnichannel approach ensures an efficient and customer-oriented shopping experience that combines the strengths of its store network with the convenience of digital solutions. While the stationary stores play a more central role in the business model, innovative technologies and data-based services improve customer journey by optimizing processes and providing added value. Key features such as personalized recommendations and streamlined inventory management support both the online shopping and shopping experience in the stores, ensuring that customers enjoy a consistent, high-quality experience across all channels.

Mister Spex operates in ten markets with its own online shops – Austria, Finland, France, Germany, the Netherlands, Norway, Spain, Sweden, Switzerland and the United Kingdom. In addition, the Company operates 66 stores throughout Germany. This market presence is further strengthened by an extensive network of partner opticians with more than 300 partner opticians.

1 This statement has not been audited by the Company's auditor.
2 This statement has not been audited by the Company's auditor.
3 Industry report: ophthalmic optics in figures (Central Association of Ophthalmic Opticians and Optometrists) – Mister Spex is the fourth largest optician on the German market in terms of revenue.

Most of the lenses are edged and mounted in our own facility in Berlin, Germany using state-of-the-art machines. We operate three distribution centers across Europe. Mister Spex's largest distribution center is located in Berlin, Germany. Two others are located in Stockholm, Sweden, and Karmsund, Norway, to serve the local markets. Fast delivery times and easy free return shipments are part of our business model. We currently ship up to 20,000 orders every day from our distribution center in Berlin, Germany that boasts a total capacity of up to 40,000 orders.[4] Same-day shipment takes place for more than 85%[5] of the orders. Simple and free returns (excluding home trial orders) remain a central part of the business model and underline Mister Spex's commitment to comfort and customer satisfaction.

Mister Spex Group is steered and reported regionally, with the Germany and International markets forming the Group's two operating segments.

1.2 Group strategy[6]

Mister Spex is convinced that finding the perfect glasses should be simple, intuitive and reliable. The Company offers a variety of solutions and services that not only create a unique shopping experience, but also enable an individual and holistic approach to eye health, both online and offline. Customers can easily find the right glasses or sunglasses and wear them with complete safety and comfort.

Mister Spex is committed to providing the best possible shopping experience in the optical industry. With its innovative omnichannel model, the Company focuses on a personalized shopping experience and offers customers maximum flexibility and a wide choice when buying their glasses.

- **Omnichannel excellence.** Mister Spex connects online and offline channels to create a seamless and personalized customer experience. The user-friendly online shop offers customers a wide range of glasses – supported by innovative technologies such as digital 2D and 3D adjustment tools. The Company also has 66 stores in Germany where customers can try on glasses, have their eyes tested and receive personal advice from qualified opticians. In addition, Mister Spex works with more than 300 partner opticians in Europe to offer customers easy access to eye tests and optical services. Thanks to this omnichannel model, customers can flexibly switch between online and offline touchpoints – whether it's to select their glasses online and try them on in store or vice versa. By intelligently linking channels, Mister Spex ensures a consistent and personalized shopping experience.

- **Individual solutions.** Mister Spex uses data and technologies to provide personalized recommendations, automatic reorders, and real-time sorting algorithms. These measures are designed to simplify the buying process and increase customer satisfaction.

- **Diverse product portfolio.** Mister Spex offers a comprehensive range of products, including well-known luxury brands, innovative independent labels and high-quality own brands. In 2024, the Company expanded its focus on target groups for multifocal glasses, strengthened its boutique business (luxury and independent labels) and expanded its portfolio of its own-brand lenses: **SpexPro Premium lenses.** With the launch of SpexPro, an own brand for premium lenses, Mister Spex has significantly expanded its product portfolio in September 2024. This initiative aims to increase the revenue share in the prescription glasses market segment, support the Company's growth strategy and promote profitability targets.

Strategic optimization of the store network

Mister Spex is continuously optimizing its store network to be present at the most relevant locations. By specifically adjusting the number, size and design of the stores, the Company creates customized shopping experiences that meet the different needs of customers in different city locations. This strategy follows Mister Spex's omnichannel approach, which first built up a strong online presence before specifically adding physical stores.

In 2024, Mister Spex opened a new store in Germany and closed the year with a total of 66 locations. At the same time, the Company decided to streamline its network by closing all eight international stores and one store in Germany (Saarbrucken). This focus will allow resources to be directed to the most important markets and further improve operational efficiency.

In the future, Mister Spex plans to further expand its store network in Europe with the aim of reaching over 200 locations in the medium term, while maintaining a customer-oriented approach.

4 The information as regards the total capacity and the number of orders shipped each day is not audited by the Company's auditor.
5 The statement regarding the percentage of same-day shipments is not audited by the Company's auditor.
6 The statements in this subsection have not been audited by the Company's auditor.

Strengthening brand perception

Mister Spex is constantly working to strengthen its brand by purposefully increasing awareness, customer interest and loyalty. The focus is on increasing the rate of repurchase through personalized and targeted marketing measures – a key figure that is already above the market average.

Brand repositioning

In August 2024, Mister Spex launched a new brand campaign under the slogan “The optician of your life”. This milestone marked a significant step in the repositioning of Mister Spex as an optics expert who supports its customers for a lifetime. With high-quality products, an incomparable selection of brands and exceptional service in combination with professional optical advice, Mister Spex underlines its expertise and appeals to a demanding target group aged 40 to 60, which places great emphasis on personal and qualified advice.

Exploiting market opportunities in the growing glasses market

The German glasses market remains a cornerstone for Mister Spex. According to Statista, the market is expected to generate around bEUR 8 in revenue in 2024, with an expected compound annual growth rate (CAGR) of 1.80% from 2025 to 2029[7]. The largest segment, prescription glasses, is expected to reach a market volume of around bEUR 5 in the year 2024, which underlines the importance of high-quality optical solutions.

Germany is also one of the world's leading markets for glasses. According to Statista, the market volume is expected to grow to 378.5 million units by 2029, with an average of 4.4 units per person in 2024. Around 83% of revenue are accounted for by non-luxury products, which offers attractive opportunities for Mister Spex to create value in this segment.

The German market is increasingly developing towards sustainable and high-quality products, including a growing demand for locally manufactured frames. This development fits perfectly with Mister Spex's strategy of combining a premium product offering with sustainability and innovation. With its omnichannel model – including advanced online tools such as virtual fittings and personalized shopping experiences – Mister Spex is optimally positioned to meet this growing demand.

The German market for sunglasses is expected to grow in the period from 2025 to 2029 with an average annual growth rate (CAGR) of 2.2%.[8] In the year 2024, the top-selling segment was non-polarized sunglasses, which underscores its continued popularity. At the same time, the polarized sunglasses segment is becoming increasingly attractive – particularly through superior glare reduction and a growing consumer preference for high-performance glasses. This segment is expected to show the strongest growth over the forecast period.

Mister Spex SE is well positioned to benefit from this growth by offering a wide range of polarized and non-polarized sunglasses. By adapting to the diverse needs of customers and using its omnichannel model, Mister Spex improves accessibility and customer experience and strengthens its position as a leading supplier in the European glasses market.

1.3 Research and development

Innovation: the basis for future business success

As a digitally driven omnichannel retail brand, we do not have a research and development department in the traditional sense. However, we develop key components of the software we use ourselves, since our technological competencies along the value chain and process chain are decisive for the Company’s success. Through in-house developments, we can ensure that the software is tailored to the operational processes and systems and meets the individual challenges of the optician industry.

In the financial year 2024, we recorded development costs of mEUR 4.5 (prior year: mEUR 6.8); material research costs have not incurred. The development costs are attributable to new projects and improvements that optimize the purchasing process and thus continuously increase customer satisfaction as well as to projects and improvements that lead to internal process optimizations and thus to cost savings.

Amortization and impairment losses of mEUR 10.2 were charged on internally generated intangible assets in the financial year 2024 (prior year: mEUR 6.4).

7 Eyewear – Germany | Statista Market Forecast
8 Sunglasses – Germany | Statista Market Forecast

1.4 Our management system

We have developed a performance management system and defined reasonable performance indicators. Detailed daily, weekly and monthly reports are an important element of our internal management and control system. The financial indicators we use are based on the interests and expectations of our investors. We use financial and non-financial performance indicators to assess how successful we are in implementing our strategy.

Financial performance indicators

Until December 31, 2024, we primarily use revenue and adjusted EBITDA to manage our business activities.

Revenue	Revenue is generated by the sale of prescription glasses, sunglasses, contact lenses and other category-related products as well as advertising allowances and shipping fees. Revenue is recorded after delivery of products to customers. Revenue is an indicator of the demand for our products and an important factor in the long-term increase in the value of the Company.
Adjusted EBITDA/ adjusted EBITDA margin	This indicator defines as earnings before interest, taxes, depreciation of property, plant and equipment and amortization of intangible assets and share in the profit or loss of associates, adjusted for expenses for share-based compensation in accordance with IFRS 2, non-recurring transformation costs and other special effects that are not part of the ordinary course of business. Adjusted EBITDA is an indicator of operating profitability, as it excludes one-time effects that do not reflect the underlying business performance.

Some of the above indicators are or may be so-called non-GAAP compliant financial measures. Other companies may use similarly designated financial indicators which are defined differently.

At the beginning of the new financial year 2025, we defined **EBIT** – earnings before interest and taxes – as our further key performance indicator, in addition to revenue. This indicator helps us drive and improve the operational performance of our Company.

Non-financial performance indicators

In addition to the financial performance indicators mentioned above, Mister Spex also uses a number of non-financial performance indicators to assess the economic success of its business activities.

Active customers	The "active customers" indicator is defined as the number of clearly identified customers who have placed at least one order without cancellation in the last twelve months. The growth in the number of active customers is usually closely linked with our revenue growth.
Number of orders	Orders are defined as the number of deliveries to customers in a given reporting period, less canceled and returned orders. An order is independent of the respective product category. Home try-on orders are not included in the calculation of the indicator.
Average order value	The average order value is derived from revenue (less advertising discounts, customer credits, refunds and VAT) divided by the number of orders in a certain period.

2. Non-financial report[9]

In this chapter, Mister Spex presents its sustainability strategy and non-financial report in accordance with Sec. 289b (1) and (3) HGB and Sec. 315b (1) and (3) HGB as well as Art. 8 (1) and (3) of the EU Taxonomy Regulation. For more information about Mister Spex's business model, please refer to **chapter 1.1 "Business model."**

Sustainability strategy and governance

Mister Spex strives to maintain sustainable and long-term relationships with key stakeholders, including customers, employees, business partners and suppliers. The Company's sustainability strategy aims to align business objectives with the environmental and social needs of current and future generations. By taking into account the expectations of the shareholders and at the same time the concerns of society and other stakeholders, Mister Spex aims to achieve long-term and lasting success. To support these efforts, a comprehensive ESG governance structure was established in 2024. This includes the creation of a Green Team composed of key decision-makers and six specialized task forces, each dealing with key ESG areas aligned with the European standards for Sustainability Reporting (ESRS). In collaboration with internal and external experts, Mister Spex develops a meaningful ESG strategy and transition plan that fits seamlessly into the overall business strategy of the Company.

9 The information and disclosures in this chapter are not audited by the Company's auditor.

2024–2025 sustainability reporting roadmap

In order to further strengthen our ESG commitment and ongoing activities, we carried out our first materiality analysis in 2024, taking into account the "double materiality concept" as well as the principles of the EU Corporate Sustainability Reporting Directive (CSRD) and the requirements of the German Commercial Code (HGB). The results of the DMA (double materiality analysis) will help us refine and deepen our sustainability approach and these will form the basis for our future CSRD reporting.

2.1 Double materiality

The double materiality analysis ensures that Mister Spex evaluates sustainability issues from two perspectives: their financial significance for the Company and their environmental or social impact. This comprehensive approach also enables the Company to identify risks, opportunities, and dependencies that impact its business, while meeting its responsibilities to stakeholders and the planet. By continuously integrating these findings into the corporate strategy, Mister Spex ensures that the legal framework and the expectations of the stakeholders are met. In addition, this analysis provides a solid foundation for transparent and effective sustainability reporting that strengthens the credibility of the Company's ESG initiatives, enables informed decisions, and promotes long-term value creation for the Company and its stakeholders.

System analysis

The double materiality analysis began with a system analysis that mapped Mister Spex as a system and its value chain in order to determine the ESG impact and define the scope of the evaluation. This step involved creating a value chain model that included suppliers, operations, transportation, and outputs such as products, waste, and emissions. Based on the EFRAG recommendations, the analysis included iterative feedback sessions with key stakeholders to refine the model and integrate impact blueprints across all geographic regions and supply chain elements. This step provided a basic understanding of how the Company interacts with its ecosystem and identified areas for further analysis.

Context analysis

Following the system analysis, Mister Spex conducted a contextual analysis to identify the broader sustainability and global environment in which the Company operates. During this phase, global trends and risks were examined, as shown for example in the WWF's Living Planet Report and in the Global Risks Report of the World Economic Forum. In addition, sector-specific ESG practices in the retail, e-commerce and optics sectors were examined and Mister Spex was compared with the main market players. The findings from these analyzes provided a clear understanding of external influences and opportunities and provided a solid basis for identifying risks, opportunities and dependencies in terms of financial materiality.

Impact analysis

The impact assessment focused on identifying the direct and indirect, positive and negative impacts of Mister Spex's activities on people and the environment. The Company analyzed the impact across its entire value chain and matched it with the ESRS sub-topics. A structured evaluation system was used to assess the extent, scope, rectifiability, probability and time horizons of these impacts. This phase allows Mister Spex to identify and prioritize the most material impact on reporting and governance.

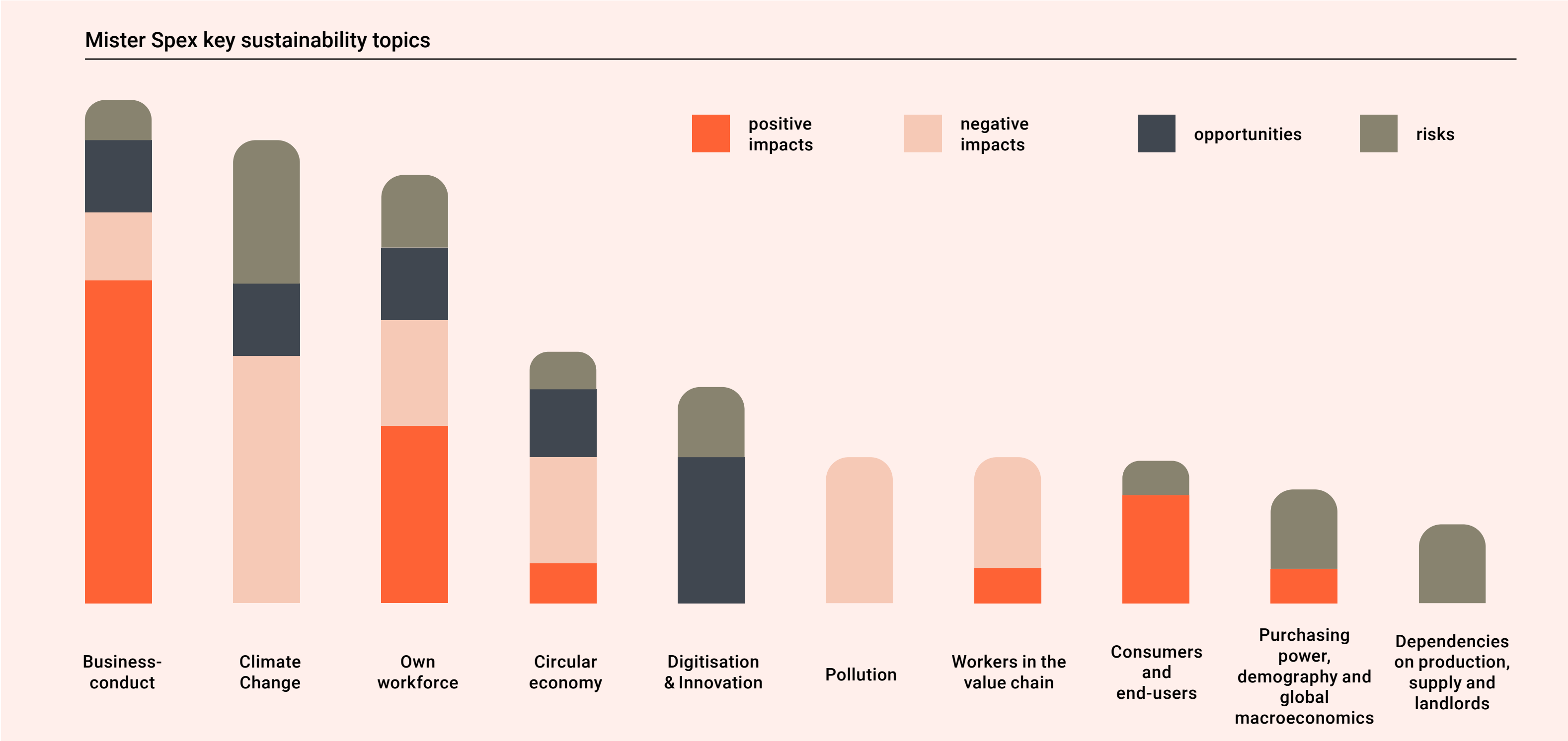
Financial analysis

Financial materiality was evaluated by assessing how ESG-related risks, opportunities, and dependencies affect the Company's financial performance, position, and access to capital over short, medium, and long-term time horizons. In support of this analysis, Mister Spex prepared a comprehensive list of potential risks, opportunities and dependencies based on sources such as the WEF Global Risks Report, IPCC assessments and mega trends in the industry, in addition to the risks proposed by the ESRS. Internal workshops with key stakeholders were conducted to refine and validate these results using a standardized scoring system to assess financial impact and probability.

Stakeholder dialog

Stakeholder dialog is an important component of the process to gain insights and reach consensus on ESG priorities. Stakeholders were identified by internal records, external research, and recommendations from the project team and categorized based on their influence and interest in the Company's activities. Mister Spex asked stakeholders through surveys and semi-structured interviews to ensure that their views were effectively captured and integrated into the materiality analysis. A stakeholder dashboard was created to track communication and monitor engagement to ensure continuous dialog and response to stakeholders' concerns.

Results



The double materiality analysis identified ten key sustainability issues that now serve as the basis for Mister Spex's governance and reporting structure. The Company implements these results by aligning its governance structure with the identified topics and introducing automated data collection processes to increase efficiency and ensure the reliability of sustainability reporting. The results are summarized visually in the surrounding graphs and demonstrate the consistency between Mister Spex's sustainability priorities and strategic goals.

Mister Spex key sustainability topics

	positive impacts	negative impacts	opportunities	risks	material IROs
Business conduct	9	2	2	1	14
Climate Change		5	4	4	13
Own workforce	5	3	2	2	12
Circular economy	1	3	2	1	7
Digitisation & Innovation			4	2	6
Pollution		4			5
Workers in the value chain	1	3			4
Consumers and end-users	3		1		4
Purchasing power, demography and global macroeconomics			1	2	3
Dependencies on production, supply and landlords				2	2

Future developments

For the year 2025, Mister Spex plans to expand its analysis to include climate-related risks and conduct regular CAP assessments to adapt to the latest changes in reporting standards. The Company will continue to work with stakeholders to improve ESG performance and contribute to broader knowledge sharing in the industry. The findings from this analysis will feed into the Company's overall sustainability strategy, ESRS-specific approaches, and the development of internal controls to ensure the verifiability, automation, and efficiency of sustainability data.

Outlook

Mister Spex is closely following developments in the implementation of the CSRD at national and EU level. Preparations are currently underway for the publication of the Company's first CSRD-compliant annual report in 2026, covering the financial year 2025. This milestone is an important step in Mister Spex's commitment to a transparent and meaningful sustainability reporting.

2.2 EU Taxonomy

Since the financial year 2021, companies in the non-financial reporting (NFR) scope of EU Directive 2013/34 have been required to report in accordance with the EU Taxonomy (Regulation (EU) No 2020/852). The non-financial reporting shall include information on how and to what extent a company's economic activities qualify as environmentally sustainable. In particular, disclosure of the following figures is required:

(i) Revenue realized with services or products

(ii) Capital expenditure

(iii) Operating expenditure related to assets or processes associated with economic activities that qualify as environmentally sustainable.

In the years 2021 and 2022, the environmentally sustainable activities were determined by the first two environmental objectives listed in Art. 9 of the regulation:

1) Climate protection
2) Climate change adaptation

In the year 2023, the reporting obligation was extended to include the remaining four objectives:

3) Sustainable use and protection of water and marine resources
4) Transition to a circular economy
5) Pollution prevention and control
6) Protection and restoration of biodiversity and ecosystems

Based on the current EU Taxonomy, Mister Spex reports on taxonomy eligibility and taxonomy compliance for all six objectives.

The Company's main business activities primarily comprise the sale of visual aids and other optical products as well as the sale of spare parts. The NACE code applicable to Mister Spex is G47.78.1 – Activities of opticians in specialized stores.

The optician retail business is not the focus of the current legislation, which is why the reported taxonomy-eligible key performance indicators are low.

Taxonomy eligibility and taxonomy compliance

Mister Spex performed a detailed analysis of its business activities in order to identify economic activities which are taxonomy-eligible and aligned on the basis of Annex I and Annex II of the Delegated Act on climate change.

Taxonomy-eligible activities according to the first two objectives

Mister Spex's main business activities mainly comprise the sale of visual aids and other optical products as well as the sale of spare parts. These activities are currently not covered by Annex I or Annex II of the Climate Delegated Act and are not subject to regulatory adjustments to EU taxonomy-relevant activities in the year 2024. They are therefore not taxonomy-eligible with regard to the first two objectives 1) climate change mitigation and 2) climate change adaptation and consequently also not taxonomy-compliant. This implies that our primary business activities are not considered as relevant sources of greenhouse gas emissions.

Taxonomy-eligible activities according to the last four goals

A similar analysis as for the first two objectives was carried out for the remaining objectives 3) Sustainable use and protection of water and marine resources, 4) Transition to a circular economy, 5) Pollution prevention and control and 6) Protection and restoration of biodiversity and ecosystems. The business activity conducted by Mister Spex, selling visual aids and other optical products does not fall within the four remaining objectives, while the sale of spare parts and the repair of glasses falls within the scope of Objective 4) transition to a circular economy and is therefore taxonomy eligible.

For the purposes of the EU Taxonomy, "spare part" means a separate part of a product that can replace a part of a product with the same or a similar function. Without this part, the product will not function as intended. The functionality of a product is restored or upgraded when the part is replaced by a spare part in line with Directive 2011/65/EU. Spare parts may be used parts.

Activities according to EU Taxonomy No. 5.2 Sale of spare parts

Mister Spex defines the sale of spare parts that are taxonomy eligible as the sale of lenses to customers who already own a frame and then have the lenses inserted into the existing frame to restore the full functionality of the glasses. This activity is considered to be the most relevant activity for Mister Spex within the EU Taxonomy, as it generates revenue and incurs operating and investment costs. The activity 5.1.Repair, refurbishment and reprocessing, is also taxonomy-eligible and is considered an additional service offered to customers free of charge and with minimal operating and investment costs to repair minor damage to glasses. Therefore, the activity 5.1. Repair, refurbishment and reprocessing, plays a subordinate role between these two activities.

Taxonomy-compliant activities according to the first two objectives

Since Mister Spex does not have any taxonomy-eligible activities in the first two objectives, there are no taxonomy-compliant activities in the first two objectives.

Taxonomy-compliant activities according to the last four goals

Further analyses were carried out for the last four objectives 3) Sustainable use and protection of water and marine resources, 4) Transition to a circular economy, 5) Environmental pollution prevention and control and 6) Protection and restoration of biodiversity and ecosystems, in particular for the taxonomy-eligible activities 5.2. Sale of spare parts and 5.1. Repair, refurbishment and reprocessing. The analysis showed that for the last four objectives, none of the activities were taxonomy-compliant because the criteria were not met.

Accounting principles

The key performance indicators (KPIs) of the EU taxonomy – revenue (sales), capital expenditure (CapEx) and operating expenditure (OpEx) – are presented in separate tables, as required by the regulation.

The share of economic activities aligned with the taxonomy in total revenues was calculated for the tax year 2024 as the share of net revenues from products and services associated with economic activities aligned with the taxonomy (numerator), divided by total net revenues (denominator).

The denominator of the revenue KPI is based on our consolidated revenue (see note 1 Revenue). The numerator of the revenue KPI is defined as the net revenue from products and services associated with taxonomy-eligible and compliant economic activities, i.e. as described in activity 5.2. in the section "Taxonomy eligibility and taxonomy compliance".

The CapEx KPI is defined as taxonomy-eligible and compliant CapEx (numerator) divided by our total CapEx additions during the financial year (denominator).

Total CapEx additions during the financial year are the Company's total capital expenditures before depreciation and revaluations, including those arising from revaluations and impairments, for the financial year in question and excluding fair value adjustments in the financial year 2024.

The denominator of the CapEx KPI is based on the notes to the consolidated financial statements and is determined as total additions for the year 2024 (see note 6 Goodwill and intangible assets, 7 Property, plant and equipment and 16 Leases). The investments that can be recognized under the taxonomy are the expenses that relate to the assets or processes associated with the relevant economic activities. The denominator does not include additions to property, plant and equipment and intangible assets resulting from business combinations, as no business combinations took place in the financial year 2024.

The numerator consists of the following categories of taxonomy-eligible and compliant CapEx:

For core business activities, CapEx relates to assets or processes associated with the economic activities aligned with the taxonomy. In general, we focus on external revenue generation to identify economic activities associated with CapEx in this category. Since the economic activity 5.2. Sale of spare parts is closely related to the main economic sector "Sale of visual aids and other optical products", the calculated revenue KPI for the taxonomy-eligible portion of CapEx is used to calculate the CapEx KPI. For the calculations, we exclude the so-called CapEx Type C activities and 5.1. Repair, refurbishment and remanufacturing due to their minor role in the business model. The CapEx Type C activities we found are the following:

7.2. Renovation of existing buildings

7.3. Installation, maintenance and repair of energy-efficient equipment

The OpEx key figure is defined as the taxonomy-eligible and compliant OpEx (numerator) divided by our total OpEx (denominator).

The denominator of the OpEx KPI is based on the notes to the consolidated financial statements and relates to general operating expenditure for the financial year 2024 within the Group (see Note 3 Other operating income and expenses). It therefore consists of direct non-capitalized costs that relate to renovations and all types of maintenance and repair work.

In terms of the numerator, OpEx refers to assets or processes that relate to taxonomy-eligible and compliant activities. In general, we focus on external revenue generation to determine the economic activities associated with OpEx in this category. Since economic activity 5.2. Sale of spare parts is closely related to the main economic sector "Sale of visual aids and other optical products", the calculated revenue KPI for the taxonomy-eligible portion of OpEx is used to calculate the OpEx KPI. For the calculations, we exclude some OpEx activities and 5.1. Repair, refurbishment and remanufacturing due to their minor role in the business model. The OpEx activities we found are the following:

6.4. Operating personal mobility devices

7.3. Installation, maintenance and repair of energy-efficient equipment

8.2. Data-driven solutions to reduce greenhouse gas emissions

Taxonomy key performance indicators (KPIs)

The KPIs comprise the earnings (revenue), the CapEX and the OpEx. We use the tables in Annex II of the Commission Delegated Regulation to present the KPIs of the taxonomy.

Revenue 2024

The share of A.1. Taxonomy-eligible and taxonomy-compliant economic activities is 0%. In contrast, the proportion of the most important A.2. Taxonomy-eligible, but not taxonomy-compliant economic activity (5.2. Sale of spare parts) can be estimated at approx. 2%. This corresponds to a revenue of around kEUR 4,274 in the financial year 2024.

Economic activities

	FY 2024 reporting			Substantial contribution criteria						DNSH criteria ('Does not significantly harm')									
Economic activities	Code	Revenue/Turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and econsystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and econsystems	Minimum safeguards	Taxonomy-aligned proportion of turnover, 2024	Category enabling activity	Category transitional activity
		€ k	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy aligned)																			
	–	0	0																
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Sale of spare parts	5,2	4.274	2%																
B. Taxonomy-non-eligible activities																			
Turnover of Taxonomy-non-eligible activities (B)		212.509	98 %																
Gesamt (A + B)		216.783	100 %																

Capital expenditure (CapEx) in the financial year 2024

The share of capital expenditure for A.1. Taxonomy-eligible and taxonomy-compliant economic activities is 0%. In contrast, the share of capital expenditure for A.2. Taxonomy-eligible, but not taxonomy-compliant economic activities (those are 5.1., 5.2., 7.2. & 7.3.) is about 2% in the financial year 2024 since the activities – except for 5.2. – play a minor role within the business model of Mister Spex. The 2% figure reflects the share of sales of activity 5.2. and the CapEx share is assumed to be of same size due to the similar business model of activity 5.2. and the main business model of Mister Spex. The percentage of 2% equals an amount of approximately kEUR 176.

Economic activities

	FY 2024 reporting			Substantial contribution criteria						Substantial contribution criteria							
Economic activities	Code	CapEx	Proportion of CapEx	Climate change mitigation	Climate change mitigation	Water and marine resources	Circular economy	Pollution	Biodiversity and econsystems	Climate change mitigation	Climate change mitigation	Water and marine resources	Circular economy	Pollution	Biodiversity and econsystems	Minimum safeguards	Taxonomy-aligned proportion of turnover, 2024
		€ k	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%
CapEx																	
A.1. Environmentally sustainable activities (Taxonomy-eligible and aligned)																	
	–	0	0														
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																	
Sale of spare parts	5,2	176	2%														
B. Taxonomy-non-eligible activities																	
CapEx of Taxonomy-non-eligible activities (B)		8.652	98%														
Total (A+B)		**8.828**	**100%**														

OpEx 2024

The share of OpEx for A.1. Taxonomy-eligible and taxonomy-compliant economic activities is 0%. In contrast, the share of OpEx for A.2. Taxonomy-eligible, but not taxonomy-compliant economic activities (those are 5.1., 5.2., 6.4., 7.3. & 8.2.) is about 2% in the financial year 2024 since the activities – except for 5.2. – play a minor role within the business model of Mister Spex. The 2% figure correspond to the revenue share of activity 5.2. and the OpEx share is assumed to be of same size due to the similar business model of activity 5.2. and the main business model of Mister Spex. The 2% percentage equals an amount of kEUR 1,500.

Economic activities

	FY 2024 reporting			Substantial contribution criteria						Substantial contribution criteria							
Economic activities	Code	OpEx	Proportion of OpEx	Climate change mitigation	Climate change mitigation	Water and marine resources	Circular economy	Pollution	Biodiversity and econsystems	Climate change mitigation	Climate change mitigation	Water and marine resources	Circular economy	Pollution	Biodiversity and econsystems	Minimum safeguards	Taxonomy-aligned proportion of turnover, 2024
		€ k	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%
OpEx																	
A.1. Environmentally sustainable activities (Taxonomy-eligible and aligned)																	
	–	0	0														
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																	
Sale of spare parts	5,2	1.500	2%														
B. Taxonomy-non-eligible activities																	
OpEx of Taxonomy-non-eligible activities (B)		73.519	98%														
Total (A+B)		**75.019**	**100%**														

Outlook

Mister Spex expanded its reporting under the EU Taxonomy in the year 2024 and will continue to do so in the year 2025. We will update the assessment of eligibility and alignment of our economic activities and closely monitor a possible expansion of activities in line with the EU taxonomy. In addition, we will create an integrated reporting process with a consistent data flow to ensure the auditability and automation of the taxonomy KPIs by integrating and linking the KPIs to existing processes, systems and controls.

2.3 Act on Corporate Due Diligence in Supply Chains

The German Act on Corporate Due Diligence in Supply Chains (LkSG) will be applicable to Mister Spex as of January 1, 2024. In 2024, we took various actions and adapted numerous existing policies to meet the requirements of the LkSG.

At the turn of the year 2024, we published a Policy statement on respect for human rights that reaffirms our responsibility to respect human rights and protect the environment. We expect our employees and business partners to conduct business according to the principles of integrity, ethics, fairness and respect. The Human Rights Policy Statement builds on our existing Supplier Code of Conduct and Code of Ethics and sets out our approach to managing supply chain risks[10].

The LkSG-related risk and compliance management is based on a risk analysis that we started in 2023 and continued in the year 2024. We followed the Human Rights Policy Statement and first analyzed all supply chains in an abstract risk analysis. We have identified those supply relationships where, based on the nature of the matter or our experience and knowledge of the industry, we assume that there is little or no risk, and therefore we perform further testing only when there is specific evidence to do so. In a second step, we then took a closer look at the supplier relationships that could potentially pose risks under the Supply Chain Due Diligence Act as part of a specific risk analysis. We defined the procedure and process for conducting the risk analysis, as well as the industry- and company-relevant criteria. Preliminary results show that there are only a very small number of supply relationships that require specific measures to further identify or minimize risk. These measures have been defined and some of them have already been implemented or will be implemented in the near future. The risk analysis should be repeated on a regular basis annually, unless shorter intervals are required for certain reasons.

2.4 Our environment

CO_2 emissions

We are convinced that a responsible use of resources can only be achieved through a holistic approach to emissions measurement and reduction. In order to properly understand emissions and their development and to be able to take targeted countermeasures, a data-driven analysis is needed that provides an up-to-date view of the Company's emissions at all times. We launched our greenhouse gas emissions initiatives at the end of 2021 and published our first GHG emissions report in the year 2023. Now that we have successfully calculated our carbon footprint and are able to continuously determine the current status, we at Mister Spex will take the next steps to reduce our emissions. Our goal is to publish the second GHG report in 2025.

Packaging

Our declared goal is to use only recyclable and sustainable materials and to eliminate single-use plastic by the end of the year 2025.

We designed our eCommerce boxes and awarded the contract to a new supplier at the end of 2023. The new packaging has been in use since January 2024. The focus is on sustainability and the "unboxing" customer experience. Our cardboard boxes have a high recycling content and are FSC-certified. This means the paper products we use for our packaging originate from responsibly managed forests and are 100% recyclable. Our home-trial boxes, which include glasses that you can try on at home, can be reused for returns because they have a second adhesive tape and do not require any additional packaging tape.

To protect our glasses from damage in the package during transport, we introduced a 100% recyclable filling paper in 2024 that we use to fill the boxes and protect the contents of the packaging. For our intralogistics processes (from our central warehouse to the stores and back), we use pool boxes that can be reused over and over again in a continuous cycle. Since the year 2021, the vast majority of our shipments have been sent sustainably using GoGreen.

Since April 2021, we have been shipping using DHL's GoGreen Service. The surcharge on each package is invested by DHL in climate protection projects to offset the greenhouse gases generated by transportation. The GoGreen initiative covers both direct and indirect greenhouse gas emissions caused by the direct operations and activities of DHL's transportation subcontractors.

To reduce the number of shipments and returns, we have been offering a virtual 3D glass fitting service since the year 2011. Wherever possible and in line with our quality standards, we process returned goods to a high standard and reintroduce them into the product cycle.

Assortment range

Our aim is to continuously make the eyewear market more sustainable and greener.

10 https://corporate.misterspex.com/de/corporate-compliance/

At Mister Spex, we are consistently working on expanding our assortment range with environmentally friendly and sustainable brands. In 2024, we had five third-party brands (Stella McCartney, EOE, Sea2See, Botaniq and Webee) in our range that are 100% sustainable, which means that these styles are made only from recycled or recyclable metal, bio-acetate or recycled plastic from the world's oceans. At the same time, we launched our first 100% sustainable brand, COCO, in 2019, which we expanded to include the exclusive designer sub-collection "Marcel Ostertag x COCO". In 2024, we integrated COCO into our CO Optical brand. Overall, we see that the industry and suppliers are moving towards more sustainable manufacturing and production methods. By the end of 2024, we had more than 900 storage units from 15 brands which are considered sustainable.

2.5 Our people[11]

Investing in a workforce that sees and is seen.

At Mister Spex, we believe that empowering our employees to see opportunity and be seen for their contributions is essential to realizing our vision of helping our customers find the perfect partner for every face with ease, style and expertise. We are committed to investing in a future-ready workforce by attracting and retaining adaptable, innovative talent in Germany and in all our operational markets.

In the year 2024, Mister Spex had an average of 1,212 employees (prior year: 1,293) from 62 nations (as of December 31, 2024). Our top priorities include the well-being of our employees, the promotion of diversity and the provision of opportunities for professional development and visibility. Our five corporate values serve as guiding principles and shape our culture and our daily activities.

Our values

Recruitment and training

We offer a variety of career opportunities in the areas of optics, engineering, data analysis, retail, finance, customer service, logistics, human resources and marketing. When recruiting new employees, we are increasingly approaching suitable candidates directly in professional networks and recruiting throughout Germany, because what counts for us is the qualifications of our employees, not their place of work.

11 The statements in this subsection are not audited by the Company's auditor.

The training of future employees is particularly important to us. In addition to training opticians, we also offer apprenticeships in other areas such as dialog marketing, e-commerce and office management. Training opticians is particularly important due to the high demand for opticians on the German market. In our own training centers in Berlin, Munster, Cologne, Mannheim and Reutlingen (all cities in Germany), we offer a learning atmosphere for young talents to become excellent and successful opticians. In the year 2024, 40 apprentices started their training with Mister Spex, with a focus on ophthalmic optics (prior year: 38). The increase in the number of apprentices reflects our strong commitment to strengthening the German ophthalmic optics market and the associated higher demand for skilled workers. A total of 98 young people in training in the year 2024 will have completed their training as ophthalmic opticians at Mister Spex within the next three years (prior year: 70). In the coming years, we will further increase the number of trainees to successfully support our growth plans.

Diversity, Equity and Inclusion (DEI)

We support our employees by fostering a culture in which each individual is seen and valued. With employees from 62 different nations and a workforce that consists of 56% women (prior year: 57%), Mister Spex relies on socio-cultural diversity and international talent. We actively promote equality and inclusion through open dialogs on DEI and mental health, ensuring that all employees feel supported and accepted.

Through our partnership with OpenUp, we provide confidential access to mental health professionals and promote awareness and engagement in mental well-being initiatives for our employees and their families.

Working at Mister Spex

The health, happiness and visibility of our employees are not just a priority – they are the basis for everything we do. At Mister Spex, we recognize that a thriving workforce is critical to success, and we are deeply committed to creating an environment where our employees feel valued, supported, and empowered. Since 2023, we have taken important steps to better listen to our team members by conducting regular anonymous surveys using Workday Peakon. These surveys enable us to measure employee engagement, understand their needs, and address any concerns in a timely and meaningful way.

Insights gained from these surveys have led to impactful strategic initiatives, including improving our rewards programs, adopting clearer and more transparent communication through regular town hall meetings, and ongoing improvements to our employee benefits, such as new mobility benefits. These efforts demonstrate our commitment to continuous improvement and to making decisions that put employees at the center and promote their satisfaction and well-being.

Our December 2024 survey had a 65% participation rate, reflecting the trust and commitment of our employees. The overall satisfaction rating of 7.1 reflects our continuous efforts to create a positive and supportive workplace. Even more encouraging are our scores above 8 in areas such as meaningful work, management support and relationships with colleagues – important indicators of the engaged and collaborative culture we strive for. These results confirm that we are on the right track to creating a workplace where our employees can flourish both personally and professionally.

At Mister Spex, we also place a high value on the growth and development of our employees. Through structured development programs, we empower our employees in the stores to take their careers to the next level. Our trainee programs for retail and customer service are designed to prepare them for management roles. In addition, we support opticians in becoming certified master opticians. These comprehensive programs provide participants with in-depth operational, visual, business, and leadership skills, ensuring that they have the tools they need to succeed and receive the recognition they deserve.

In addition to our structured development programs, we continuously invest in personal and professional growth through innovative learning platforms. Our Workday learning platform provides our employees in all functions with structured and on-demand content to help them develop visually, professionally, and personally. In 2024, we saw nearly 1,900 learning enrollments on our Workday learning platform, which is a testament to a culture of learning. Our goal is to inspire our employees to reach their full potential and stay at the forefront of an ever-evolving business environment.

At Mister Spex, our employees are at the core of our success. By listening to their voices, investing in their development and cultivating a culture of engagement, we are building not just a company, but a community where every individual has the opportunity to shine.

Employee growth

In the year 2024, Mister Spex employed an average of 1,212 people (prior year: 1,293) with an average age of 35. Our workforce remains predominantly female at 56%, and half of our employees are between 31 and 50 years old. Even though the number of employees has decreased slightly due to our SpexFocus program, we remain committed to developing our employees through transparent career opportunities and a corporate culture that recognizes and values their contributions.

By enabling our employees to recognize opportunities and be recognized for their talents, Mister Spex continues to build a resilient and dedicated workforce, laying the foundation for long-term success.

Important workforce figures

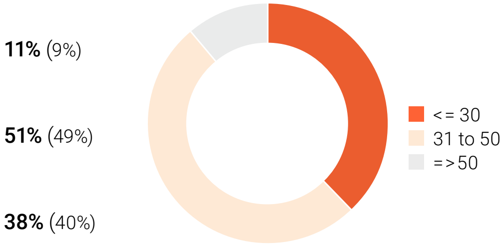
	1 Jan to 31 Dec	
	2024	2023
Total number of employees	**1,212**	**1,293**
Female share	56%	57%
Male share	40%	43%
Diverse share	4%	0%
Average age of employees	35	34

Employees by function

	1 Jan to 31 Dec	
	2024	2023
Total number of employees	**1,212**	**1,293**
Operative employeesa [a]	981	1051
Commercial employees [b]	138	139
Technical employees [c]	93	103

a) Operational functions: Operations, Retail and Customer Service
b) Commercial functions: Human Resources, Finance, Marketing and Category Management
c) Technical functions: IT, Data, Product Management

Employees by age group



New hires [12] by gender and age group

New hires by gender

	1 Jan to 31 Dec	
in %	**2024**	2023
Women	52%	60%
Men	41%	40%
Diverse	7%	< 1%

New hires by age group

	1 Jan to 31 Dec	
in %	**2024**	2023
< =30	66%	75%
31 to 50	29%	22%
> 50	5%	3%

12 New hires are persons hired in course of the year

The Code of Conduct
can be found on our **website**.

The Code of Ethics
can be found on our **website**.

2.6 Our governance and data protection

Data protection

Protection of personal data is of the highest priority for us and makes part of our code of ethics. Personal data must be treated confidentially and may only be processed within the framework of the relevant data protection provisions, in particular the General Data Protection Regulation (GDPR) and the German Federal Data Protection Act (BDSG). Our employees are obliged to comply with our privacy policy.

Cyber security

At Mister Spex, we take cyber security as a social as well as a technical responsibility. We therefore continuously monitor, review and invest in our information technology (IT) systems and processes to protect our customers, the business and our employees from any cyber security threats. To mitigate cyber risks, we have established a three-tier approach based on automation, professional auditing and deliberate attempts to breach our own systems ("white hat hacking") in order to continuously ensure and improve the effectiveness of our efforts to prevent and mitigate any cyber risk scenarios. In 2024, we carried out an external security audit and our internal teams have since mitigated all the resulting findings that could have had a negative impact on our overall security situation.

We have a framework of controls in place that protect against unauthorized access to our systems. These include policies and procedures for maintaining and regularly updating infrastructure, servers and security devices and for restricting and monitoring access to customer data and other sensitive information. We test our systems for vulnerabilities with a high frequency. Back-up facilities and contingency plans are in place and are regularly reviewed to ensure that data is protected. Every employee has responsibility for cyber security, and we invest in education and awareness raising, including the requirement of regular training. Employees are updated regularly on how to mitigate data security risks, the importance of password management, the latest breaches and software updates. In 2024, we had no notable security breaches or cyber security incidents.

Corporate governance and compliance

Our corporate culture has always been characterized by the highest degree of integrity and ethically correct conduct. Integrity is one of the core values at Mister Spex and one of our most important cultural assets. We will not compromise our integrity or risk damage for financial gain or any other reason.

To ensure that all Mister Spex employees act with integrity at all times, they must take note of and follow the following compliance principles and the Company's code of ethics.

Code of ethics

Our code of ethics is a guideline and is intended to provide employees with orientation, so they act according to clearly defined ethical and legal standards during their work. In addition, the code of ethics defines the standards that Mister Spex adheres to in order to be the perfect company for each and every employee.

The code of ethics can be viewed **here**[13].

Our policy and management system framework are well established and adapts to the new challenges that we have to face.

Supplier code of conduct

The Supplier code of conduct sets out our expectations of all our suppliers and service providers in terms of responsible business conduct. It is intended to serve as a guideline and formulates a minimum standard of ethical and lawful conduct. Mister Spex expects each of its suppliers and service providers to comply with these standards of conduct and thus strives to act responsibly as a whole.

The code of conduct is available **here**[14].

Compliance

Mister Spex's corporate compliance program, supported by a corporate compliance committee, has been implemented to assist operating units and staff departments in complying with all provisions.

All employees must complete a regular electronic compliance review questionnaire for all business transactions (including anti-corruption). We provide employees and external stakeholders with a whistleblowing tool so that breaches of our policies can be reported in confidence. We do not accept any retaliation against those who raise legitimate concerns about possible misconduct.

13 https://corporate.misterspex.com/wp-content/uploads/2022/12/mister-spex-code-of-ethics-en.pdf
14 https://corporate.misterspex.com/wp-content/uploads/2024/01/supplier-coc-dt-v-230124.pdf

3. Economic report of Mister Spex Group

3.1 Macroeconomic and sector-specific parameters

Global economy

The year 2024 marked a period of stabilization and a gradual upturn in the European economy. Global growth remained stable, while falling energy prices contributed to a faster-than-expected decline in inflation. In the euro zone, the annual inflation rate fell from 2.9% in December 2023 to 2.4% in December 2024. In Germany, Mister Spex's core market, the inflation rate in December was 2.8% – a decrease of 3.8% compared to the prior year.

The euro zone saw moderate but stable GDP growth. Seasonally adjusted, GDP[15] rose by 0.2% in the second quarter of 2024 and continued to grow by 0.4% in the third quarter. For the year as a whole, GDP growth amounted to 0.8%. GDP development in Germany was weaker overall: GDP[16] contracted by 0.3% in the second quarter, grew by 0.1% in the third quarter and recorded a slight decline of 0.2%[17] for the year as a whole. Thus, the year 2024 is the second consecutive year of contraction in the German economy.

Consumer confidence[18] in Germany improved slightly in the first three quarters of the year. In the fourth quarter, however, it was negatively affected by the news of the collapse of the German coalition government, as political uncertainty exacerbated the existing economic challenges.

For 2025, the European Commission[19] is forecasting a GDP growth of around 1.3% and inflation of 2.1% in the euro zone. By contrast, the German central bank's[20] December report anticipates only slight growth in German GDP and forecasts a calendar-adjusted increase of just 0.2%. Inflation expectations for Germany are 2.7%, reflecting a slight improvement compared to the year 2024.

Optican industry developments

According to Statista, the ophthalmic optics market in Germany is expected to generate revenue of around bEUR 8 in the year 2024, with an expected compound annual growth rate (CAGR) of 1.80% in the period from 2024 to 2029. Prescription lenses remain the largest market segment and are expected to account for around bEUR 5 in 2024, underlining their continued importance in the market.

The German sunglasses market is forecast to grow at a compound annual growth rate of 2.2% in the period from 2024 to 2039[21]. While non-polarized sunglasses remain the category with the highest sales, polarized sunglasses represent the fastest growing segment. This is due to their superior glare reduction and their appeal to consumers looking for high-performance ophthalmic optics.

According to SPECTARIS[22] revenue in the German ophthalmic retail sector will increase by around 1%. This corresponds to a similar development to that seen in 2024.

Key factors for the market growth[23]

Consumer preferences

Glasses are increasingly being seen not only as a health necessity, but also as a lifestyle and fashion accessory. In Germany, 66.6% of adults wear glasses, and the demand for products that combine style and functionality continues to grow. This trend reflects the growing preference of consumers for glasses that meet both practical and aesthetic demands.

Digital transformation

The ophthalmic optics industry is undergoing a transformation, driven by the rise of online shopping and omnichannel solutions. In Germany, the online sales channel grew by 5.3% in 2023, while multichannel sales increased by 6.0%. This underscores the increasing consumer demand for convenience and accessibility. However, the complexity of adjusting prescription glasses limits pure online solutions, with only 0.5% of prescription glasses sales being made online. This emphasizes the need for seamless integration between digital platforms and brick-and-mortar services to meet customer expectations.

15 Euro Area GDP Growth Rate
16 Germany GDP Growth Rate
17 Gross domestic product down 0.2% in 2024 - German Federal Statistical Office
18 Germany GfK Consumer Climate
19 Autumn 2024 Economic Forecast: A gradual rebound in an adverse environment - European Commission
20 Forecast for Germany: Significantly gloomier growth outlook – inflation decreases to 2% | Bundesbank publications
21 Germany Sunglasses Market Size & Outlook, 2030
22 German ophthalmic optics industry remains stable: moderate growth despite challenges | Spectaris
23 All data in this section is taken from the industry report on ophthalmic optics, October 2024.

Demographic change

Germany's aging population is a significant growth driver in the optics market. As the baby boomer generation ages and presbyopia (age-related farsightedness) becomes more prevalent, demand for prescription glasses, particularly progressive lenses, is increasing. Currently, 41.1 million adults in Germany have a visual impairment, and forecasts predict that by 2030, a further million people will need vision correction. This demographic trend underpins stable market growth and increasing demand for optical solutions.

Market consolidation and omnichannel strategies

The German eyewear market is increasingly consolidated, with store-based businesses now accounting for 53.3% of total industry revenue. Companies that embrace omnichannel approaches, utilizing both in-store and digital innovations, are well-positioned to succeed in this evolving market. Mister Spex's strategic combination of online platforms and brick-and-mortar locations ensures that the Company meets consumer demands in high-growth segments such as prescription glasses, while also benefiting from the ongoing shift towards omnichannel retailing.

3.2 Assets, liabilities, financial position and financial performance of Mister Spex Group

Financial performance of Mister Spex Group

Consolidated statement of profit and loss

	1 Jan to 31 Dec		
in € k	**2024**	2023	Change
Revenue	216,752	223,530	–3%
Other own work capitalized	3,203	4,826	–34%
Other operating income	1,357	1,507	–10%
Cost of materials	–108,736	–110,373	–1%
Gross profit	**108,016**	**113,157**	**–5%**
Gross profit margin	**49.83%**	**50.6%**	**–79bp**
Personnel expenses	–62,310	–61,970	1%
Other operating expenses	–74,991	–62,213	21%
EBITDA	**–24,724**	**–4,693**	**> 100%**
Adjustments	18,924	5,593	> 100%
Adjusted EBITDA	**–5,801**	**900**	**> –100%**
Depreciation, amortization and impairment and reversals of impairment	–60,440	–43,026	40%
EBIT	**–85,164**	**–47,720**	**78%**
Financial result	–625	–421	49%
Income Tax	931	256	> 100%
Loss for the period	**–84,859**	**–47,884**	**77%**

Management assesses operating performance on the basis of **adjusted EBITDA**. This is defined as earnings before interest, taxes, depreciation and amortization, adjusted for expenses for share-based payments in accordance with IFRS 2, one-time transformation costs and other special effects that are not part of the ordinary course of business.

3.2.1 Development of revenue by segments

in € k	1 Jan to 31 Dec 2024	2023	Change
Revenue			
Prescription glasses	89,859	90,114	0%
Sunglasses	64,933	67,491	–4%
Contact lenses	57,903	61,300	–6%
Total products	**212,695**	**218,905**	**–3%**
Other revenue	4,057	4,625	–12%
Total	**216,752**	**223,530**	**–3%**

Revenue by product categories and segments

	Germany		International		Total	
in € k	**2024**	2023	**2024**	2023	**2024**	2023
Revenue						
Prescription glasses	78,188	77,171	11,671	12,943	89,859	90,114
Sunglasses	48,739	48,721	16,195	18,770	64,933	67,491
Contact lenses	38,786	38,807	19,117	22,493	57,903	61,300
Total products	**165,712**	**164,699**	**46,982**	**54,206**	**212,695**	**218,905**
Other revenue	3,335	3,857	722	768	4,057	4,625
Total	**169,047**	**168,556**	**47,705**	**54,974**	**216,752**	**223,530**

In 2024, revenue in the **Germany** segment was on the level of the prior year (+0%), compared to growth of 10% in the same period of the prior year. Sales of prescription glasses increased by 1%, while sales of sunglasses and contact lenses remained at the prior year's level (+0%).

By contrast, sales in the **International** segment were down by 13% on the same period of the prior year, due mainly to the decline in revenue in Scandinavia, Switzerland and the UK. The significant decline in revenue is in particular due to the transformation and restructuring program "SpexFocus", which was communicated in August and resulted in the closure of all international stores. At the beginning of September 2024, the Swiss store was the first international store to be closed, followed by the stores in Austria and Sweden in the 4th quarter.

In the financial year 2024, **revenue** decreased by 3% to kEUR 216,783, which is attributable to a 4% decrease in sales of **sunglasses** and a decline of 6% in **contact lenses**. By contrast, sales of **prescription glasses** remained constant at the prior year's level. After sales in the first half of the year rose by 1% compared to the prior year, they were 8% below the prior year's figures in the second half of the year, which is due to the measures introduced as part of the "SpexFocus" transformation program, such as the closure of international stores, and the further reduction of discounts. The latter has had a particular impact on the price-sensitive categories of sunglasses and contact lenses.

Mister Spex continues to pursue the strategy of improving the product mix by increasing the share of high-margin prescription glasses. At the same time, the Company remains committed to providing a leading omnichannel shopping experience, which is expected to increase profitability in the medium term.

Revenue from **contact lenses** fell by 6% in 2024 compared to the prior year. This decline is due to the conscious decision taken to scale back marketing and promotional activities for contact lenses.

3.2.2 Explanation adjusted EBITDA

	1 Jan to 31 Dec					
	Germany		International		Total	
in € k	**2024**	2023	**2024**	2023	**2024**	2023
EBITDA	**−12,891**	**141**	**−11,833**	**−4,834**	**−24,724**	**−4,693**
Revenue	169,047	168,556	47,705	54,974	216,752	223,530
Cost of materials	−81,233	−78,840	−27,503	−31,533	−108,736	−110,373
Personnel expenses	−50,857	−43,663	−11,453	−18,307	−62,310	−61,970
of which adjusted	3,745	3,418	1,526	1,115	5,270	4,533
Other operating expense	−53,405	−50,688	−21,586	−11,525	−74,991	−62,213
of which adjusted	7,642	782	6,011	278	13,653	1,060
Total adjustments	11,387	4,200	7,537	1,393	18,924	5,593
Adjusted EBITDA	**−1,504**	**4,341**	**−4,297**	**−3,442**	**−5,801**	**900**

Adjusted EBITDA came to a total of kEUR −5,801 in financial year 2024 (prior year: kEUR 900) and was therefore down by kEUR 6.701 compared to the same period of the prior year.

The development of **adjusted EBITDA** is disproportionately affected by the development of the Germany segment, which realized an adjusted EBITDA of kEUR −1,504 in the financial year 2024 (prior year: kEUR 4,341). In 2024, the International segment was also below the prior year's level with an adjusted EBITDA of kEUR −4,297 (prior year: kEUR −3,442).

In 2024, the **gross profit margin** decreased by 78 basis points to 49.8%.

Year-on-year, **personal expenses** rose by 1% in 2024. The implementation of the transformation and restructuring program "SpexFocus" led to an increase in personnel expenses in the second half of the year due to severance pay agreements. The increase in personnel expenses affects both segments equally, as the costs for the transformation and restructuring program are allocated to both segments on a proportionate basis.

The **other operating expenses** increased by 21% year-on-year, mainly due to the expenses in connection with the transformation and restructuring program "SpexFocus", which mainly included expenses incurred in relation to the adjustment of the assortment strategy and the store closures, the latter relating to the International segment. At the same time, marketing expenditure decreased by 6%.

EBITDA came to kEUR −24,724, which was below the prior year's level of kEUR −4,693. The main reasons for this were the effects from the transformation and restructuring program "SpexFocus", higher expenses and a decrease in revenue due to the lapse of discounts.

	1 Jan to 31 Dec		
in € k	**2024**	2023	Change
EBITDA	**-24,724**	**-4,693**	**> 100 %**
Adjustments	**18,924**	**5,593**	**> 100 %**
of which:			
Effects from IFRS 2	907	2,215	-59%
Efficiency program "Lean 4 Leverage"	1,498	2,950	-49%
Legal and consulting fees	981	632	55%
Severance and redundancy payments	517	2,318	-78%
Transformation program "SpexFocus"	13,113	0	100%
Store closing costs	5,047	0	100%
Severance and redundancy payments	3,824	0	100%
Costs in connection with the adjustment of the assortment strategy	3,353	0	100%
Legal and consulting fees	889	0	100%
Other one-time effects	3,405	428	> 100 %
Adjusted EBITDA	**-5,801**	**900**	**> -100 %**

The **adjustments** in the amount of kEUR 18,924 for the year 2024 mainly comprise the expenses of kEUR 13,113 for the transformation program "SpexFocus" launched in August 2024 as well as the expenses for the efficiency program "Lean 4 Leverage" terminated in 2024 of kEUR 1,498 (prior year: kEUR 2,950) and kEUR 3,405 (prior year: kEUR 428) for other one-time effects.

The expenses for "**SpexFocus" transformation and restructuring program** consist of costs related to store closures amounting to €5,047k, severance and termination payments of €3,824k, as well as costs for assortment adjustment of €3,353k. Other special effects include, among other things, one-time consulting fees for transactions and matters that are not part of normal business operations, such as expenses related to provisions for potential losses on unused rental space amounting to €1,474k, as well as costs related to the extraordinary general meeting of €902k.

The adjustments for the year 2024 also include expenses of kEUR 907 in relation to IFRS 2.

Depreciation, impairments and reversals of impairments totaling kEUR 60,440 (prior year: kEUR 43,026) resulted, on the one hand, primarily from higher depreciation of fixed assets of kEUR 19,142 (prior year: kEUR 13,163) and, on the other hand, from increased impairment losses of kEUR 29,215 (prior year: kEUR 16,259)). Besides the annual impairment test of goodwill and software under development, Mister Spex tests the remaining intangible assets and right-of-use assets for impairment if there are indications that they may be impaired. The consistently low market capitalization of Mister Spex is such an indication as of December 31, 2024. As a result of changes in forecast cash flows and in the interest rate due to the current macroeconomic situation, the recoverable amount of some assets was lower than their carrying amount.

The **financial result** decreased by kEUR 204 year-on-year to kEUR -625 (prior year: kEUR -421), primarily due to lower interest income from overnight money market investments.

Mister Spex Group's loss for the period came to kEUR 84,859 (prior year: loss of kEUR 47,884).

Non-financial performance indicators

	1 Jan to 31 Dec		
	2024	2023	Change
Active customers [1] (in thousand)	1,573	1,747	-10%
Number of orders [2] (in thousand)	2,095	2,295	-9%
Average order value [3] (in €)	101.71	95.67	6%

1 Number of clearly identified customers who have placed at least one order with us without cancellation in the last 12 months up to the reporting date
2 Number of deliveries to customers in a given reporting period, less canceled and returned orders
3 Revenue (less advertising discounts, customer credits, refunds and VAT) divided by orders in the last 12 months up to the reporting date net of cancellations and returns

The number of **active customers** fell by 10% and the **number of order**s by 9% in the financial year 2024. This is primarily due to the new strategic direction "SpexFocus", which includes adjustments to marketing channels and a reduction in price-sensitive customers in the online segment.

Mister Spex was able to achieve a 6% increase in the **average order value**. This rose to EUR 101.73. The positive development of the average order value is already the result of one of our measures to specifically reduce advertising and discount campaigns. In addition, the introduction of the premium spectacle lenses SpexPro in September 2024 is significantly contributing to the improvement. In the fourth quarter of 2024, the average order value for prescription glasses increased by 28% compared to the fourth quarter of 2023.

Both the financial performance indicators and non-financial performance indicators relate to the entire Group.

Mister Spex stores

As of December 31, 2024, the number of stores stood at 66, a decrease of 12% on the number as of December 31, 2023. The decline resulted from the closure of all eight international stores and the closure of one store in Germany (Saarbrucken).

Assets, liabilities and financial position of Mister Spex Group

Assets

in € k	31 Dec 2024	31 Dec 2023	Change
Non-current assets	60,479	122,673	–62,194
Current assets	110,791	157,751	–46,960
of which: Cash and cash equivalents	72,133	110,654	–38,522
Total assets	**171,270**	**280,424**	**–109,154**

Equity and liabilities

in € k	31 Dec 2024	31 Dec 2023	Change
Equity	71,837	155,453	–83,615
Non-current liabilities	57,532	77,168	–19,636
Current liabilities	41,901	47,803	–5,902
Total equity and liabilities	**171,270**	**280,424**	**–109,154**

As of December 31, 2024, the consolidated statement of financial position of Mister Spex reports **equity** in the amount of kEUR 71,837 (prior year: kEUR 155,453). The change in equity is mainly due to the loss for the period and the contributions from the share-based payment remuneration. At 42%, the equity ratio was slightly below the prior-year level (55%) as of the reporting date. Further details on the development of treasury shares can be found in the notes to the annual financial statements of Mister Spex SE in section III. Notes on individual items of the balance sheet – equity.

Net debt[24] for the financial year 2024 is kEUR 27,300 and thus kEUR 12,894 above the prior year's level (kEUR 14,318). The change is mainly due to the decline in cash and cash equivalents and the change in non-current and current liabilities, which was mainly caused by the repayment and disposal of lease liabilities in the amount of kEUR 20,018.

Cash and cash equivalents decreased by kEUR 38,522. This development was mainly caused by the significantly higher negative result for the period and by the negative cash flow from financing activities, which is largely influenced by the repayment of lease liabilities.

In 2024, **total assets** decreased by kEUR 109,154 to kEUR 171,270 (prior year: kEUR 280,424).

Non-current assets fell by kEUR 62,194 to kEUR 60,479. This development is mainly due to depreciation and amortization of fixed assets and rights of use in accordance with IFRS 16 and the disposal of rights of use from store closures. For information on depreciation and amortization and impairment, see notes 8, 12 and 16.

Current assets decreased by kEUR 46,960, mainly due to the decline in cash and cash equivalents. These consist primarily of unrestricted bank balances. At the end of the financial year 2024, inventories declined by kEUR 4,249 to kEUR 28,249 compared to December 31, 2023 (prior year: kEUR 32,498). The decline is due to the new "SpexFocus" program, which, among others, led to a reduction in the stock value due to the adjustments of the assortment strategy.

As of December 31, 2024, **non-current liabilities** came to kEUR 57,532 (prior year: kEUR 77,168) and mainly comprised non-current lease liabilities of kEUR 52,908 (prior year: kEUR 70,161).

In a year-on-year comparison, **current liabilities** decreased by kEUR 6,173 to kEUR 41,629. This decline is mainly due to the reduction in current leasing liabilities, which were down by kEUR 2,764 to kEUR 12,563 and in trade payables that were down by kEUR 7,979 to kEUR 9,957. Additionally, current liabilities included refund liabilities and tax liabilities, accrued personnel-related expenses and liabilities for outstanding invoices.

The financial liabilities mainly comprise trade accounts payable, liabilities for reimbursements to customers for expected returns and liabilities from sale and leaseback agreements.

As of 31 December 2024, the maturities of the financial liabilities based on the contractually agreed values are as follows:

Balance as of December 31, 2023

in € k	up to 1 year	1 to 5 years	More than 5 years	Total
Liabilities to banks	0	1,120	0	1,120
Trade payables	17,935	0	0	17,935
Refund liabilities	1,974	0	0	1,974
Other financial liabilities	2,157	3,059	0	5,216
Financial liabilities	**22,066**	**4,179**	**0**	**26,245**

24 Net debt: non-current liabilities + current liabilities - cash and cash equivalents

Balance as of December 31, 2024

in € k	up to 1 year	1 to 5 years	More than 5 years	Total
Liabilities to banks	240	640	0	880
Trade payables	9,957	0	0	9,957
Refund liabilities	2,187	0	0	2,187
Other financial liabilities	3,144	2,026	0	5,170
Financial liabilities	**15,528**	**2,666**	**0**	**18,194**

Liquidity

in € k	**2024**	2023
Cash flow from operating activities	–16,299	6,037
Cash flow from investing activities	–6,377	–14,606
Cash flow from financing activities	–15,846	–8,569
Net change in cash funds	**–38,522**	**–17,138**

In financial year 2024, Mister Spex recorded a negative **cash flow from operating** activities of kEUR -16,044 (prior year: kEUR 6,037). The significant change compared to the same period of the prior year is mainly due to the higher loss for the period and the decrease in trade payables. Compared to 2023, "SpexFocus" and the associated adjustment of the product range strategy led to lower inventories and also to a decrease in trade payables.

The improved cash **flow from investing activities** of kEUR 8,229 compared to the prior year is mainly due to lower investments in operating and office equipment and lower investments in software under development. Investments in 2023 were mainly for the opening of new stores and for the move to the new headquarters.

Cash flow from financing activities amounted to kEUR –15,846 and resulted mainly from the repayment of lease liabilities.

Overall, Mister Spex Group's **cash and cash equivalents** decreased by kEUR 38,522 to kEUR 72,133 as of December 31, 2024.

Mister Spex Group was in a position to meet its financial obligations at all times during the financial year.

3.3 Comparison of target and actual business developments

Revenue growth

	Forecast in 2023 for 2024	**Result 2024**
Revenue growth	the low to mid-single-digit percentage range	–3%
Adjusted EBITDA margin	Positive adjusted EBITDA margin in the low single-digit percentage range	€ –5.8 m (corresponds to an adjusted EBITDA margin of – 2.7%)

The results of the first half of the year 2024 were below the management board's expectations. In the first half of 2024, revenue grew by 1% year-on-year despite negative consumer sentiment and unfavorable weather conditions.

Overall, the management board was not satisfied with the performance in the first half of the year and has therefore taken the necessary measures with the transformation and restructuring program "SpexFocus" to significantly increase profitability and ensure sustainable cash generation for the Company in the medium term. "SpexFocus" is expected to increase EBITDA and will be particularly effective in 2025 and 2026, with measures under the program being phased in gradually in course of the years 2024 and 2025.

Mister Spex decided to adjust its forecast for the financial year 2024 due to the implementation of the "SpexFocus" transformation and restructuring program on August 14, 2024.

In its original forecast for 2024, the company anticipated **revenue growth** in the low to mid single-digit percentage range; the adjusted forecast targeted net revenue for the full year between mEUR 230 and mEUR 210 (representing year-on-year growth of 3% to –6%). With a revenue growth of –3%, Mister Spex was within this forecast.

For **adjusted EBITDA**, we assumed a positive adjusted EBITDA margin in the low single-digit percentage range in the original forecast. As part of the forecast adjustment, expectations for the adjusted EBITDA margin were adjusted to a range of +1% and –4%. Adjusted EBITDA totalled mEUR 5.8 in the financial year 2024, a decline of mEUR 6.7 compared to the prior year (prior year: mEUR 0.9). This corresponds to an adjusted EBITDA margin of –2.7% and was in line with the adjusted forecast for the financial year 2024.

In terms of **non-financial performance indicators**, we assumed in the original forecast a slight increase in orders, in the average order value and in active customers. Due to the strategic realignment of the business as part of "SpexFocus", which includes the adjustment of marketing channels and a reduction in price-sensitive customers in the online segment, we have fallen short of the original forecast in terms of the number of orders (-9%) and the number of active customers (-10%). By contrast, the average order value increased by +6%.

3.4 Economic report for Mister Spex SE

Preliminary remarks

The management report and the group management report of Mister Spex SE, Berlin/Germany, have been combined. The following comments are based on the annual financial statements of Mister Spex SE, which were prepared in accordance with the provisions of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG) in conjunction with Art. 61 of EU Regulation No 2157/2001.

Business activities

Mister Spex SE is the parent company of Mister Spex Group. It operates its own national and international Mister Spex websites and sells prescription glasses, sunglasses, contact lenses and contact lens care products via its country-specific online shops and in brick-and-mortar stores in Germany, Austria and Switzerland. As a holding company, it holds the shares in the subsidiaries.

Mister Spex is viewed as one of the highest-revenue optical brands in Germany, Austria and Switzerland (DACH region). We offer our customers fashionable glasses, including prescription glasses, sunglasses and contact lenses. Our range includes more than 100 brands. We focus on high-quality luxury and independent brands (boutique) as well as attractive own brands and exclusive collaborations with fashion designers and influencers.

Thanks to our seamless omnichannel approach, we create an individual shopping experience and at the same time give our customers the freedom to decide for themselves when, where and how they want to shop. Innovative technologies and smart, data-driven services, such as frame recommendations, automatic goods replenishment and real-time sorting algorithms, play a central role. We are present in six markets (Austria, Germany, the Netherlands, Spain, Switzerland and the UK) with online shops and operate 66 own brick-and-mortar stores in Germany. We also have an extensive partner optician network with about 300 opticians.

Due to the Company's significance within the Group, the Company and the Group share the same performance indicators. Mister Spex SE is subject to the same risks and opportunities as the Group. The information provided in the Group's economic report also reflects the results and expectations in this chapter.

3.5 Financial performance, financial position and assets and liabilities of Mister Spex SE

Financial performance

The Company's financial performance developed as follows:

Revenue in the financial year 2024 decreased by 1% to kEUR 203,059 (prior year: kEUR 205,960). In the financial year 2024, Germany continues to be the largest market for Mister Spex in the product categories prescription glasses and sunglasses.

Own work capitalized of kEUR 3,574 relates to internally developed software. In the financial year, additions included both internally generated intangible assets and assets under development. The decline was caused by lower capital investments in 2024 compared to the prior year.

	1 Jan to 31 Dec		
in € k	**2024**	2023	Change
Revenue	203,059	205,960	−1%
Own work capitalized	3,574	5,237	−32%
Other operating income	1,848	11,511	−83%
Cost of materials	−99,073	−97,661	1%
Gross profit	**109,409**	**125,047**	**−13%**
Personnel expenses	−58,305	−56,585	3%
Depreciation, amortization and write-downs	−18,594	−12,616	47%
Other operating expenses	−100,335	−90,377	11%
Operating result	**−67,826**	**−34,531**	**97%**
Financial and investment result	−1,819	−9,614	−81%
Income taxes	2,162	−78	>−100%
Loss for the year	**−67,483**	**−44,223**	**53%**

Mister Spex SE closed the year with a loss for the year of kEUR 67,511, which is kEUR 23,288 higher than in the financial year 2023.

Other operating income amounts to kEUR 1,848 in the financial year (prior year: kEUR 11,511). These mainly result from the repayment of a loan to MSX Schweiz AG that had been written off in the prior year in the amount of kEUR 814, income in connection with compensation payments, building cost subsidies and income from currency conversion totaling kEUR 525 (prior year: kEUR 886). In the financial year 2024, exceptionally high income of kEUR 9,608 was recognized here from the partial repayments of loans to subsidiaries that had been fully written off in the prior year.

Cost of materials rose by kEUR 1,412 to kEUR 99,073 (prior year: kEUR 97,661). The cost of materials ratio was 48.8%, 1.4 percentage points above the prior year's figure. This is mainly due to the adjustment of the price structure, shifts in the product mix and as a result of the adjustment of the product range strategy due to lower annual rebates from our suppliers.

Personnel expenses increased by kEUR 1,720 to kEUR 58,305 (prior year: kEUR 56,585). This trend was primarily caused by higher severance pays compared to the prior year.

Amortization, depreciation and impairment losses rose by kEUR 4,315 to kEUR 18,594. The increase is mainly due to impairment losses on internally generated software and internally generated software in development of kEUR 4,043 (prior year: kEUR 2,030) and on property, plant and equipment of kEUR 2,811 (prior year: EUR 0). The impairment losses are due to the SpexFocus transformation and restructuring program and the therewith connected termination of selected IT projects in the field of intangible assets. In the area of property, plant and equipment, the inventory of machinery and technical equipment was reviewed with the aim of achieving a needs-based inventory. Assets that are not expected to be used in the future were written down.

Other operating expenses of kEUR 100,335 were above the prior year's figure of kEUR 90,377. The change of kEUR 9,958 compared to the prior year resulted primarily from the recognition of expenses in connection with provisions for onerous losses for unused rental space in the amount of kEUR 13,742 (prior year: kEUR 991), costs in connection with the SpexFocus transformation project of kEUR 11,614 (prior year: kEUR 883) and the increase in rental expenses, operating costs and other occupancy costs of kEUR 2,095 to kEUR 22,014 (prior year: kEUR 17,783). These changes are offset primarily by the special effects from the prior year – the expenses from the equity contributions in the amount of kEUR 9,607 and the merger loss of kEUR 5,860.

The change in the **financial result and income from investments** in the financial year includes, in particular, impairment losses of kEUR 4,887 (prior year: kEUR 13,388) on loans and shares in affiliated companies due to changes in forecast cash flows and changes in interest rates, which are also due to the current macroeconomic situation.

Furthermore, the net financial and interest income includes **interest and similar expenses** and here mainly interest from sale and leaseback transactions in the amount of kEUR 217 (prior year: kEUR 487), income from long-term loans to affiliated companies in the amount of kEUR 42 (prior year: kEUR 897) and other interest and similar income in the amount of kEUR 3,250 (prior year: kEUR 3,334), resulting from overnight funds and expenses from profit and loss transfer agreements amounting to kEUR 2 (prior year: income of kEUR 41).

Assets, liabilities and financial position

The following overview shows the summary of the balance sheet:

ASSETS

in € k	31 Dec 2024	31 Dec 2023	Change
Non-current assets	36,285	50,076	–13,791
Current assets	106,649	153,714	–47,064
Prepaid expenses	2,339	3,184	–845
Total assets	**145,273**	**206,974**	**–61,700**

EQUITY AND LIABILITIES

in € k	31 Dec 2024	31 Dec 2023	Change
Equity	98,625	166,007	–67,411
Provisions	26,397	10,540	15,857
Liabilities [25]	19,948	27,821	–7,843
Deferred income	303	444	–141
Deferred tax liabilities	0	2,162	–2,162
Total equity and liabilities	**145,273**	**206,974**	**–61,700**

The decline in **non-current assets** is mainly due to lower capital expenditures and increased depreciation in the current financial year. Reduced acquisition costs for intangible assets in the amount of kEUR 5,159 (prior year: kEUR 7,553) are attributable to capitalized development costs and advance payments for intangible assets under development, as well as to lower additions to property, plant and equipment in the amount of kEUR 1,306 (prior year: kEUR 7,727). Higher amortization and depreciation were recorded on intangible assets and on property, plant and equipment of kEUR 10,963 (prior year: kEUR 8,493) and kEUR 7,631 (prior year: kEUR 4,498), respectively.

As in the prior year, **inventories** primarily comprise merchandise for the operative business and amount to kEUR 27,193 (prior year: kEUR 29,796).

Receivables and other assets decreased by kEUR 2,890 to kEUR 12,093 compared to the prior year-end. This change is mainly due to the decline in other assets by kEUR 2,696 resulting from lower annual discounts from our suppliers.

At the end of the financial year, the **equity ratio** was 68% (prior year: 80%). Further details on the development of treasury shares can be found in the notes to the financial statements of Mister Spex SE in section III. *Notes on individual items of the balance sheet – equity.*

Provisions and liabilities increased by kEUR 7,986 to kEUR 46,375 (prior year: kEUR 38,361) at the end of the year. As of December 31, 2024, provisions primarily related to provisions for onerous contracts, for rent-free periods, employee obligations as well as to obligations from outstanding invoices, warranties and returns.

Cash and cash equivalents largely comprise bank balances of kEUR 67,363 (prior year: kEUR 108,935). The change is mainly due to the negative operating result and cash outflows from financing activities. Bank balances include balances subject to a restraint on disposal due to a bank guarantee of kEUR 993 (prior year: kEUR 970).

The Company was in a position to meet its financial obligations at all times during the financial year.

3.6. Overall assessment of financial performance, financial position and assets and liabilities

Overall, the management board was not satisfied with the performance in the first half of the year and has therefore taken the necessary measures with the transformation and restructuring program "SpexFocus" to significantly increase profitability and ensure sustainable cash generation for the Company in the medium term. "SpexFocus" is expected to increase EBIT and will be particularly effective in 2025 and 2026, with measures under the program being phased in gradually in the course of the financial years 2024 and 2025.

25 The liabilities comprise liabilities to banks, prepayments received on account of orders, trade payables, liabilities to affiliates and other liabilities

4. Risks and opportunities

As a European omnichannel eyewear retailer, Mister Spex has exposure to macroeconomic, sector-specific and company-specific opportunities and risks. The risks and opportunities report outlines the material opportunities and risks for Mister Spex and gives an overview of the risk and opportunity management system.

4.1 Risk and opportunity management system (RMS)

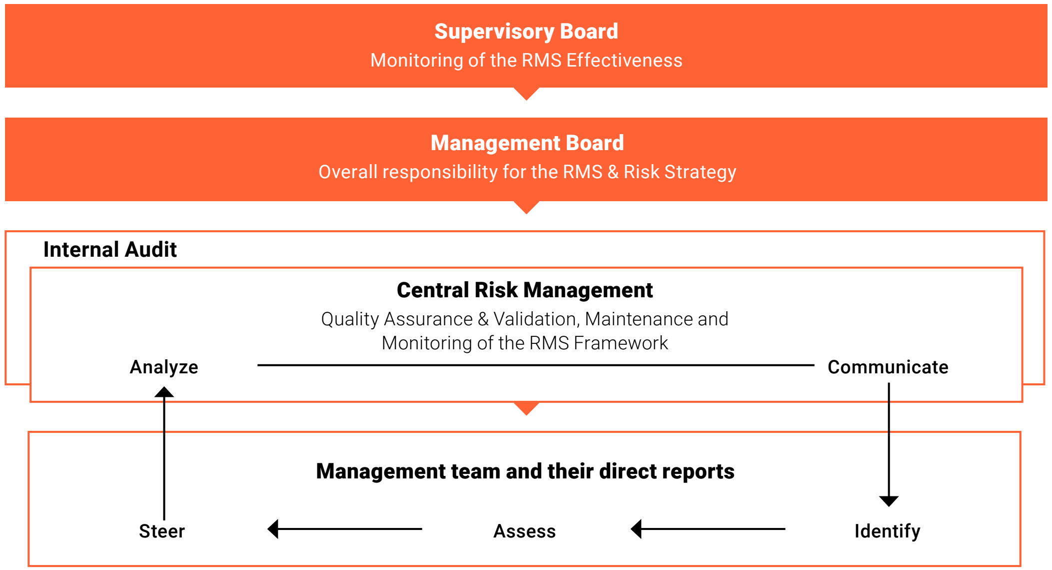
The management board of Mister Spex SE bears overall responsibility for the RMS in accordance with Sec. 91 (2) AktG. The management board has entrusted the risk management team with the operational coordination of the risk and opportunity management system. This involves, in particular, the definition, implementation, operation, monitoring and continuous development of Mister Spex Group's risk management system. The associated processes, tasks and responsibilities are set out in a binding set of rules, the risk management manual, and apply to all areas and units in the Group. The risk management approach at Mister Spex is based on relevant standards, such as ISO31000, COSO II and IDW AuS 340 (Revised).

The objective of the RMS at Mister Spex is not to have zero risks but rather to create transparency over risks and opportunities and enable structured steering to mitigate risks and take advantage of opportunities.

Risk and opportunity identification and monitoring

Risk and opportunity identification is the initial phase of information gathering aimed at capturing all relevant sources of risks and opportunities. The risks and opportunities are identified during day-to-day operations by risk and opportunity owners and twice a year by the central risk management team. At Mister Spex, risk and opportunity owners are generally the management team and their direct reports. However, any employee can report risks and opportunities to the risk management function. Furthermore, Mister Spex has implemented ad hoc reporting thresholds for risks that might arise outside the usual risk management cycle.

Overview of the RMS at Mister Spex

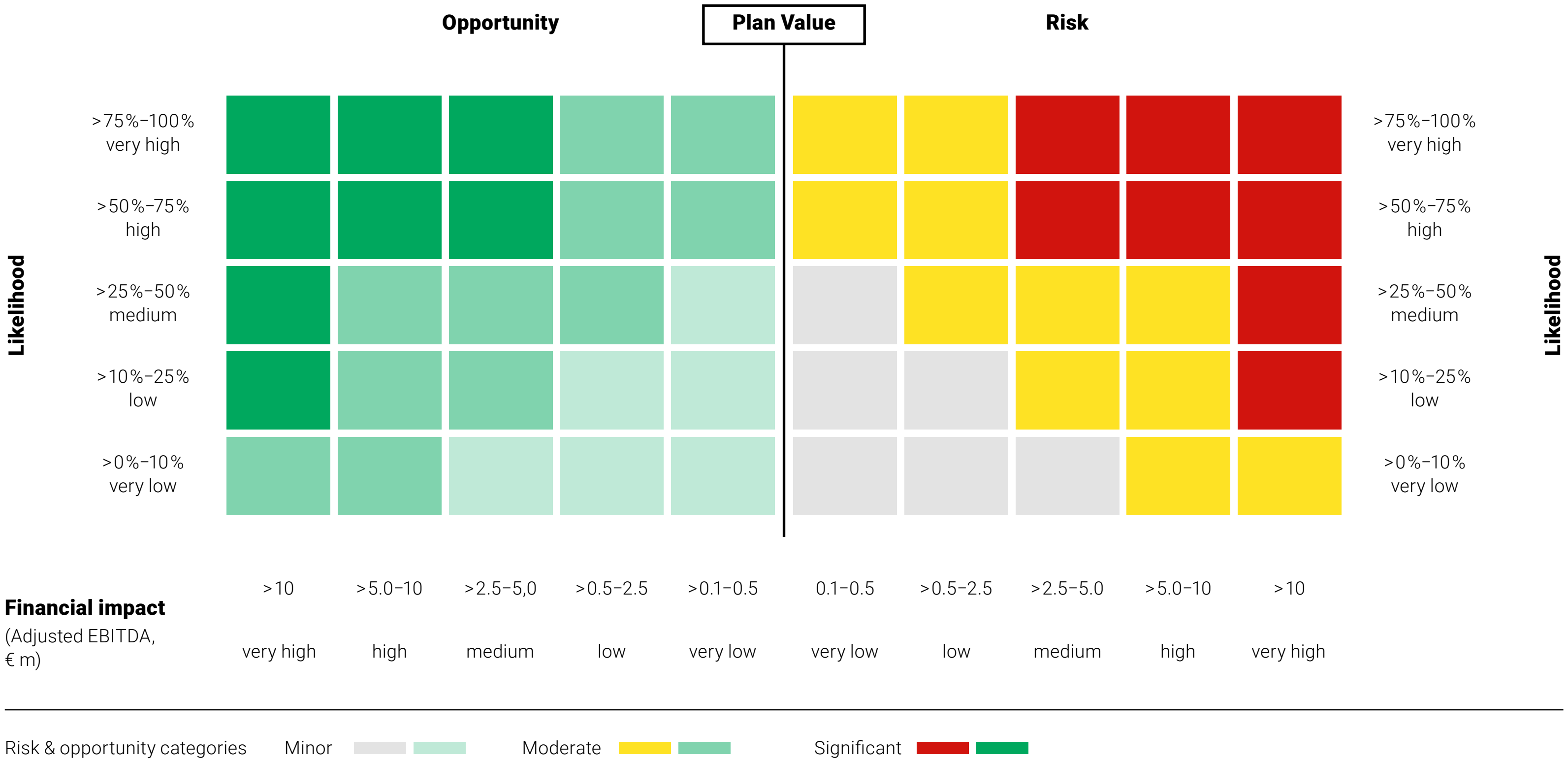


Risk and opportunity assessment

Mister Spex assesses individual financial and non-financial risks and opportunities that might arise in the plan year and the year thereafter. Financial risks and opportunities are negative or positive deviations from planned earnings, measured as adjusted EBITDA, while non-financial risks pertain to reputation and compliance. In the risk and opportunity matrix (see figure below), likelihood describes the possibility of an identified risk occurring in the plan year or the following year. The risk scales capture the financial and non-financial damage should the risk materialize. The financial impact of the risk or opportunity is estimated by means of a three-point estimation based on a PERT distribution.

When assessing individual risks, Mister Spex considers the net risk after effective mitigation measures but before planned but not yet effective additional risk-mitigation measures. The individual risks and opportunities are grouped into 13 thematic clusters and shown in the following risk and opportunity matrix. The clusters presented in this report show the net risk or net opportunities for the plan year.

Risk and Opportunity Matrix



Risks and opportunities are classified as minor, moderate or significant based on the combination of the likelihood of occurrence and the financial impact. In this report, the financial impact of a risk or opportunity cluster is the sum of the financial impacts of its individual risks or opportunities, respectively. This report describes risks and opportunity clusters classified as at least moderate or significant for the plan year, according to the risk and opportunity matrix.

In addition to the aggregation of the expected negative financial impact of risks as described above, Mister Spex uses stochastic simulation methods to identify significant risks and opportunities at an early stage. This approach enables Mister Spex to take interdependencies into account that might significantly positively or negatively affect adjusted EBITDA. For this purpose, the value at risk with a confidence level of 99% is determined for the overall risk portfolio. To assess Mister Spex's risk-bearing capacity, the overall risk determined is compared with the risk coverage potential, which considers both liquidity and equity positions.

Risk and opportunity management, reporting and continuous improvement

Central risk management reports to the management team, the management board and the supervisory board at least twice a year on the overall risk and opportunity situation at Mister Spex. The plan going forward is for Internal Audit to regularly review the effectiveness of Mister Spex's RMS and provide independent assurance on the risk management process by testing the design and operating effectiveness of the risk management framework, processes, risk assessment and mitigation measures for material risks. The supervisory board's audit committee monitors the effectiveness of risk management and the internal control system (ICS).

Risk and opportunity owners are tasked with deriving and implementing effective measures to mitigate risks and take advantage of opportunities. Derived measures are recorded as part of the risk management process and continuously reviewed and tracked for currentness and appropriateness. For identified risks, a management strategy must be chosen that takes effectiveness and costs of further risk-mitigating measures into account. Mister Spex distinguishes between risk reduction, which includes risk avoidance and transfer to a third party, and risk acceptance.

The establishment of risk-conscious behavior and the resulting sustainable risk culture for Mister Spex is a prerequisite for appropriate and effective risk management. For this reason, all executives of Mister Spex are required to live and promote risk-conscious actions within their sphere of influence. To continuously promote a consistent understanding and management of risks, Mister Spex addresses risk management in regular management meetings.

4.2 Internal control system

4.2.1 Non-financial internal control system [26]

The management board has fulfilled its obligations with regard to establishing and ensuring independent monitoring of corporate governance systems such as the risk management system, the financial (accounting-related) and non-financial internal control system and the compliance management system.

The internal control system and the risk management system also include a compliance management system that is geared to Mister Spex's risk situation. Furthermore, the internal control system and the risk management system also address sustainability goals, including the processes and systems for collecting and processing sustainability-related data.

Internal and external reports are issued, such as:

- Internal management reports
- Internal risk reports
- Internal reports by company officers (e.g., the data protection officer)
- Statutory or regulatory corporate reports
- Sustainability reports, other environmental and social reports

4.2.2 Financial (accounting-related) internal control system

As part of the internal control system, Mister Spex has implemented a system of accounting-related internal controls, which is a central component of the accounting and reporting system. It comprises preventive, detective and corrective controls over business processes in the areas of accounting, controlling and all operational functions which ensure a methodical and consistent approach to the preparation of the financial statements.

26 This subsection was not part of the audit of the combined management report by the Company's auditor.

These processes of the accounting-related control system, the relevant risks and the assessment of the controls include the identification and definition of processes, the introduction of approval levels and the application of the principle of segregation of functions as well as the identification of best practices. The implemented control mechanisms affect several processes and therefore often overlap. Mechanisms include the establishment of policies and procedures, the definition of processes and controls, such as monthly closing checklists and deviation analyses, and the introduction of approval levels and guidelines. In the accounting process, various monitoring measures and controls help to ensure that the annual and consolidated financial statements are prepared in accordance with the regulations. Mister Spex has clearly defined financial reporting subprocesses and assigned clear responsibilities. This also includes regularly reviewing updates to accounting policies and laws and updating accounting policies accordingly as well as the regular training of the employees involved. Appropriate segregation of functions and the application of the principle of dual control also reduce the risk of fraud.

4.2.3 Design of the internal control system [27]

The internal audit function – as the third line of defense – is an integral part of the internal control system at Mister Spex. It monitors and reviews compliance with the internal control system at regular intervals and will also do so for the risk management system going forward. The audit committee of the supervisory board monitors its design and operating effectiveness on the basis of quarterly internal audit reports.

The ICS is continually updated and adapted to modified processes. The process-independent monitoring of the ICS by the internal audit department includes the examination of significant controls along selected business processes on the basis of a situationally updated and risk-oriented audit plan. Any significant findings identified in the systems are promptly remedied. Based on the findings of the monitoring measures described above, the management board has no reason to doubt the appropriateness and effectiveness of the ICS, which is being expanded.

27 This subsection was not part of the audit of the combined management report by the Company's auditor.

4.3 Overview of risks at Mister Spex

In the reporting period, no risks or risk clusters were identified that individually or in aggregate could jeopardize Mister Spex's ability to continue as a going concern. In view of the liquidity as of December 31, 2024, the risk situation is within the established risk-bearing capacity. The following table provides an overview of the 14 risk categories, clustered into five main risk areas.

Overview of risk clusters

	Assessment	Impact	Likelihood
Markets, competition, sales and strategy			
1. Market development	Significant	Very high	Medium
2. Sales	Moderate	Medium	Low
3. Strategic planning	Low	Very low	Very low
Operational			
4. Production	Low	Medium	Very low
5. Supply chain and logistics	Moderate	Very high	Very low
6. IT	Moderate	High	Very low
7. Personnel	Moderate	High	Low
Financial, compliance and legal			
8. Compliance	Low	Low	Very low
9. Finance and controlling	Moderate	High	Low
10. Legal	Low	Low	Low
Reputation, sustainability and other			
11. Communications and public relations	Low	Very low	Very low
12. Sustainability	Low	Low	Low
13. Other	Moderate	Medium	Low
Transformation risk			
Transformation risk	Moderate	High	Medium

There were risk cluster changes in the following risk categories compared to the prior year.

In the area of "market development", the assessment has increased from "moderate" to "significant" due to increased competitive pressure from new market participants, and the impact has increased from "high" to "very high". The classification of the assessment in the area of "production" has improved slightly from "moderate" to "low" due to the implemented risk-reduction measures, such as the use of external service providers in production. The assessment of the "Other" area has increased from "low" to "moderate" because additional risks, such as the influence of activist investors and the possible risks posed by AI tools, have been added here.

Markets, competition, sales and strategy

In the euro zone, the annual inflation rate fell from 2.9% in December 2023 to 2.4% in December 2024. In Germany, Mister Spex's core market, the inflation rate at the end of the year was 2.8% – a decrease of 3.8% compared to the prior year [28]. Consumer confidence [29] in Germany improved slightly in the first three quarters of the year. In the fourth quarter, however, it was negatively affected by the news of the collapse of the German coalition government, as political uncertainty exacerbated the existing economic challenges. As a result, Mister Spex remains cautious about 2025. A further worsening of market conditions due to decreasing consumer demand or changed consumer behavior and the resulting decrease in footfall in retail stores represent the biggest risk cluster for Mister Spex. We therefore monitor the market environment very closely in order to be able to promptly derive recommendations for action and take measures to reduce this risk. Further risks in this risk cluster are heightened competition as more competitors enter the online market and higher marketing costs in response to the increased competition and/or the strong market position of the advertising platforms.

Mister Spex has planned for 2025, taking into account current uncertainties and other market conditions, and therefore considers the probability of risks in this cluster occurring beyond the plan to be medium.

28 Euro area annual inflation up to 2.4% – Euro indicators – Eurostat
29 Germany GfK Consumer Climate

Operational

Operational risks faced by Mister Spex in the financial year 2024 stem from four areas: Production, supply chain and logistics, IT and HR. The main **production** risks include force majeure such as natural disasters and malicious attacks that have a potentially high impact but are very unlikely to occur. In order to minimize these risks and create redundancies, external service providers are used in some cases. In order to reduce costs and offer customers a better level of service, Mister Spex is continuously investing in the automation of logistics and production.

Material **supply chain and logistics risks** include the reliance on a small number of large suppliers with considerable pricing power and the resulting increase in cost of goods sold as well as outbound delivery service providers. However, as Mister Spex has secured conditions for most of its large suppliers and outbound delivery service providers for 2025, the risk of further significant price increases and subsequent pressure on margins is moderate. Mister Spex is strengthening its own brand collection and broadening its branded assortment to further decrease reliance on large suppliers going forward.

IT risks encompass IT security as well as IT system availability. Data protection is of utmost importance, as Mister Spex collects, processes and stores medical data on its customers' eyesight to produce and deliver the perfect pair of prescription glasses or contact lenses. Mister Spex regularly trains its employees to prevent data theft and cybercrime, which could jeopardize customer information and result in financial damage due to penalties and significant non-financial damage due to reputational damage and compliance issues. The availability of IT systems and the integrity of these technologies are a decisive factor to enable a frictionless customer journey and ultimately business success. Disruptions or failures of online services can lead to a loss of revenue. Mister Spex takes proactive steps to identify services at risk and enact measures to guarantee systems availability and integrity. Another risk is that of changes to cookie regulations that could necessitate system modifications and thus cause an additional financial outlay.

In the area of **personnel**, the ongoing battle for talent is a nationwide risk to which Mister Spex is exposed. To achieve its strategic goals and to win further market share, Mister Spex relies on a skilled workforce across the organization. As a result of demographic change and increasing competition in the personnel market, it is challenging to attract skilled workers. For skilled workers that Mister Spex successfully attracts, the Company often faces a much higher cost due to ongoing wage inflation. The areas where Mister Spex is facing the biggest risks is IT specialists and opticians, both of which are in high demand and short supply in Mister Spex's major market, Germany. To mitigate this risk, Mister Spex is actively investing in training and employee development, and recruits internationally in many areas. Mister Spex increased its intake of optician apprentices to a record high in the year 2024. To increase employee satisfaction and ultimately retain key personnel, Mister Spex has introduced a flexible working model as well as bonus schemes and incentives.

Finance, compliance and legal

The risks in the area of **finance and controlling** include risks such as bank insolvencies, which would have a negative impact on cash holdings, as deposits are not fully protected. Exchange rate fluctuations pose a further risk.

The **compliance** area includes risks such as corruption (active/passive) and non-compliance with antitrust and competition law. **Legal risks** include risks of non-compliance with the relevant legislation in various markets and violations of the data protection regulation.

Reputation, sustainability and other

In the area of **sustainability**, risks such as changes in consumer preferences for sustainable products could lead to lower revenue if these are neglected. Another risk is the increased ESG reporting requirements. Errors in reporting on sustainability targets (incorrect information on figures, KPIs, etc.) and deliberate deception ("greenwashing") can lead to a loss of trust among investors and customers as well as to impacts on reputation, compliance and ultimately finances.

Other risks include the instability of the shareholder structure due to the current financial performance and market capitalization. Activist investors could negatively influence the decisions of the management and the management board.

Transformation risks

In addition to the risks mentioned in the risk report, there is a residual risk that not all measures of the "SpexFocus" transformation program can be fully implemented in the year 2025. A delay in the transformation program could lead to an AEBITDA and EBIT loss between mEUR 4 and 8, which would likely mean that the capital market forecast could not be achieved. Missing the capital market forecast would also have a negative impact on the share price and increase the risk of a takeover.

In addition, if the transformation risk were to materialize, it would mean that another transformation program would have to be set up to fulfil the long-term growth strategy. If the transformation risk materializes, liquidity would be affected by the amount mentioned. If cash flow remains the same, it would also be necessary to tap new sources of liquidity to ensure the financing of medium to long-term growth.

The implementation of the transformation strategy is therefore regularly reviewed to allow for adjustments to be made if necessary.

4.4. Overview of opportunities at Mister Spex

With the aim of sustainably securing the Company's success, opportunities that may arise from changed market structures as well as improvements in the internal value chain should also be identified at an early stage and systematically exploited.

Overview opportunity cluster

	Assessment	Impact	Probability
Markets, competition, sales and strategy			
1. Market development	Low	Medium	Very low
2. Sales	Moderate	High	Low
3. Strategic planning	Moderate	Low	Medium
Operative			
4. Production	Low	Low	Low
5. Supply chain and logistics	–	–	–
6. IT	Low	Low	Very low
7. Staff	–	–	–
Reputation, sustainability and other			
13. Other	Low	Low	Low

Markets, competition, sales and strategy

While Mister Spex has planned 2025 on the basis of muted consumer demand for prescription glasses, there are early signs that the eyewear retail market might continue to recover in the year 2025. According to GfK, consumer confidence in Germany remains low. Considering that Mister Spex's revenues in 2024 are expected to be 3% lower than in 2023, while the German optics market recovered slightly according to GfK data, Mister Spex is also expected to benefit from a faster recovery of the German optics market. One of the biggest opportunities for 2025 is a faster-than-expected recovery of consumer markets. Thanks to our "SpexFocus" transformation program and our focus on what we see as attractive and differentiated products and a very good price-performance ratio across all product categories, Mister Spex is ideally positioned to increase profitability even in a challenging economic environment. We see opportunities in the further expansion of the premium private label area. Further price adjustments are another way to increase revenues and margins. In addition, an expansion of the products and services offered might also positively impact revenue and EBIT. A possible reduction in competitors' advertising volumes in the face of the persistently clouded consumer sentiment and savings in marketing costs could have a positive impact on Mister Spex customer acquisition costs through reduced competition in various marketing channels. Another opportunity lies in forging alliances with third parties to win new customers.

Further opportunities arise from the continued focus on strategic projects, particularly the further improvement of our frame recommendation algorithm that helps customers to find the perfectly fitting frames for their faces. In addition, an improved recommendation of the perfect lenses for prescription glasses, based on customers' prescription values, might also result in increased revenue, reduced customer service contacts and costs and higher customer satisfaction.

Operative

The greatest operational potential lies in further reducing returns, as this directly increases profitability. Other operational opportunities arise from the focus on operational excellence across the organization and the reduction of overhead costs as part of the transformation and restructuring program SpexFocus.

Reputation, sustainability and other

The opportunities in the area of other include the increased use of AI tools to boost productivity and efficiency and thus reduce time to market.

5. Outlook

General economic situation and industry conditions

See section 2 “Economic report of Mister Spex Group” for more detailed information on key macroeconomic assumptions and the economic conditions expected for the financial year 2025. See section 3 “Risks and opportunities” for more information on the corresponding risks and opportunities.

The global economic outlook remains subject to considerable uncertainty due to geopolitical risks, high inflation and high interest rates, which makes it difficult to assess future business development. Nevertheless, the forecast is based on the assumption that current macroeconomic conditions will remain relatively stable or improve slightly. This applies in particular to factors that are subject to occasional fluctuations, such as consumer sentiment.

A weaker consumer climate has a stronger impact on discretionary spending, such as travel. Since prescription glasses, Mister Spex’s most important product category, are a medical necessity for many, this category is less affected by a decline in discretionary spending. Households in higher income groups are financially more resilient and are considered less likely to cut back on discretionary spending.

Future development of the Group

Mister Spex is one of the top-selling opticians in Germany, seamlessly combining online and store-based business. The Company is confident that it will continue to gain market share while offering an unrivalled customer experience and setting new standards in the optical industry.

Strategy for 2025

- **Focus on existing countries.** Although Mister Spex sees potential for expansion into new markets, the focus in 2025 remains on the existing countries. In addition, the Company is strengthening its position in the highly profitable category of prescription glasses – with a particular focus on premium brands and lenses.
- **Full focus on bricks-and-mortar retail.** Mister Spex aims to establish a comprehensive network of brick-and-mortar stores to complement its online presence. The expansion of brick-and-mortar retail is seen as a key factor in the expansion of the omnichannel offering. In 2025, however, the Company will focus on optimizing and further developing the stores it has already opened in Germany.

Revenue

Mister Spex expects the retail environment to remain challenging in 2025. In addition, price repositioning and the reduction of discounts are having a negative impact on revenue growth. Regarding the outlook for the financial year 2025, the management board anticipates negative revenue growth of -5% to -10%. The Company will continue to refine its product range and expand its value proposition in order to strengthen its optical expertise and offer its customers an even better range of products.

Mister Spex expects the number of active customers and orders to decline in the financial year 2025, similar to the year 2024. This is due to the continued implementation of the ‘SpexFocus’ strategy, which includes adjustments to marketing channels and a reduction in the number of price-sensitive customers in the online segment.

For the year 2025, Mister Spex expects a further slight increase in the average order value, driven by an expanded range of spectacle lenses and the expansion of the SpexPro premium lenses.

EBIT margin

With the start of the new financial year 2025, Mister Spex is introducing EBIT as its key performance indicator to provide a clearer picture of operational performance, create transparency regarding sustainable profitability and lay the foundation for long-term value creation. For the financial year 2025, the management board therefore expects a negative EBIT margin of -5% to -15%. With the transformation and restructuring program SpexFocus, the Company will continue to reduce its cost base and aims to further increase its profitability in the year 2025. The greatest progress is expected to come from an increase in average order value (AOV) and an optimization of gross margin. These are to be achieved through price adjustments, an optimized product mix strategy and the expansion of the margin-boosting glasses portfolio.

In the medium term, the Company plans to resume its growth trajectory by strengthening its offline business and further internationalizing its online business. At the same time, it will transform its processes to capture synergies, unlock AI-driven efficiencies and modernize its IT infrastructure, ultimately leading to more robust revenue growth and higher profitability. Mister Spex will also introduce innovative offerings, such as eye checks and an expanded range of optical lenses, to increase its added value and meet changing customer needs. Internally, Mister Spex will establish a process-oriented management (POM) that will further improve the efficiency and performance of various operations by standardizing relevant process designs.

In addition to the risks mentioned in the risk report, there is a residual risk that not all measures of the “SpexFocus” transformation program can be fully implemented in the year 2025. A delay in the transformation program could lead to an EBIT loss of between mEUR 4 and mEUR 8, which would mean that the capital market forecast would probably not be achieved.

Future development of Mister Spex SE

The statements made on the intensity and direction of market trends, the development of revenue and the results for the Group also apply here given the close relationship between Mister Spex SE and the group companies and their significance within the Group. The statements also reflect the expectations for the parent company in terms of trends and intensity of the expected development of the key performance indicators (revenue and EBIT and/or EBIT margin).

6. Acquisition-relevant information according to Secs. 289a (1), 315a (1) HGB

The Company is obliged to disclose acquisition-relevant information in accordance with Secs. 289a (1), 315a (1) HGB.

Composition of subscribed capital

With regard to the composition of the subscribed capital, reference is made to the notes.

Restrictions concerning voting rights or the transfer of shares

As of December 31, 2024 (balance sheet date), Mister Spex SE held 871,697 treasury shares, from which it has no rights in accordance with Sec. 71b (AktG). Furthermore, members of the management board and the supervisory board may hold shares in the Company that may be subject to voting rights restrictions in accordance with Sec. 136 AktG.

Equity investments exceeding 10% of voting rights

According to the voting rights notifications issued to us in accordance with Secs. 33 and 34 German Securities Trading Act (WpHG) the following shareholders hold interests exceeding 10% of the voting rights:

EssilorLuxottica SA, having its registered office in Charenton-Le-Pont/France, indirectly holds an equity investment exceeding 10% of the voting rights through Luxottica Group S.p.A., having its registered office in Milan/Italy, and Luxottica Holland B.V., having its registered office in Heemstede/Netherlands. Luxottica Holland B.V., Heemstede, Netherlands, directly holds an equity investment that exceeds 10% of the voting rights and which is attributed to EssilorLuxottica SA in accordance with Sec. 34 WpHG.

In addition, Albert Büll, Christa Büll, Sabine Büll-Schroeder and Nathalie Büll-Testorp, each having their place of residence in Hamburg, Germany (together "Büll Family"), jointly hold an indirect equity investment in the Company exceeding 10% of the voting rights via the jointly controlled Verwaltung ACB GmbH, ABACON GmbH & Co. KG and ABACON Invest GmbH, each having its registered office in Hamburg/Germany. ABACON Invest GmbH directly holds an interest in the Company which exceeds 10% of the voting rights and which is attributed to the Büll Family in accordance with Sec. 34 WpHG.

Finally, Mr. Dominik Pascal Benner, Düsseldorf/Germany, and Mr. Marcel Jo Maschmeyer, Hanover/Germany, informed us on May 16 and May 21, 2024, respectively, that they have pooled the voting rights held by Mr. Dominik Pascal Benner, The Platform Group AG, Benner Holding GmbH and Paladin Asset Management Investmentaktiengesellschaft mit veränderlichem Kapital und Teilgesellschaftsvermögen by concluding a pooling agreement and that these held or attributed voting rights together exceeded the reporting threshold pursuant to Sec. 33, Sec. 34 WpHG on May 16, 2024 and amounted to a total of 10.50% (this corresponds to 3,680,472 voting rights).

Statutory provisions and provisions of the articles of incorporation concerning the appointment and dismissal of members of the management board and the amendment of the articles of incorporation

The supervisory board of the Company appoints the members of the management board on the basis of Art. 9 (1), Art. 39 (2) and Art. 46 of the SE Regulation, Secs. 84 and 85 AktG and Art. 6 (3) and (4) of the articles of incorporation for a term of up to five years. Reappointments are permissible. The supervisory board is entitled to revoke the appointment of a member of the management board for good cause (see Art. 9 (1), Art. 39 (2) of the SE Regulation, Sec. 84 AktG). Pursuant to Art. 6 (1) of the articles of incorporation, the management board consists of one or more persons and the number of management board members is determined by the supervisory board.

Amendments to the articles of incorporation shall be adopted by the general meeting (Secs. 119 (1) no. 6, 179 (1) sentence 1 AktG). Unless mandatory statutory provisions or the articles of incorporation stipulate otherwise, under Art. 19 (3) of the articles of incorporation, amendments to the articles of incorporation require a majority of two thirds of the valid votes cast or, if at least half of the capital stock is represented, the simple majority of the valid votes cast.

In accordance with Art. 11 (5) of the articles of incorporation, the supervisory board is authorized to adopt amendments to the articles of incorporation which relate only to the wording. In accordance with the articles of incorporation, the supervisory board is authorized to amend the articles of incorporation after the authorized or conditional capital has been used or the authorization periods for their use has expired in order to reflect the increase in capital stock or the expiry of the authorization period.

Powers of the management board to issue or repurchase shares

Authorized Capital 2022

In accordance with Art. 4 (3) of the articles of incorporation, the management board is authorized, with the approval of the supervisory board, to increase the Company's capital stock once or several times by a total of up to EUR 1,187,370.00 in the period up to June 29, 2027 by issuing up to 1,187,370 new no-par value bearer shares in return for contributions in cash and/or in kind (Authorized Capital 2022). Shareholders' subscription rights are excluded. The Authorized Capital 2022 will be used to supply shares in the Company to settle payment claims from virtual stock options granted to members of the management board or employees of the Company or group companies under a Virtual Stock Option Plan (VSOP) of the Company against contribution of the existing payout claim from virtual stock options granted under the VSOP together with the payment (contribution) of EUR 1.00 in cash for these virtual stock options per share in the Company to be issued. In this case, the payout claim is deemed to be increased by a corresponding amount to ensure that the entire payout claim is settled in shares in the Company without the member of the management board or the employee of the Company and/or group companies suffering any economic loss as a result of the payment of EUR 1.00 per share in the Company to be issued.

Authorized Capital 2022 also serves to issue shares under participation programs and/or as part of share-based payments. The shares may only be issued to persons who participate in the participation program as a member of the management board of the Company, as a member of the management of an entity dependent on the Company or as an employee of the Company or an entity dependent on the Company, or to whom the share-based payment was granted as a member of the management board, as a member of the management of an entity dependent on the Company or as an employee of the Company or an entity dependent on the Company, or to third parties who grant the beneficial ownership and/or the economic rewards from the shares to these persons. In particular, the new shares may also be issued on preferential terms (including being issued at the lowest issue price within the meaning of Sec. 9 (1) AktG and/or against contribution of remuneration claims). The new shares may also be issued through an intermediary credit institution or entity operating in accordance with Sec. 53 (1) sentence 1 or Sec. 53b (1) sentence 1 or (7) KWG (financial institution), which subscribes these shares with the obligation to offer them to the aforementioned persons. To the extent permitted by Sec. 204 (3) sentence 1 AktG, the contribution to be made on the new shares may be covered by the portion of the profit for the year that the management board and the supervisory board may transfer to other retained earnings pursuant to Sec. 58 (2) AktG.

The amount of the capital stock attributable to the new shares issued may not exceed 10% of the Company's capital stock existing at the time the resolution on Conditional Capital 2022 is adopted. In order to protect shareholders against dilution, any shares which have been issued or transferred under participation programs from authorized capital, conditional capital or from treasury shares to members of the management board and employees of the Company and to members of the management and employees of entities affiliated with the Company within the meaning of Sec. 15 AktG or their investment vehicles since the adoption of the resolution on Conditional Capital 2022 shall be counted towards this 10% limit.

The issue of shares to members of the management board is subject to the express consent of the supervisory board.

The issue price of the new shares must be at least EUR 1.00 and may be paid by contributions in cash and/or in kind, including claims against the Company. The management board is authorized to determine the further details of the capital increase and its implementation with the consent of the supervisory board. The new shares shall participate in profit from the beginning of the financial year in which they are issued and for all subsequent financial years; by way of derogation from this rule, the management board may, where legally permissible, determine, with the consent of the supervisory board and, where shares are issued from the Authorized Capital 2022 to members of the management board, the supervisory board, may determine that the new shares shall participate in profit from the beginning of the financial year preceding the financial year in which such new shares are created, provided the general meeting has not yet adopted a resolution on the appropriation of the net retained profit of the financial year preceding the financial year in which such new shares are created.

The supervisory board is authorized to adjust the wording of the articles of incorporation accordingly after the utilization of Authorized Capital 2022 or upon expiry of the period for the utilization of the Authorized Capital 2022.

Authorized Capital 2024/I

Pursuant to the resolution of the general meeting of June 9, 2024, amended Sec. 4 (4) of the articles of incorporation authorizes the management board, with the approval of the supervisory board, to increase the Company's share capital in the period up to December 31, 2025, on one or more occasions, by up to EUR 971,079.00 by issuing up to 971,079 new no-par bearer shares against cash or non-cash contributions ("**Authorized Capital 2024/I**"). Shareholders' subscription rights are excluded. The Authorized Capital 2024/I serves to fulfill acquisition rights (option rights) granted or promised by the Company to current or former employees and directors of the Company prior to conversion into a European company (SE); shares from Authorized Capital 2024/I may only be issued for this purpose. The new shares are to be issued at the lowest issue price. The management board is authorized, with the approval of the supervisory board, to determine the further details of the utilization of Authorized Capital 2024/I. Furthermore, the supervisory board is expressly authorized to amend the articles of incorporation to reflect the extent of the respective utilization of Authorized Capital 2024/I.

Authorized Capital 2020/I

In accordance with Art. 4 (5) of the articles of incorporation, the management board is authorized, with the approval of the supervisory board, to increase the Company's capital stock once or several times by up to EUR 1,189,065.00 in the period up to November 30, 2025 by issuing up to 1,189,065 new no-par value bearer shares in return for contributions in cash or in kind (**Authorized Capital 2020/I**). Shareholders' subscription rights are excluded. The Authorized Capital 2020/I serves the purpose to fulfill acquisition rights (option rights) granted or promised by the Company to current or former employees and directors of the Company prior to conversion into a European company (SE); shares from Authorized Capital 2020/I may only be issued for this purpose. The new shares are to be issued at the lowest issue price. The management board is authorized, with the approval of the supervisory board, to determine the further details of the utilization of Authorized Capital 2020/I. Furthermore, the supervisory board is expressly authorized to amend the articles of incorporation to reflect the extent of the respective utilization of Authorized Capital 2020/I.

Authorized Capital 2021

In accordance with Art. 4 (6) of the articles of incorporation, the management board is authorized to increase the capital stock in the period up to June 13, 2026 with the approval of the supervisory board by up to a total of EUR 9,152,601.00 by issuing up to 9,152,601 new no-par value bearer shares in return for cash and/or contributions in kind once or several times (**Authorized Capital 2021**).

The shareholders shall in principle be granted a subscription right. The shares may also be subscribed by one or more credit institutions or entities within the meaning of Art. 5 of the SE Regulation in conjunction with Sec. 186 (5) sentence 1 AktG with the obligation to offer them for subscription to the shareholders of the Company.

The management board is authorized to exclude the subscription rights of the shareholders with the approval of the supervisory board for one or more capital increases

- in order to exclude fractional amounts from the subscription right;
- in the event of a capital increase against cash contributions, provided that the issue price of the new shares is not significantly lower than the stock exchange price of the shares in the Company already listed. However, this authorization is subject to the provision that the amount of the capital stock attributable to the shares sold under the exclusion of the shareholders' subscription rights in accordance with Art. 5 of the SE Regulation in conjunction with Sec. 186 (3) sentence 4 AktG shall not exceed 10% of the capital stock of the Company at the time Authorized Capital 2021 comes into effect or – of such amount is lower – is exercised. The following shall count towards the above threshold of 10% of the capital stock: the amount attributable to (a) any shares that are sold during the term of Authorized Capital 2021 on the basis of an authorization to sell treasury shares according to Art. 5 of the SE Regulation in conjunction with Secs. 71 (1) no. 8 sentence 5, 186 (3) sentence 4 AktG, provided that shareholders' subscription rights are excluded, (b) any shares that are issued during the term of Authorized Capital 2021 to fulfill subscription rights or conversion or option rights or obligations arising from convertible or option bonds, profit participation rights and/or profit participation bonds (or any combination of these instruments) (together bonds), provided that such bonds are issued subject to the exclusion of the shareholders' subscription rights applying Art. 5 of the SE Regulation in conjunction with Sec. 186 (3) sentence 4 AktG as appropriate; and (c) any shares that are issued during the term of Authorized Capital 2021 on the basis of other capital actions, provided that such shares are issued subject to the exclusion of the shareholders' subscription rights applying Art. 5 of the SE Regulation in conjunction with Sec. 186 (3) sentence 4 AktG as appropriate;
- to the extent necessary in order to be able to grant new shares in the Company to holders or creditors of bonds that will be issued or have already been issued by the Company or its subordinated group companies upon exercise of conversion or option rights or fulfillment of conversion or option obligations and to the extent necessary in order to grant holders of bonds that will be issued or have already been issued by the Company or its subordinated group companies a subscription right to new shares in the amount to which they would be enti-

tled to as shareholders upon exercise of the option or conversion rights or fulfillment of conversion or option obligations;

- in the event of a capital increase against contributions in kind, in particular in the context of mergers or acquisitions (including indirect acquisitions) of companies, businesses, parts of companies, equity investments or other assets or claims for the acquisition of assets, including claims against the Company or any of its group companies;
- in the event of a capital increase against cash contributions and/or contributions in kind, if the shares are to be issued as part of participation programs and/or as part of share-based payments and no other authorization to exclude subscription rights is used for this purpose. The shares may only be issued to persons who participate in the participation program as a member of the management board of the Company, as a member of the management of an entity dependent on the Company or as an employee of the Company or an entity dependent on the Company, or to whom the share-based payment was granted as a member of the management board, as a member of the management of an entity dependent on the Company or as an employee of the Company or an entity dependent on the Company, or to third parties who grant the beneficial ownership and/or the economic rewards from the shares to these persons. The new shares may in particular also be issued on preferential terms (including an issue at the lowest issue price within the meaning of Sec. 9 (1) AktG and/or against the contribution of compensation claims. The new shares may also be issued through an intermediary credit institution or entity operating in accordance with Sec. 53 (1) sentence 1 or Sec. 53b (1) sentence 1 or (7) German Banking Act (KWG), which subscribes these shares with the obligation to offer them to the aforementioned persons. The shares issued in exercise of this authorization to exclude subscription rights may not exceed a total of 10% of the capital stock, either at the time this authorization becomes effective or at the time it is exercised.

  The nominal amount of any conditional capital of the Company resolved for the purposes of Sec. 192 (2) no. 3 AktG shall count towards this 10% limit. Where shares are to be granted to members of the management board under this authorization, the supervisory board of the Company shall decide on the allocation in accordance with the allocation of responsibilities under stock corporation law.

The management board is authorized to determine the further details of the capital increase and its implementation with the consent of the supervisory board; this also includes the determination of the profit participation of the new shares, which may, in a departure from Art. 9 (1) c) (ii) of the SE Regulation in conjunction with Sec. 60 (2) AktG, also participate in the profit of an already completed financial year.

The supervisory board is authorized to adjust the wording of the articles of incorporation accordingly after the utilization of Authorized Capital 2021 or upon expiry of the period for the utilization of the Authorized Capital 2021.

Conditional Capital 2021/I

In accordance with Art. 4 (7) of the articles of incorporation, the capital stock is conditionally increased by a total of up to EUR 3,177,855.00 by the issue of a total of up to 3,177,855 new no-par value bearer shares (**Conditional Capital 2021/I**).

Conditional Capital 2021/I serve to grant shares for the exercise of conversion or option rights or for the fulfillment of conversion or option obligations to the holders or creditors of bonds issued on the basis of the authorization resolution adopted by the Extraordinary general meeting held on June 14, 2021.

The issue of the new shares shall take place at the conversion or option price to be determined in each case in accordance with the authorization resolution of the extraordinary general meeting held on June 14, 2021. The conditional capital increase will only be carried out to the extent that holders or creditors of bonds issued or guaranteed by the Company or a subordinate group entity until June 13, 2026 on the basis of the authorization resolution adopted by the Extraordinary general meeting held on June 14, 2021 exercise their conversion or option rights or in order to fulfill conversion or option obligations from such bonds or to the extent that the Company grants shares in the Company in lieu of payment of the amount of money due and to the extent that the conversion or option rights or conversion or option obligations are not fulfilled using treasury shares, shares from authorized capital or by other payments.

The new shares shall participate in profit from the beginning of the financial year in which they are issued and for all subsequent financial years; by way of derogation from this rule, the management board may, where legally permissible, determine, with the consent of the supervisory board, that the new shares shall participate in profit from the beginning of the financial year in respect of which no resolution has yet been passed by the general meeting on the appropriation of the net retained profit at the time of exercise of conversion or option rights, fulfillment of conversion or option obligations or grant in lieu of payment of the amount of money due.

The management board is authorized to determine the further details of the implementation of the conditional capital increase. The supervisory board is authorized to amend the articles of incorporation of the Company accordingly after the respective utilization of Conditional Capital 2021/I and upon expiration of all option or conversion periods.

Conditional Capital 2022

In accordance with Art. 4 (8) of the articles of incorporation, the capital stock is conditionally increased by a total of up to EUR 1,588,920.00 by the issue of a total of up to 1,588,920 new no-par value bearer shares (**Conditional Capital 2022/I**).

The Conditional Capital 2022 will be used to supply shares in the Company to settle payment claims from virtual stock options granted until December 31, 2026 to members of the management board or employees of the Company or group companies under a Virtual Stock Option Plan (**VSOP**) of the Company. The granting of stock options is governed in detail by the provisions of the authorization resolution of the Company's general meeting on June 30, 2022, under agenda item 11 (in the original version or in the version of the resolution of the general meeting held on May 26, 2023).

The conditional capital increase will be implemented only to the extent that holders of virtual stock options have exercised them, the payment claims against the Company resulting from virtual stock options are to be settled by the delivery of shares in the Company instead of payment of a cash amount, and the Company does not settle the virtual stock options by the delivery of treasury shares or shares from authorized capital. The grant of the virtual stock options generally meets the requirements of Art. 5 of the SE Regulation in conjunction with Sec. 193 (2) no. 4 AktG, in particular with regard to the performance targets and a waiting period of four years. The new shares shall be issued at the issue price to be determined in each case in accordance with the authorization resolution on agenda item 11 adopted by the general meeting of the Company on June 30, 2022 (as originally adopted or as amended by the amendment resolution of the general meeting on May 26, 2023), the general provisions of the VSOP and the individual terms and conditions of the relevant management board member's service agreement or of the relevant employees' individual grant agreements, as applicable. The issue price of the new shares must be at least EUR 1.00 and may be paid by contributions in cash and/or in kind, including claims against the Company.

The new shares shall participate in profit from the beginning of the financial year in which they are issued and for all subsequent financial years; by way of derogation from this rule, the management board may, where legally permissible, determine, with the consent of the supervisory board and, where shares are issued from Conditional Capital 2022 to members of the management board, the supervisory board, may determine that the new shares shall participate in profit from the beginning of the financial year preceding the financial year in which such new shares are created, provided the general meeting has not yet adopted a resolution on the appropriation of the net retained profit of the financial year preceding the financial year in which such new shares are created.

The amount of the capital stock attributable to the new shares issued may not exceed 10% of the Company's capital stock existing at the time the resolution on Conditional Capital 2022 is adopted. In order to protect shareholders against dilution, any shares which have been issued or transferred under participation programs from authorized capital, conditional capital or from treasury shares to members of the management board and employees of the Company and to members of the management and employees of entities affiliated with the Company within the meaning of Sec. 15 AktG or their investment vehicles since the adoption of the resolution on Conditional Capital 2022 shall be counted towards this 10% limit.

The management board and, where shares are issued from Conditional Capital 2022 to members of the management board, the supervisory board, are authorized to determine the further details of the implementation of the conditional capital increase. The supervisory board is authorized to amend the articles of incorporation of the Company accordingly after the respective utilization of Conditional Capital 2022 and upon expiration of all exercise periods.

Acquisition of treasury shares

a) The Company's general meeting held on June 30, 2022 authorized the management board until June 29, 2027 to acquire for any permissible purpose treasury shares of up to 10% of the capital stock at the time of adopting the resolution or at the time of exercising the authorization, whichever is lower. At no time may the shares acquired on the basis of this authorization together with other treasury shares held by the Company or which are attributable to the Company under Sec. 71a et seq. AktG constitute more than 10% of the capital stock. At the discretion of the management board, the shares shall be acquired (i) via the stock exchange or (ii) by means of a public tender offer addressed to all shareholders or by means of a public invitation to all shareholders to submit offers for sale (acquisition offer) or (iii) by granting a put option to shareholders.

aa) If the shares are purchased on the stock market, the consideration paid by the Company per share in the Company (excluding incidental transaction charges) may neither exceed the stock market price of a share in the Company at the Frankfurt Stock Exchange on the trading day, as determined during the opening auction in Xetra trading (or a comparable successor system) subject to other applicable statutory regulations by more than 10% nor fall below such market price by more than 20%.

bb) If the shares are repurchased under a purchase offer, the Company may determine either a purchase price or the upper and lower ends of the price range at which it is willing to purchase the shares. If a price range is established, the Company will determine the final purchase price on the basis of the offers received. The purchase price or the upper and lower ends of the purchase price range (in each case excluding incidental transaction charges) – subject to adjustment during the offer period – must not exceed the average stock market price of the Company's shares on the Frankfurt Stock Exchange on the last three trading days prior to the purchase offer being made public, determined on the basis of the arithmetic mean of the auction closing price in Xetra trading (or a comparable successor system) by more than 10% nor fall below this average closing price by more than 20%. If, after the public announcement, material deviations in the relevant market price occur, the purchase price or price range can be adjusted. In this event, reference will be made to the average stock market price of the shares on the Frankfurt Stock Exchange on the last three trading days prior to any adjustment being made public, determined on the basis of the arithmetic mean of the auction closing price in Xetra trading (or a comparable successor system). The purchase offer can include additional conditions.

If, in the event of a purchase offer, the volume of shares tendered exceeds the intended repurchase volume, acceptance shall generally be in proportion to the relevant subscribed or offered shares; the right of shareholders to tender their shares in proportion to their ownership interest is excluded in this respect. Provision may be made for the preferential acceptance of small lots of up to a maximum of 100 tendered shares per shareholder, as well as for commercial rounding in order to avoid fractions of shares. In this respect, any further tender rights of the shareholders are excluded.

cc) If the shares are repurchased through a grant of rights of tender to the shareholders, these can be exercised per share held in the Company. According to the ratio of the Company's capital stock to the volume of the shares to be repurchased by the Company, a correspondingly determined number of tender rights entitles a shareholder to sell a share in the Company to the Company. Tender rights can also be allocated such that in each case one right of tender is allocated for the number of shares derived from the ratio of capital stock to the volume of shares to be repurchased. No fractions of tender rights are allocated; in this case any such partial tender rights are excluded.

In this context, the Company may establish either a purchase price or a price range at which a share may be sold to the Company upon the exercise of one or more tender rights. If a price range is established, the Company will determine the final purchase price on the basis of the exercise notices received. For the purpose of determining the purchase price or the upper and lower ends of a price range (in either case excluding incidental transaction charges) at which a share may be sold to the Company upon the exercise of one or several tender rights, the provisions in bb) above apply. For the purpose of determining the relevant closing prices, reference is to be made to the day when the repurchase offer granting tender rights is publicly announced, and if the repurchase offer is adjusted, to the day when such adjustment is publicly announced. The Company may determine the specific contractual structure of the tender rights, in particular their content, term and tradability, if any.

The authorization may be exercised once or several times, in whole or in part, in pursuit of one or more objectives by the Company or entities controlled or majority-owned by the Company or by third parties acting for the account of the Company or such entities. The authorization shall not be used for the purpose of trading in the Company's shares.

b) In addition, the Company's general meeting held on June 30, 2022 authorized the management board to use the treasury shares already held by the Company as well as shares of the Company acquired on the basis of the authorization granted under b) with the supervisory board's consent – in addition to selling them on the stock exchange or through an offer with subscription rights to all shareholders – for every permissible purpose, in particular as follows:

aa) The shares may be retired without an additional resolution by the general meeting being required for such retirements or their implementation. The shares may also be retired without a capital reduction by adjusting the pro rata amount of the remaining no-par value shares in the Company's capital stock. For this purpose, the management board is authorized to adjust the number of no-par value shares in the articles of incorporation.

bb) The shares may also be sold against consideration in kind for the purpose of acquiring companies, parts of companies, equity investments in companies or other assets (including receivables) and in the context of mergers. For this purpose, "sell" also means granting conversion or subscription rights or call options as well as the conveyance of shares within the scope of securities lending.

cc) The shares may be used for the fulfillment of conversion rights and/or option rights or obligations arising from or in connection with convertible bonds and/or option bonds (or any combination of such instruments) with conversion rights or option rights or obligations (these instruments are each hereinafter referred to as "bonds") that are or were issued by the Company or by companies controlled or majority-owned by the Company.

dd) The shares may be sold against compensation in cash provided that the sale price is not substantially lower than the stock market price of the Company's shares at the time when they are sold (Sec. 186 (3) sentence 4 AktG).

ee) The shares may serve to introduce the Company's shares at stock exchanges on which they are not yet admitted for trading. The price at which these shares are introduced at other stock exchanges may not be more than 5% below the closing price in the Xetra trading system (or a comparable successor system) on the last trading day on the Frankfurt Stock Exchange prior to the listing (excluding incidental transaction charges).

ff) The shares may be used as part of share-based payments or in connection with share-based payment programs and/or employee stock option programs of the Company or any of its affiliates within the meaning of Sec. 15 et seq. AktG and issued to persons currently or formerly employed by the Company or any of its affiliates as well as to board members of any of the Company's affiliates. In particular, they may be offered for acquisition, awarded and transferred for or without consideration to said persons and board members, provided that the employment relationship or board membership exists at the time of the offer, award commitment or transfer. The shares can also be transferred to third parties if and to the extent it is legally ensured that such third party offers and transfers the shares to the aforementioned persons and board members. Sec. 71 (1) no. 2 AktG remains unaffected.

gg) They may be offered and transferred to the beneficiaries for the purpose of servicing virtual stock options issued under the Company's Virtual Stock Option Plan (VSOP) described under agenda item 11 of the general meeting of the Company on June 30, 2022. Shareholder subscription rights are excluded in this respect. Where members of the Company's management board are concerned, this authorization applies to the supervisory board, which also determines the relevant details (see d) below).

The amount of capital stock attributable to the shares used under the authorizations pursuant to cc) and dd) above may not exceed 10% of the capital stock existing at the time of the resolution or, if lower, of the capital stock existing at the time this authorization is exercised, if the shares or bonds – applying the provisions of Sec. 186 (3) sentence 4 AktG as appropriate – are issued against cash contributions and not significantly below the stock market price or, in the case of bonds, below their theoretical market value, with shareholder subscription rights being excluded. Any shares issued or sold applying these provisions directly or indirectly during the term of this authorization up to the time of their utilization shall be counted towards this limit. Furthermore, any shares to be issued or sold on the basis of bonds issued during the term of this authorization with shareholder subscription rights excluded in accordance with Sec. 186 (3) sentence 4 AktG shall also be counted towards this limit. The following shall be counted towards this limit: any shares issued according to the two preceding sentences making use of the authorizations (i) to issue new shares pursuant to Sec. 203 (1) sentence 1, (2) sentence 1 and Sec. 186 (3) sentence 4 AktG and/or (ii) to sell treasury shares pursuant to Sec. 71 (1) no. 8 and Sec. 186 (3) sentence 4 AktG, and/or (iii) to issue bonds pursuant to Sec. 221 (4) sentence 2 and Sec. 186 (3) sentence 4 AktG shall be canceled with effect for the future if and to the extent that the relevant authorization(s), the exercise of which having led to the shares being counted towards this limit, is (are) granted again by the general meeting in accordance with the statutory provisions.

c) The management board is also authorized, with the approval of the supervisory board, to use the treasury shares already held by the Company as follows:

The shares may be used to fulfill acquisition rights (option rights) granted or promised by the Company prior to the conversion into a German stock corporation or European company (SE) and prior to the initial public offering of the Company, to current or former employees and directors of the Company as well as former members of the advisory board of the Company and which the Company is obliged to satisfy.

d) The supervisory board is authorized to use the treasury shares already held by the Company and the Company's shares repurchased on the basis of the authorization granted under a) to fulfill acquisition obligations or acquisition rights relating to shares in the Company that were or will be agreed with members of the management board in connection with the provisions on management board remuneration.

In particular, they may be offered for acquisition, awarded and transferred for or without consideration to members of the management board, provided that the employment relationship or board membership exists at the time of the offer, award commitment or transfer. The details regarding the remuneration of management board members are determined by the supervisory board.

e) The authorizations under b), c) and d) above may be exercised once or several times, in whole or in part, individually or jointly by the Company or – in the cases of b) bb) through ff) above – by entities controlled or majority-owned by the Company or by third parties acting for the account of the Company or such entities.

f) Shareholder subscription rights relating to the treasury shares already held by the Company as well as to the treasury shares acquired under this authorization are excluded to the extent to which such shares are used in accordance with the authorizations under b) bb) through ff), c) or d) above. Furthermore, if the treasury shares are sold under an offer for sale to all shareholders, the management board may exclude the shareholders' subscription rights in respect of fractions. Finally, the management board is authorized to exclude subscription rights in order to grant holders/creditors of bonds with conversion or option rights or obligations in relation to the Company's shares subscription rights as compensation for the effects of dilution to the extent to which they would be entitled if such rights were exercised or such obligations fulfilled.

g) The management board will inform the general meeting about the utilization of the above authorization, in particular about the reasons for and purpose of the acquisition of treasury shares, the number of shares acquired and the amount of capital stock attributable to them, their proportion of capital stock and the value of the shares in each case.

Compensation agreements of the Company concluded with members of the management board or employees in the event of a takeover bid

The arrangements under the VSOP (LTIP) allow the stock options issued to the members of the management board and senior management to be redeemed in the event of a change-of-control event. Options which have vested but have not yet been exercised at the time of the change of control will be canceled at the request of the participants or the Company and may then be settled by making a cash compensation payment. The amount of compensation will be determined by reference to the Company's share price at the time of the change of control. The options not yet vested at the time of the change of control may, if canceled by the participant, continue to vest at the discretion of the Company or be replaced by a new stock option program which is equivalent in substance. If canceled by the Company, the stock options which have not yet vested but have lapsed due to the change of control shall be replaced by a new stock option program which is equivalent in substance.

The arrangements in the RSU share-based payment program provide for an option to cancel the plan in the event of a change-of-control event, whereby any vested RSUs that have not yet been settled on the change-of-control date may, at the discretion of the Company, be canceled in return for a cash compensation payment. The amount of compensation will be determined by reference to the Company's share price at the time of the change of control. All RSUs which have not vested by that date will expire without further compensation.

Significant agreements that are subject to a change of control at the Company

The Company has entered into a very small number of significant agreements that contain provisions that are subject to a change of control at the Company. These are two supply contracts for spectacle lenses and/or contact lenses. In the event of a change of control, the respective contractual partners are entitled – in some cases under certain other conditions – to terminate these contracts subject to certain short notice periods. One of these contracts provides that, in the event of the contractual partner exercising the right of termination, all outstanding amounts are due immediately or that the supplier is entitled to cancel all outstanding orders from Mister Spex, even if they had already accepted them, without giving rise to a compensation obligation.

7. Group statement on corporate governance

The management and supervisory boards of Mister Spex SE (also referred to as the "**Company**" or "**Mister Spex**") are committed to managing the Company responsibly, transparently and sustainably; in doing so, they are guided by the recommendations and principles of the German Corporate Governance Code as amended on April 28, 2022 and published in the Federal Law Gazette on June 27, 2022 (also referred to as the "**GCGC**").

The following statement on corporate governance is issued by the Company's management and supervisory board in accordance with Sec. 289f and Sec. 315d HGB. In it, they report on the Company's corporate governance pursuant to Principle 22 of the German Corporate Governance Code. The statement on corporate governance is an integral (unaudited) part of the management report in accordance with Sec. 289f and Sec. 315d HGB.

7.1. Declaration of conformity pursuant to Sec. 161 AktG

In December 2020, the management board and supervisory board of Mister Spex SE issued the following statement regarding the recommendations of the German Corporate Governance Code (GCGC) pursuant to Sec. 161 AktG. The statement was published on the **Company's website** and can be accessed there at any time:

The management board and supervisory board declare that the Company has complied with all recommendations of the GCGC and will continue to comply with all these recommendations, with the exception of the deviations stated below:

- **F.2 GCGC** recommends that consolidated financial statements and the group management report shall be made publicly accessible within 90 days from the end of the financial year, while mandatory interim financial information shall be made publicly accessible within 45 days from the end of the reporting period.

The Company published the consolidated financial statements and the group management report as of December 31, 2023 as well as the quarterly statements as of March 31, 2024 and September 30, 2024 within the prescribed deadlines. Only the Company's half-year financial report as of June 30, 2023 was not published until August 29, 2024.

In the future, the Company intends to make the consolidated financial statements and the group management report publicly accessible within 90 days of the end of the financial year. Furthermore, it is intended to publish the quarterly statements within 45 days of the end of the reporting period.

The Company's half-year financial report is expected to be published in 2025 also in accordance with the publication periods required by law or stock exchange regulations. This is due to the still ongoing establishment of internal accounting and consolidation processes within the Group. Once these processes have been implemented, the Company also intends to publish the half-year financial reports in accordance with the GCGC Recommendation. As a result, Recommendation F.2 GCGC will not be fully complied with for the time being, until the implementation of the accounting and consolidation processes is completed.

7.2. Remuneration report

Our remuneration system, which is aligned with the requirements of Sec. 87a AktG and the recommendations of the GCGC (with the exceptions described in our declaration of conformity), will be presented at the general meeting of the Company on June 5, 2024. The currently applicable remuneration system according to Sec. 87a (1) and (2) sentence 1 AktG and the most recent resolution on remuneration pursuant to Sec. 113 (3) AktG will be publicly available on the **Company's website**.

The remuneration report regarding the previous financial year and the audit report according to Sec. 162 AktG will be publicly available on the **Company's website**.

7.3. Corporate governance

The corporate governance of the Company is primarily determined by the legal requirements and the recommendations of the GCGC as well as by our internal company guidelines. Good corporate governance in the sense of long-term, sustainable corporate success is a major concern of the Company's management board and supervisory board.

Risk management system

The Company has established a group-wide risk management system that regulates the capture, assessment, documentation and reporting of all risks (financial, operational, strategic and legal) within Mister Spex Group. The system is based on the one hand, on legal requirements and, on the other hand, on an analysis of potential risks that may arise from (internal) structures and processes or in certain markets in which Mister Spex operates. Details of the risk management system are explained in the section on risks and opportunities.

Compliance management

As part of compliance management, we have implemented internal guidelines (e.g., our anti-corruption policy, whistleblower policy, the supplier code of conduct and our code of ethics), which define the Company's mandatory compliance requirements for all employees. These regulations prohibit all employees from offering, accepting or granting benefits, whether in the form of money, inappropriate gifts, donations or other incentives, to obtain an unethical, economic, contractual or personal advantage and contain guidelines on how to identify and handle potentially non-compliant situations. Furthermore, our compliance management includes measures to ensure compliance with legal and internal company requirements, including regular training of our employees and the implementation of our whistleblower system.

Since June 2021, our compliance and risk management system has been supplemented by a whistleblower system, which is provided by an established external provider in the form of an electronic mailbox and can be accessed via a link on our website. Employees as well as customers and contractors of Mister Spex and third parties can use this system to report suspicious transactions and compliance violations to our compliance team and to communicate with them. The report can be made anonymously at the request of the reporting person.

The effective protection of customer and employee data is an important concern of Mister Spex. At the end of 2021, we therefore introduced additional software-based processes for the automated deletion of personal data and, in addition, implemented a SaaS-based directory of processing activities that enables the various business divisions to record their processing activities efficiently and independently.

The Company has formed a compliance committee. The committee meets quarterly to discuss compliance issues and to investigate them if necessary. The head of legal and the head of internal audit and compliance report regularly to the management board and the supervisory board of the Company on compliance issues.

7.4. Operation and composition of the management board, the supervisory board and the committees

As a European public limited company, Mister Spex SE has a dual management and control structure. The management board is responsible for the management of Mister Spex SE as well as for the implementation of the strategy. Its management is in turn overseen by the supervisory board, which also advises the management board.

Working methods of the management board

The management board manages the Company on its own responsibility in the interests of the Company with the aim of creating sustainable value in accordance with the statutory provisions, the articles of incorporation of the Company and the rules of procedure of the management board. The management board develops the strategic direction of the Company, coordinates it with the supervisory board and ensures that the strategy is implemented. In addition, the management board ensures compliance with the statutory provisions and the Company's internal guidelines and works towards compliance with these throughout the Group. The management board is responsible for ensuring that an appropriate risk management and control system is in place. The management board informs the supervisory board in a timely and comprehensive manner on all issues relevant to the Company in terms of strategy, planning, business development, risk situation, risk management and compliance. The cooperation and responsibilities of the members of the management board are regulated in detail by the rules of procedure of the management board. Each member of the management board shall be responsible for the business area assigned to them within the framework of management board resolutions.

In accordance with the rules of procedure of the management board, management board meetings should take place regularly. They must take place when the interests of the Company so require. The management board maintains regular contact with the supervisory board and, in particular, with the Chair of the supervisory board. It informs the Chair about the course of business and the situation of the Company and its group entities and advises the Chair on strategy, planning, business development, risk situation, risk management and compliance issues. The management board shall immediately inform the supervisory board or the Chair of the supervisory board in the event of important events and business matters which may have a significant influence on the assessment of the situation and development as well as on the management of the Company. In addition, the management board informs the supervisory board comprehensively and obtains corresponding approvals for certain transactions of fundamental importance for which the articles of incorporation or the rules of procedure of the management board provide for a reservation of approval in favor of the supervisory board or one of its committees.

The members of the management board are subject to a comprehensive ban on competition and secondary employment during their term of service on the management board. The supervisory board decides on exceptions from this rule. Each member of the management board is obliged to immediately inform all other members of the management board of any conflicts of interest and to disclose them to the supervisory board. D&O group insurance has been taken out for the members of the management board. The D&O group insurance includes pursuant to Sec. 93 (2) sentence 3 AktG a deductible of 10% for the management board.

Composition of the management board

The management board consists of one or more members in accordance with the provisions of the articles of incorporation. The supervisory board determines the number of members of the management board and appoints them for a maximum period of five years. The supervisory board may appoint one or more Chair(s) of the management board and one Deputy Chair.

From January 1, 2024 to July 31, 2024, the management board had two members, namely Mr. Dirk Graber and Mr. Stephan Schulz-Gohritz. The allocation of responsibilities between the two members of the management board during this period was as follows:

Name	Business area
Dirk Graber, Berlin/Germany (CEO)	Category Management, Customer Service, Data, Marketing, Nordics, Operations, Product, Retail, Tech (IT)
Stephan Schultz-Gohritz, Neuss/Germany (CFO)	Accounting, Internal Audit & Compliance, Controlling, Human Resources, Investor Relations, Legal, Strategic Projects, Tax, Treasury

Mr. Dirk Graber has terminated his mandate on the management board by mutual agreement with effect from July 31, 2024.

Mr. Stephan Schulz-Gohritz has been the sole member of the management board since August 1, 2024.

In financial year 2024, the members of the management board held the following mandates on supervisory boards or comparable domestic and foreign supervisory bodies of other commercial companies:

Member of the management board	Memberships in supervisory boards (outside the Group)	Memberships in comparable domestic or foreign supervisory bodies (outside the Group) [1]	Memberships in comparable domestic or foreign supervisory bodies (within the Group)
Dirk Graber (until July 31, 2024)	None	Walbusch Walter Busch GmbH & Co. KG (member of the advisory board) Swash Group GmbH (member of the advisory board) minubo, Inc. (member of the board of directors) Graber Investment Limited (director)	Until July 31, 2024: Nordic Eyewear Holdings AB (member of the board of directors, Chair) Nordic Eyewear AB (member of the board of directors, Chair) Lensit.no AS (member of the board of directors, Chair) Mister Spex France SAS (President)
Stephan Schulz-Gohritz.	None	None	Nordic Eyewear Holdings AB (member of the board of directors) Nordic Eyewear AB (member of the board of directors) Lensit.no AS (member of the board of directors) Mister Spex Switzerland AG (Chair of the board of directors) Mister Spex France SAS (President)

1 The information on Mr. Graber's non-Group memberships relates to the period of his service on the management board of Mister Spex SE.

The supervisory board pays attention to diversity in the event of changes in the management board, since diversity in management bodies can contribute to the success of the Company. Nevertheless, the supervisory board will continue to select members of the management board primarily on the basis of their professional and international experience as well as their personal suitability (including with regard to their integrity, managerial qualities and life experience as well as their social and academic background) regardless of their gender or, for example, their ethnic origin. For the supervisory board, diversity on the management board therefore primarily means combining various professional skills, knowledge and international experience. In addition, the supervisory board has defined a target of 25% for the proportion of women on the management board in accordance with Sec. 111 (5) AktG. Although the age of a person is in principle irrelevant for the assessment of professional suitability, the supervisory board has set an age limit of 65 years for members of the management board of the Company.

In addition, the supervisory board takes into account the following criteria when selecting the members of the management board:

- The management board as a whole should have the knowledge, skills and professional experience necessary for the successful performance of its duties.
- The management board as a whole should have in-depth knowledge of all relevant areas of the business model.
- The management board as a whole should have appropriate leadership experience.
- The management board as a whole should, if possible, have many years of experience in the areas of strategy, finance and personnel management.
- The management board as a whole should, as far as possible, reflect a variety of backgrounds in terms of training, professional activities and international experience.
- The management board as a whole should, if possible, have many years of experience in the areas of e-commerce and (online) retail.

The supervisory board cooperates with the management board to ensure long-term succession planning for appointments to the management board. In particular, the supervisory board and the management board regularly exchange views in order to identify suitable candidates from the Company's senior management to fill vacant positions on the management board in the future. The succession planning process also includes the management board's regular report on the proportion and development of female executives, especially at the first and second management levels below the management board.

Working methods of the supervisory board

The supervisory board advises and monitors the management board with regard to its management of the Company. It is involved in decisions of fundamental importance to the Company – as described under the paragraph "Working methods of the management board" – and works in trust and close cooperation with the other bodies of the Company, in particular the management board. The supervisory board appoints and removes the members of the management board and, together with the management board, ensures appropriate succession planning. It is committed to maintaining high standards of governance in all areas of the business of Mister Spex Group.

The rights and obligations of the supervisory board are governed in detail by the statutory provisions, the articles of incorporation and the rules of procedure for the supervisory board. The work of the supervisory board takes place both in plenary and in committees, whose respective chairs regularly report to the full supervisory board on the committee activities. During the reporting period, the supervisory board met ten times, seven of which were in-person meetings in Berlin, Germany, and three of which were in the form of video conferences. Supervisory board resolutions can also be adopted outside of meetings, in particular by circular vote. In the reporting period, resolutions were adopted in three cases by circular vote.

The supervisory board has established three standing committees: the audit committee, the nomination and compensation committee, and the strategy and transformation committee. The strategy and transformation committee were established in July 2024 by combining the former strategy and ESG committee with the interim transformation committee. Please refer to the supervisory board report for further details.

The supervisory board regularly reviews the efficiency of its activities and its committees (self-assessment). In addition to qualitative criteria to be defined by the supervisory board, the subject of the self-assessment is in particular the procedures in the supervisory board and the committees as well as the timely and sufficient provision of information to the supervisory board. To this end, the members of the supervisory board regularly complete a questionnaire, the results of which are discussed and then implemented. The next self-evaluation is planned for the second half of 2025.

The members of the supervisory board are committed to the interests of the Company and must disclose to the supervisory board any conflicts of interest, in particular those that may arise as a result of any consulting or board function at customers, suppliers, lenders, borrowers or other third parties. In the event of conflicts of interest that are significant and not merely temporary related to the person of a supervisory board member, the supervisory board member concerned should resign.

Composition of the supervisory board

General

According to the articles of incorporation amended by resolution of the general meeting held on

September 19, 2024, the supervisory board shall consist of five (formerly seven) members. The supervisory board is not subject to employee co-determination and therefore consists exclusively of shareholder representatives. The representatives of the shareholders on the supervisory board are elected by the general meeting without being bound by nominations. The supervisory board shall elect a Chair and a Deputy Chair from among its members.

The supervisory board has set itself objectives for the composition of the supervisory board and has established a competence profile that ensures that the management board is appropriately and competently monitored, supervised and advised. Accordingly, supervisory board members must have the knowledge, skills and professional experience necessary for the successful performance of their duties. In addition, at least two supervisory board members shall have appropriate international experience and at least two supervisory board members shall have no board function, advisory or representation duties towards significant lenders or other business partners of the Company. Pursuant to Sec. 100 (5) AktG as amended by the German Act to Strengthen Financial Market Integrity (FISG) from July 1, 2021, at least one member of the supervisory board must have expertise in the field of accounting and at least one other member of the supervisory board must have expertise in the field of auditing; the members in their entirety must be familiar with the sector in which the Company operates. Each member of the supervisory board shall ensure that they have sufficient time to perform their duties.

In addition, diversity should be taken into account when selecting supervisory board members. The supervisory board regards the diversity of its members in terms of age and gender as an important prerequisite for effective cooperation. In particular, an appropriate number of women should be considered for membership of the supervisory board; the supervisory board has set a target figure of 2/7 (28.57%) for the proportion of women on the supervisory board.

In accordance with recommendation C.7 of the GCGC, more than half of the members of the supervisory board should also be independent of the Company and the management board. Pursuant to the recommendation of the GCGC, a member of the supervisory board is independent of the Company and its management board if they have no personal or business relationship with the Company or its management board that can cause a material and not merely temporary conflict of interest. In particular, the shareholder representatives on the supervisory board should take into account whether the supervisory board member themselves or a close relative of the supervisory board member:

- was a member of the management board of the Company in the two years prior to the appointment.
- is currently or was in the year before their appointment, either directly or as a partner or in a responsible function of a company outside the group, which has or has had a significant business relationship with the Company or a company dependent on it (e.g., as a customer, supplier, lender or consultant).
- is a close relative of a member of the management board; or
- has been a member of the supervisory board for more than 12 years.

A member of the supervisory board who is not a member of the management board of a listed company should normally not hold more than five supervisory board mandates in non-group listed companies or comparable positions, with one supervisory board chair counting twice. A member of the supervisory board who is also a member of the management board of a listed company should not, in addition to the supervisory board mandate in the Company outside the group in which they perform management board activities, normally hold more than one other supervisory board mandate in listed companies or in supervisory bodies of companies that have similar requirements and should not chair the supervisory board either at the Company or at another listed company outside the group in which they perform management board activities. Members of the management board of the Company may not, as a rule, become members of the supervisory board of the Company before the expiry of two years after the end of their appointment as a member of the management board. No more than two former members of the management board of the Company shall be members of the supervisory board at the same time. As decided by the supervisory board, as a rule, only candidates who are not older than 70 years of age at the time of their election and who have not generally been members of the supervisory board for 12 years or more should be proposed for election as members of the supervisory board.

The supervisory board's nomination and remuneration committee, which proposes suitable candidates for the election of the supervisory board members to the general meeting, takes into account the aforementioned requirements and objectives in its proposals.

Changes in the composition in the reporting period

There were several changes to the Company's supervisory board in 2024.

The terms of office of the supervisory board members Peter Williams, Stuart Paterson, Nicola Brandolese, Birgit Kretschmer, Pietro Luigi Longo and Nicole Srock.Stanley on the supervisory board ended at the close of the Company's general meeting on June 7, 2024. A new election was therefore necessary.

In line with the supervisory board's election proposal to the general meeting and the recommendation of the nomination and remuneration committee, the shareholders elected the following shareholder representatives to the supervisory board on June 7, 2024:

Supervisory board	Appointed until the ordinary general meeting	Occupation	Independence
Nicola Brandolese	2027	Managing director Doctolib S.r.l	Yes
Birgit Kretschmer	2027	CFO at C&A Europe	Yes
Claus-Dietrich Lahrs	2028	Independent Senior Advisor	Yes
Pietro Luigi Longo	2026	Head of M&A and Business Development Director at Essilor-Luxottica S.A.	No
Nicole Srock,Stanley	2026	Director of dan pearlman Markenarchitektur Gesellschaft von Architekten und Innenarchitekten mbH	No
Gil Steyaert	2028	Independent Senior Advisor	Yes

The election proposals took into account the objectives resolved by the supervisory board for its composition in accordance with C.1 GCGC (as amended on April 28, 2022) and aimed to fulfill the competence profile drawn up by the supervisory board for the entire body.

Mr. Lahrs and Mr. Steyaert resigned from the supervisory board with effect from July 3, 2024.

The supervisory board then decided to convene an extraordinary general meeting and to recommend to the shareholders that the Company's supervisory board be reduced in size from seven to five members. This downsizing and amendment to the articles of incorporation were approved by the general meeting on September 19, 2024.

In summary, the composition of the Company's supervisory board during the reporting period was as follows:

for the period from January 1 to December 31, 2024:

- Peter Williams (Chair)
- Nicola Brandolese (Deputy Chair): executive director Doctolib S.r.l
- Tobias Krauss
- Birgit Kretschmer: CFO at C&A Europe
- Pietro Luigi Longo
- Stuart Paterson: Partner at Scottish Equity Partners LLP
- Nicole Srock.Stanley: executive director of dan pearlman Markenarchitektur Gesellschaft von Architekten und Innenarchitekten mbH

for the period from June 7 to July 3, 2024:

- Claus-Dietrich Lahrs (Chair)
- Gil Steyaert (Deputy Chair)
- Nicola Brandolese
- Tobias Krauss
- Birgit Kretschmer
- Pietro Luigi Longo
- Nicole Srock.Stanley

for the period since July 4, 2024:

- Tobias Krauss (Chair)
- Nicola Brandolese (Deputy Chair)
- Birgit Kretschmer
- Pietro Luigi Longo
- Nicole Srock.Stanley

The supervisory board since July 4, 2024

In its current composition, the supervisory board fulfills the set objectives for its composition and fits the competence profile.

Nicola Brandolese and Pietro Luigi Longo are international experts from the optician industry who are members of the supervisory board. Birgit Kretschmer and Pietro Luigi Longo have the relevant expertise in the fields of accounting and auditing. In addition, Nicole Srock.Stanley, a seasoned marketing and sustainability expert, has been appointed to the supervisory board to support the further growth and internationalization of the business model in line with the Company's ESG goals.

Taking into account the criteria of the GCGC and the professional positions of Pietro Luigi Longo and Nicole Srock. Stanley as Head of M&A and Business Development Director of EssilorLuxottica SA and Managing Director and co-shareholder of dan pearlman Markenarchitektur Gesellschaft von Architekten und Innenarchitekten mbH, respectively, Mr. Longo and Ms. Srock.Stanley are, as a precaution, not considered to be independent of the Company. EssilorLuxottica S.A. is a significant supplier of the Company. The Company has concluded contracts with dan pearlman Markenarchitektur Gesellschaft von Architekten und Innenarchitekten mbH, relating to design and brand concepts.

As of December 31, 2024, the proportion of women on the supervisory board amounted to 40% and the age spectrum ranged from 48 to 55 years.

The implementation status of the competence profile according to GCGC is summarized in the following qualification matrix:

Supervisory board	Management experience	Industry [1] knowledge	Market [2] knowledge	Capital markets	Accounting	Auditing	Controlling	Governance compliance	Sustainability	Independence
Nicola Brandolese	x	x	x				x	x	x	x
Tobias Krauss	x	x		x			x	x	x	x
Birgit Kretschmer	x	x		x	x	x	x	x	x	x
Pietro Luigi Longo	x	x	x	x	x	x	x	x		
Nicole Srock,Stanley	x	x						x	x	

1 Industry knowledge: Retail & E-Commerce
2 Market knowledge: European ophthalmic optics market

Memberships of supervisory boards and similar bodies

In the financial year 2024 and during their respective term of office as supervisory board members of Mister Spex SE, the supervisory board members additionally held the following mandates on supervisory boards or comparable domestic and foreign supervisory bodies of companies outside Mister Spex Group:

Supervisory board member	Membership in statutory supervisory boards [1]	Memberships in comparable domestic or foreign bodies [1]
Tobias Krauss, Chairman of the supervisory board since July 4, 2024	none	• CustomCells GmbH (member of the advisory board) • Bruss Sealing Systems GmbH (member of the advisory board) • Earlybird Growth Opportunities Fund 1 GmbH & Co. KG (member of the investment advisory board) • Meron 2 LP (member of the Limited Partners Committee) • Noventic GmbH (member of the advisory board) • perma-tec GmbH & Co. KG (member of the advisory board, deputy chair) • Think Bigger Fund 1 FCRE (member of the Limited Partners Committee) • Vsquared Ventures 1 GmbH & Co. KG (member of the Limited Partners Committee) • PPC AG (member of the advisory board)
Nicola Brandolese, Deputy Chairman of the supervisory board since July 4, 2024	none	none
Birgit Kretschmer	Ceconomy AG (member of the supervisory board)	none
Pietro Luigi Longo	none	• Heidelberg Engineer GmbH (member of the supervisory board) • XIAMEN YARUI OPTICAL COMPANY LTD., People's Republic of China (member of the Board of Directors) • ARTGRI GROUP INTERNATIONAL PTE. LTD., Singapore (member of the Board of Directors)
Nicole Srock.Stanley	none	none
Peter Williams, (Chairman and member of the supervisory board until June 7, 2024)	none	• DP Eurasia N.V. (member of Board of Directors, Chairman) until June 2023 • Miinto A/S (member of Board of Directors, Deputy Chairman, until June 2023 • Tartan BidCo (member of Board of Directors, Chairman)
Stuart Paterson (supervisory board member until June 7, 2024)	none	• Dohop ehf (member of Board of Directors; Chairman of the audit and risk committee) • LoveCrafts Group Ltd (member of Board of Directors) • European Assets Trust plc (Non-Executive Director and ; Chairman of the audit and risk committee) • Babbel AG (member of the shareholder committee)
Claus-Dietrich Lahrs (supervisory board member from June 7 to July 3, 2024)	Hellmann Verwaltungs SE (member of the supervisory board) Ravensburger AG (member of the supervisory board)	none
Gil Steyaert (supervisory board member from June 7 to July 3, 2024)	none	• Velcro Ltd. (member of Board of Directors)

1 The information relates to the respective period of membership of the Mister Spex SE supervisory board.

Working method and composition of the committees of the supervisory board

The supervisory board has three permanent committees, each with at least three members: the audit committee, the nomination and remuneration committee and the strategy and transformation committee (previously: strategy and ESG committee). The relevant committee chairs must submit regular reports to the supervisory board detailing the work of the committees.

Audit committee

The audit committee deals in particular with the audit of financial statements, the monitoring of the effectiveness of the internal risk management system and the internal control system as well as with auditing and compliance matters. In addition, it decides on the award of the audit engagement to the statutory auditors, the definition of audit priorities and the remuneration of the auditors. In addition, it monitors the auditing, in particular the required auditor independence, and deals with the additional services provided by the auditors. The audit committee regularly assesses the quality of the audits.

The audit committee also prepares the resolutions of the supervisory board on the annual financial statements and the consolidated financial statements. For this purpose, the audit committee is intensively involved in the annual financial statements, the consolidated financial statements and the combined management report. The audit committee is in regular contact with the auditors, in particular regarding the audit report and its findings, and makes recommendations to the supervisory board.

During the reporting period, the audit committee met five times in the form of video conferences.

At least one member of the audit committee must have expertise in the field of accounting and at least one other member of the audit committee must have expertise in the field of auditing; the members in their entirety must be familiar with the sector in which the Company operates (Secs. 100 (5), 107 (4) sentence 2 AktG as amended by the FISG). The Chair of the audit committee must have specific knowledge and experience in the application of accounting principles and internal control procedures and must be familiar with the audit of financial statements. The Chair of the audit committee should also be independent within the meaning of the GCGC, and neither the Chair of the supervisory board nor a former member of the management board of the Company whose appointment as Chair of the audit committee ended less than two years before their appointment. The audit committee has the following members:

for the period from January 1 to December 31, 2024:
- Birgit Kretschmer (Chair)
- Tobias Krauss
- Stuart Paterson
- Peter Williams

for the period from June 7 to July 3, 2024:
- Birgit Kretschmer (Chair)
- Tobias Krauss
- Claus-Dietrich Lahrs
- Gil Steyaert

for the period since July 4, 2024:
- Birgit Kretschmer (Chair)
- Tobias Krauss
- Pietro Luigi Longo

The Chair of the audit committee is independent and is not a former member of the management board of the Company. Like the other members, Stuart Paterson and Peter Williams, he also has special knowledge and experience in the application of accounting principles and internal control procedures and is familiar with the audit of financial statements. During the reporting period, Ms. Kretschmer and Mr. Krauss were consistently members of the audit committee and ensured that the committee's tasks were carried out continuously and that information was passed on.

Nomination and remuneration committee

The Nomination and remuneration committee shall nominate suitable candidates to the supervisory board for its proposals to the general meeting for the election of supervisory board members; in doing so, it shall take into account the objectives of the supervisory board with regard to its composition. In addition, it deals with the remuneration policy of the Company for the members of the management board and prepares the resolutions of the supervisory board in accordance with Sec. 87a and Sec. 162 AktG. In doing so, it observes in particular the requirements of the GCGC and compares the remuneration system to assess its appropriateness, especially with suitable peer groups of other companies.

During the reporting period, the nomination and remuneration committee met once and passed a circular resolution.

The members of the nomination and remuneration committee during the reporting period were:

for the period from January 1 to June 7, 2024:
- Peter Williams (Chair)
- Nicola Brandolese
- Tobias Krauss
- Stuart Paterson

for the period from June 7 to July 3, 2024:
- Gil Steyaert (Chair)
- Nicola Brandolese
- Tobias Krauss
- Claus-Dietrich Lahrs

for the period since July 4, 2024:
- Nicola Brandolese (Chair)
- Tobias Krauss
- Birgit Kretschmer

Transformation and strategy committee

In accordance with the approval of the general meeting on June 7, 2024, a transformation committee was established at the supervisory board meeting on June 13, 2024. The transformation committee was combined with the strategy and ESG committee by resolution of the supervisory board to form a unified transformation and strategy committee.

The transformation and strategy committee has the following main responsibilities:

- Advising on the strategy, restructuring and transformation of the Company, in particular on the short- and medium-term development of the Group through operational support, especially of measures to increase sales and profitability;
- Monitoring the implementation of restructuring and transformation projects;
- Preliminary examination and approval of individual restructuring and transformation measures insofar as these require the approval of the supervisory board.
- Preparation of supervisory board resolutions on long-term and annual ESG targets as well as
- Preliminary review and approval of M&A activities to the extent that they require the approval of the supervisory board.

The transformation and strategy committee and its two predecessor committees did not hold any formal meetings in the financial year 2024. Instead, the members of the committee discussed operational and strategic measures for the restructuring and transformation of the group in numerous meetings with the management board and members of the broader management team and developed and made recommendations for the management board and the supervisory board.

Members of the transformation and strategy committee are:

- Tobias Krauss (Chair)
- Nicola Brandolese
- Nicole Srock,Stanley

7.5. Target for the participation of women on the management board, the supervisory board and at the two management levels below the management board in accordance with Sec. 76 (4) and Sec. 111 (5) AktG

The participation of women in the management board, the supervisory board and at the management levels below the management board is an essential part of our diversity policy. It is an important concern for the management board and the supervisory board when it comes to enhancing the corporate culture and working relationships. At the same time, the management board and supervisory board are aware that personal suitability is always a central selection criterion in each specific case.

The supervisory board has set a target of 2/7 (28.57%) for the participation of women in the supervisory board and a target of 1/4 (25%) for the management board of the Company in accordance with Sec. 111 (5) AktG, with an implementation deadline of June 21, 2026 in each case.

The management board also pays attention to diversity when filling management positions and, in particular, seeks appropriate consideration of women, without departing from the overriding principle that a person should be recommended, nominated, employed or promoted solely because they are best suited to the task in question, both professionally and personally. On June 21, 2021, the management board, in accordance with Sec. 76 (4) AktG, set the target for the proportion of women in the first two management levels below the management board at 35%. The period for implementation was set at five years.

At the reporting date, the proportion of women in the first management level below the management board (C/VP level) was 15% and in the second management level below the management board (director/head level) it was 33%.

Berlin/Germany, March 26, 2025

The management board

Stephan Schulz-Gohritz

Remuneration report pursuant to Sec. 162 AktG

3

1. Remuneration report pursuant to Sec. 162 German Stock Corporation Act (AktG)

Preamble

The remuneration report explains the main components of the remuneration system for the management board as well as the supervisory board and discloses on an individual level the remuneration awarded and due for both the management board and the supervisory board. The remuneration report refers to the remuneration components and remuneration awarded and due for the period from January 1, 2024 to December 31, 2024 (reporting period). The management board and supervisory board have jointly prepared this remuneration report. It complies with the legal requirements of Sec. 162 German Stock Corporation Act (AktG) and the remuneration system considers the recommendations of the German Corporate Governance Code (GCGC) in its version as of April 28, 2022. This remuneration report was subject to a formal audit by the statutory auditor in accordance with the regulatory requirements of Sec. 162 (3) AktG and is an integral part of the annual report of Mister Spex SE. As required by Sec. 120a (4) AktG, the remuneration report will be submitted to the general meeting on June 5, 2025 for its approval. Following the vote on the audited remuneration report, the remuneration report as well as the auditor's report on the respective audit will also be published on the **Company's website.**

Our remuneration report can be found on our **website**.

A new remuneration system for the management board members has applied since the financial year 2022 and was approved by the general meeting on June 30, 2022. An amended remuneration system for the members of the management board with regard to the long-term incentive and the related performance conditions was approved at the general meeting on May 26, 2024. The applicable remuneration system according to Sec. 87a (1) and (2) sentence 1 AktG and the most recent resolution on remuneration pursuant to Sec. 113 (3) AktG are publicly available on the **Company's website.**

Dr. Mirko Caspar resigned from the management board of Mister Spex SE on December 31, 2023. He left the Company permanently on January 31, 2024. Stephan Schulz-Gohritz joined the management board on January 1, 2024, taking over the responsibilities of Dr. Mirko Caspar.

In accordance with the termination agreement, Dr. Mirko Caspar continued to receive his contractual basic remuneration and all fringe benefits until the termination date (January 31, 2024). He also received a one-time lump-sum payment of mEUR 0.7. The VSOP tranches already granted to Dr. Mirko Caspar for the financial years 2022 and 2023 continue to exist in accordance with the regular VSOP conditions and remain unaffected by this termination agreement. There are no further entitlements to additional VSOP tranches beyond the VSO tranches already granted for the years 2022 and 2023.

Dirk Graber resigned from his office as of July 31, 2024. He received a one-time lump-sum payment of mEUR 0.7. The VSOP tranches already granted to Dirk Graber for the financial years 2022, 2023 and 2024 continue to exist in accordance with the regular VSOP conditions and remain unaffected by this termination agreement. There are no further entitlements to additional VSOP tranches beyond the VSO tranches already granted for the financial years 2022, 2023 and 2024. The allocation granted for the financial year 2024 was reduced pro rata to 7/12.

1.1 Overview of the remuneration system for the management board

To ensure that the requirements and expectations of the remuneration system for the management board of listed companies are met, the supervisory board of Mister Spex introduced a new, adjusted remuneration system for the management board as of the year 2022, the first full financial year as a listed company. The new remuneration system is in line with regulatory requirements pursuant to Sec. 87a AktG, takes into account the recommendations and suggestions of the GCGC as well as the expectations of institutional investors and proxy advisors.

The new remuneration system also includes maximum remuneration according to Sec. 87a (1) No. 1 AktG. Fixed remuneration components were the fixed base salary and fringe benefits. The variable remuneration components consisted of an annual bonus designed as a target bonus model and a long-term variable remuneration component. The latter was designed as a stock option program (VSOP (LTIP)). The two members of the management board received grants under the stock option program in 2024.

Appropriateness of remuneration

The supervisory board is responsible for designing the remuneration system as well as for the level of remuneration for the management board. The nomination and remuneration committee prepares the respective resolutions.

To assess the appropriateness of the total target remuneration of each member of the management board, the supervisory board considers the management board member's respective tasks and performance as well as to the Company's overall situation and performance. In doing so, the supervisory board takes into account that the level of remuneration does not exceed the usual level of remuneration without specific reasons. To ensure that the total target remuneration of management board members is in line with usual levels compared to other companies, the supervisory board conducts a horizontal comparison on a regular basis. The AktG and GCGC require an assessment of the appropriateness of the remuneration of the management board based on the criteria country, size and industry. Thus, a relevant peer group consisting of 15 companies in e-commerce, retail and tech ranging from fledgling to established and one competitor was defined when determining the target remuneration in 2021. The target remuneration has remained unchanged since then.

Furthermore, the supervisory board assesses whether the remuneration of the management board members is in line with usual levels within the Company itself. For the remuneration period 2024, the supervisory board has taken into account the relationship between the management board remuneration and the remuneration of senior managers and the workforce as a whole.

Target remuneration in 2024

The following table shows the contractually agreed total target remuneration for each member of the management board for the reporting period:

Total target remuneration of the management board

In €	Dirk Graber [1] CEO	Stephan Schulz-Gohritz [2] CFO
Base salary	175,000	300,000
Fringe benefits [3]	2,528	2,528
Total	**177,528**	**302,528**
Short-term incentive plan	25,000 [4]	0
Long-term incentive (stock options)	0	0
Total target remuneration	**202,528**	**302,528**

Application of the remuneration system in 2024

Base salary

The members of the management board each receive a fixed annual gross salary which is paid in 12 equal installments as a monthly salary.

Fringe benefits

The members of the management board of Mister Spex are covered by an accident insurance policy for death and invalidity. In addition, the Company pays the members of the management board half of the contributions to their health and nursing care insurance, but no more than the monthly amount that would be payable if the respective management board member was insured under the statutory health insurance scheme. Furthermore, Mister Spex reimburses costs for a yearly medical check-up for each member of the management board limited to EUR 2,500 annually.

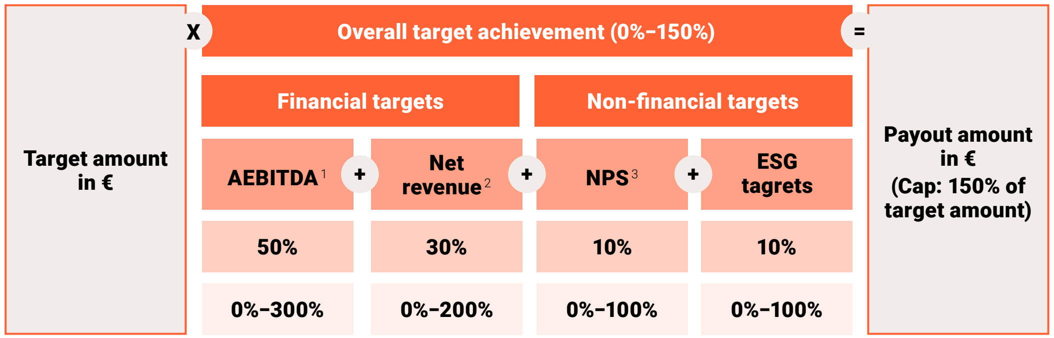
For Dirk Graber, the direct pension insurance policy is no longer serviced and is deemed to have been settled upon payment of the other remuneration under the termination agreement.

In addition to the fringe benefits stated, the members of the management board receive reimbursement of expenses (e.g., travel expenses) and are covered by a D&O insurance policy. The management board's D&O insurance is subject to a deductible of 10%.

Short-term variable remuneration – annual bonus for the financial year 2024

The members of the management board are eligible for an annual bonus designed as a target bonus model. The final payout amount depends on total target achievement and is calculated by multiplying the target amount by total target achievement. Total target achievement for the annual bonus 2024 can range between 0% and 150% and is determined based on financial and non-financial targets. The resulting payout amount is settled in cash.

Short-term variable remuneration



1 Adjusted EBITDA
2 Revenue target achieved
3 Net promoter score

1 Total target compensation adjusted pro rata due to resignation as of July 31, 2024.
2 From August 1, 2024, both CEO and CFO as the sole member of the management board.
3 Figures are based on the actual expenses incurred for the period, i.e., the actual fringe benefits provided.
4 Pro-rata payout will be made in accordance with the termination agreement.

Financial targets

For the annual bonus 2024, the financial targets were weighted at 80%. The supervisory board defined two differently weighted financial performance criteria as financial targets. These performance criteria were the growth in consolidated net revenue of Mister Spex Group and the consolidated adjusted EBITDA for the year 2024 of Mister Spex Group (AEBITDA). AEBITDA is defined as earnings before interest, taxes, depreciation and amortization, adjusted for share-based payments in accordance with IFRS 2, non-recurring transformation costs and other special effects that are not part of the ordinary course of business. Both performance criteria are relevant performance indicators for corporate management and strategy execution focusing on growth.

The degree of target achievement can range from 0% to 300% for adjusted EBITDA and from 0% to 200% for net revenue. The financial target is deemed to have been achieved at 0% if AEBITDA is less than mEUR 0, regardless of the actual level of net revenue. Values between the defined thresholds are interpolated on a straight-line basis. Values between the stated thresholds lead to a linear increase in target achievement in each case.

The table below summarizes the target values as well as the corresponding thresholds for both financial targets combined and shows the actual value achieved for each financial target.

In the financial year 2024, AEBITDA came to mEUR -5.8. The target for the revenue of the Mister Spex Group also fell short of the minimum of mEUR 225.0. Thus, target achievement of the financial targets is 0%.

Non-financial targets

The supervisory board defines non-financial targets for each financial year that take ESG aspects into account. These include, among other things, the Net Promoter Score (NPS) and various environmental, social and governance criteria. For the financial year 2024, the Net Promoter Score and ESG targets have been set as key performance criteria. The ESG targets consist of four sub-targets: the share of sustainable own brands, employee satisfaction, the share of women in management positions, and the introduction of a new ESG reporting system with KPIs.

A target range with defined minimum and maximum values were set for the net promoter score. A target achievement of 100% is achieved with a NPS value of 70, while a target achievement of 0% applies if the NPS is below 60. Values between these two limits are linearly interpolated.

The ESG targets were given an equal weighting, so that each target contributes 25% to the overall assessment. A 100% target achievement is only reached if all four ESG targets have been reached. If three ESG targets have been implemented, the target achievement is 75%, if two targets have been implemented, it is 50%, and if only one ESG target has been achieved, it is 25%. If no ESG target has been reached, the target achievement is 0%. The additional ESG targets were each assigned a target value. Accomplishment of each of the seven targets is equivalent to one seventh of total target achievement.

As the target value for the financial year 2024, resulting in a target achievement of 100%, a NPS of 70 was defined.

The target value for the additional ESG targets, resulting in a target achievement of 100%, was defined as the complete implementation of the four ESG sub targets.

The NPS was 56 in the financial year 2024 and thus target achievement for this target is 0%.

Target achievement of financial goals

	Minimum	100%	200%	300%	Consolidated financial statements 2024
Adjusted EBITDA in € m	0.0	6.7	10.0	12.0	–5.8
Net revenue in € m	225.0	240.0	255.0	–	216.7

The following table presents the target values and the respective target achievement in the financial year 2024.

ESG target achievements in 2024

	Criterion	Target	Financial year 2024	Target achieved
Share of own brands with sustainable/ environmentally friendly label	Share in %	18.0%	13%	No
Employee satisfaction	Score	>7.5	7.2	No
Maintaining the proportion of women in management positions [5]	Share in %	at least 35%	30%	No
Implement a new ESG reporting system that defines new KPIs and is based on a gap analysis between the reporting standard and the current state of sustainability	Date	at least Dec. 31, 2024		No

Zero out of the four ESG targets were achieved. This means that target achievement for the ESG targets was 0%.

Target achievement for the annual bonus for the financial year 2024 thus totals 0%.

The table below shows the target achievement for the financial and non-financial targets as well as the corresponding amounts:

Target remuneration for the annual bonus

	Target amount in €	Target achievement financial targets	Target achievement non-financial targets	Total target achievement	Payout amount in €
Dirk Graber [6]	100,000				25,000
Stephan Schulz-Gohritz	100,000	0%	0%	0%	0

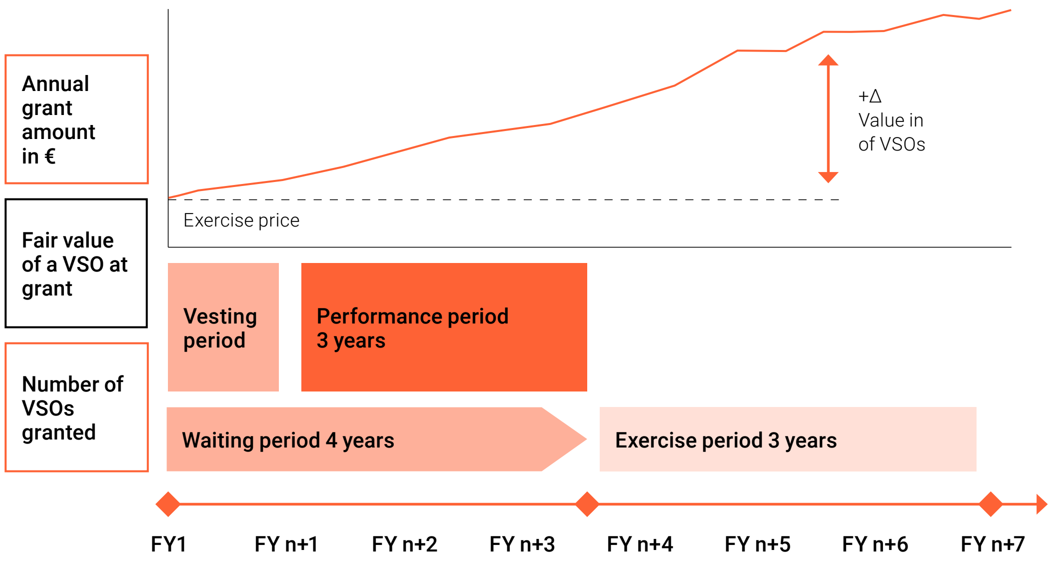
Long-term variable remuneration in the financial year 2024

VSOP (LTIP)

In the financial year 2024, Mister Spex enables the members of the management board to participate in a Virtual Stock Option Plan (VSOP) as long-term variable remuneration.

Effective at the beginning of each financial year, each eligible management board member is granted a number of virtual stock options (VSOs) in the context of their target remuneration. All VSOs are subject to a waiting period of four years. VSOs vest in 12 equal monthly installments (vesting period). Both the vesting period and the waiting period start as of the grant date. Additionally, the VSOs are subject to a performance condition in the performance period. In the financial year 2024, this is the compound annual growth rate (CAGR) of the XETRA closing price of Mister Spex shares ("share price CAGR"). The performance factor is 0% if the share price CAGR 2024–2026 is below 5% and 100% if the share price CAGR 2024–2026 is 10% or higher. In the financial year 2023, the performance-based condition is the respective annual adjusted EBITDA (AEBITDA) target and the revenue target, with both performance targets being equally weighted at 50% each.

The following chart illustrates the basic features of the VSOP:



5 Management positions above principal xxx/director xxx level.
6 Pro-rata payout will be made in accordance with the termination agreement.

At the beginning of each financial year, the supervisory board sets a target value for each VSO tranche in the individual allocation letters to the members of the management board, along with a corresponding minimum and maximum for the respective key performance indicator. While revenue targets such as adjusted EBITDA or AEBITDA were used in the past, the target achievement for the 2024 tranche is based on the share price CAGR. If the actual share price CAGR falls short of the defined minimum value in the three-year performance period, the performance factor is 0% and all VSOs from the relevant VSO tranche are forfeited in full without replacement or compensation. If the actual share price CAGR is equal to or exceeds the maximum value in the performance period, the performance factor is 100%. The performance factor is calculated using linear interpolation if the actual share price CAGR lies between the defined minimum and maximum values in the performance period. For the VSO tranche 2024, a minimum target of 5% and a maximum target of 10% have been set for the share price CAGR.

The number of VSOs is multiplied by the performance factor in order to obtain the number of performance-based vested VSOs. Vested VSOs (i.e., VSOs that are both time-vested and vested on the basis of achievement of the performance conditions) can be exercised during a three-year exercise period after the end of the four-year waiting period.

On exercising the vested VSOs, the management board member is entitled to receive the difference between the share price at the exercise date and the exercise price fixed in the grant letter, multiplied by the number of exercised VSOs (VSOP proceeds). VSOP proceeds are not capped so as to ensure a broad alignment of the interests of the management board members and the shareholders of Mister Spex. However, they are subject to the maximum remuneration cap. The entitlement to VSOP proceeds is generally settled in equity, though the Company may settle in cash at its free discretion.

In the financial year 2024, the members of the management board Dirk Graber and Stephan Schulz-Gohritz each received an allocation of 268,781 VSOs with a total value of EUR 400,000 as part of their target remuneration. Due to Dirk Graber's resignation as of July 31, 2024, his allocation was reduced pro rata to 7/12, resulting in a revised target amount of EUR 233,333 and a reduced number of VSOs of 156,786.

The table below summarizes the general information on the VSOs granted to the members of the management board:

Overview of stock option grants (VSOP) to members of the Management Board

		Target amount in €	Fair value per option at grant in €	Number of options granted	Vesting period	Exercise period
VSOP 2024	Dirk Graber [7]	233,333	1.49	156,786	Waiting period lasts until Dec. 31, 2027	
	Stephan Schulz-Gohritz	400,000	1.49	268,781		

7 Target amount was reduced pro rata.

ESOP

The current management board members participated in an Employee Stock Option Program (ESOP) and received share options under this program until the year 2021. This share-based remuneration plan is a continuation of an option program dating from the time when the Company had the legal form of a German limited liability company (GmbH).

Since the stock options granted to the current members of the management board prior to the IPO can continue to be earned and exercised under the original ESOP conditions, the supervisory board has set individual transition periods during which the members of the management board are not entitled to the full allocation amount under the new VSOP in order to avoid inappropriate remuneration. No new stock options will be granted to members of the management board as part of the ESOP.

Each ESOP stock option grants the right to purchase one Mister Spex share at a predetermined strike price. The stock options are subject to monthly vesting over a period of 48 months (4 years) following the relevant grant date. Vested option rights can be exercised immediately after vesting, but only within the exercise windows specified by the Company. Exercised stock options generally shall be settled in equity; however, the Company reserves the right to settle exercised stock options in cash in its free discretion.

The table below summarizes the general information on the stock options granted to the members of the management board:

General conditions of stock options granted to the members of the Management Board

		Option grant amount in €	Fair value per option at grant in €	Number of options granted	Exercise price in € per option	Vesting period	Exercise period
ESOP I	Dirk Graber	37,427	3.28	11,427	1.00	Aug. 13, 2010 to Aug. 12, 2014	Jul. 1, 2021 to Jun. 30, 2025
		190,134	3.20	59,335		Jan. 1, 2013 to Dec. 31, 2016	Jul. 1, 2021 to Jun. 30, 2025
ESOP II	Dirk Graber	425,005	1.61	264,720	3.71	Jan. 1, 2015 to Dec. 31, 2018	Jul. 1, 2021 to Jun. 30, 2025
ESOP IV	Dirk Graber	363,201	1.37	264,720	7.52	Jan. 1, 2019 to Dec. 31, 2022	Jul. 1, 2021 to Jun. 30, 2025

The following table shows all exercises of stock options during the reporting period.

Overview of stock options exercised by the members of the Management Board

		Number of options granted	Number of options forfeited or previously exercised	Final number of options	Number of exercised options	Share price at settlement date in €	Intrinsic value [8] of exercised options in €	Number of outstanding options
ESOP I	Dirk Graber	70,762	41,667	29,095	29,095	3.55	74,047	0
ESOP II	Dirk Graber	264,720	–	–	–	–	–	264,720
ESOP IV	Dirk Graber	264,720	–	264,720	–	–	–	264,720
VSOP 2022	Dirk Graber	52,831	Waiting period lasts until Dec. 31, 2025		Waiting period lasts until Dec. 31, 2025			
VSOP 2023	Dirk Graber	228,487	Waiting period lasts until Dec. 31, 2026		Waiting period lasts until Dec. 31, 2026			
VSOP 2024	Dirk Graber	156,786	Waiting period lasts until Dec. 31, 2027		Waiting period lasts until Dec. 31, 2027			
	Stephan Schulz-Gohritz	268,781						

8 The intrinsic value of an exercised option reflects the final value of a stock option as the difference between the share price at the settlement date and the exercise price, multiplied by the number of exercised stock options.

Benefits from third parties

In the reporting period, members of the management board did not receive any remuneration or benefits in kind from third parties for their activity as members of the management board of Mister Spex.

Maximum remuneration

Pursuant to Sec. 87a (1) Sentence 2 No. 1 AktG, maximum remuneration has been defined, comprising all remuneration components (i.e., base salary, fringe benefits, short-term and long-term variable remuneration (ESOP, VSOP)). The maximum compensation for each member of the management board is EUR 3,500,000 p.a. Any severance payments are not included in the calculation for the purposes of the maximum compensation. The maximum remuneration refers to the total of all remuneration payments that can arise from the remuneration for a given financial year. If the total payments to one management board member for a financial year exceeds the defined maximum remuneration, the last remuneration component to be paid out (generally the VSOP) is reduced accordingly. The maximum remuneration rules defined for the management board members were complied with in the financial year 2024.

Malus and clawback provisions

Since the financial year 2022, malus and clawback provisions have been in place for both short-term and long-term variable remuneration components.

If malus/clawback events are triggered, variable remuneration components not yet paid out can be reduced to zero (malus) and any variable remuneration components already paid out can be reclaimed within a defined period (clawback).

The supervisory board can apply malus and clawback provisions if the management board member has demonstrably infringed the Company's internal policies or failed to meet significant obligations under his/her service agreement and this has resulted in or would justify a legally binding termination for good cause in accordance with Sec. 626 (1) German Civil Code (BGB) or if the management board member has breached significant due diligence obligations in accordance with Sec. 93 AktG by demonstrably acting in an intentional or grossly negligent manner.

Malus and clawback provisions can also be applied if the consolidated financial statements or other data and assumptions underlying the assessment of performance criteria for variable remuneration were incorrect or erroneous.

However, no malus or clawback provisions were applied in the financial year.

Share ownership of management board members

Since the financial year 2022, there has been a share ownership policy in place, under which the members of Mister Spex's management board are obliged to acquire shares in the company. The Co-CEOs must acquire shares that are at least twice their respective annual gross fixed salary, while the other members of the management board are obliged to acquire shares equal to their respective annual gross fixed salary. This build-up must take place within a period of four years after their appointment, with at least half of the intended shareholding to be reached after two years.

In August 2024, Stephan Schulz-Gohritz purchased 21,027 shares with a total value of approximately EUR 50,000. Stephan Schulz-Gohritz held Mister Spex shares already before joining the Company. As at December 31, 2024, his total shareholding amounts to 31,000 units.

Further contractual arrangements

The following contractual arrangements refer to the service agreements in place for the reporting period.

Severance payments

The termination of the office of a member of a management board, in particular by revocation of the appointment or resignation from office, shall constitute a termination by the Company at the next possible date (ordinary termination).

If the Company gives notice of ordinary termination, the member of the management board is entitled to a severance payment. The severance payment is calculated on the basis of the base salary and the annual bonus. The severance payment is equal to the remuneration payable by the Company during the remaining term of the service agreement, but does not exceed the amount of two years' remuneration.

The entitlement to a severance payment exists furthermore if the member of the management board terminates the service agreement for good cause, for which the Company is responsible pursuant t0 Sec. 626 BGB.

For the avoidance of doubt, no entitlement to any severance payment exists if the Company effectively terminates the service agreement for good cause in accordance with Sec. 626 BGB.

Payments in the event of incapacity for work or death

In the event of illness or other involuntary service interruption, the member of the management board shall continue to receive his/her contractual base salary for a period of six months. The remuneration during an illness and involuntary incapacity for work shall be reduced by the amounts which the member of the management board receives from third parties for this period, in particular from a health insurance policy or daily sickness benefit insurance.

If a member of the management board dies during the term of this service agreement, the contractual base salary shall continue to be paid for the month of death and the three subsequent months.

Post-contractual non-competition clause

The service agreements with members of the management board contain a comprehensive post-contractual non-competition clause. The duration of the post-contractual non-competition clause is limited to 12 months after the end of the service agreement. For each month of the non-competition obligation, the Company is obliged to make a compensation payment amounting to 75% of the last base salary of the respective management board member. Such payment is credited against any severance payments and current benefits from any pension commitment.

The post-contractual non-competition clause does not come into force if the service agreement ends due to retirement or invalidity.

Remuneration of the management board in 2024

In accordance with Sec. 162 (1) sentence 1 AktG, the table below shows the remuneration awarded or due to the members of the management board on an individualized level in the reporting period.

The table shows the pro rata base salary as well as the expenses for fringe benefits and the pro rata short-term variable remuneration components for the reporting period. The long-term variable remuneration represents remuneration granted and owed at the end of the respective three-year performance period.

Total compensation of the Management Board

	Dirk Graber [9] CEO		Stephan Schulz-Gohritz CFO	
	in €	in %	in €	in %
Base salary	175,000	20	300,000	99
Fringe benefits	2,528	<1	2,528	<1
Total fixed remuneration	**177,528**	**21**	**302,528**	**100**
Short-term variable remuneration	**25,000**	**3**	**0**	**0**
Short-term incentive (annual bonus)	25,000	3	0	0
Long-term variable remuneration	**0**	**0**	**0**	**0**
Long-term incentive (stock options) – VSOP 2024	0	0	0	0
Total variable remuneration	**0**	**0**	**0**	**0**
Other remuneration [10]	**660,000**	**76**	**0**	**0**
Total remuneration	**862,528**		**302,528**	

1.2 Remuneration of the supervisory board

Remuneration governance

The remuneration system for the supervisory board complies with the legal requirements of Sec. 113 AktG and considers the relevant recommendations and suggestions of the GCGC. The members of the supervisory board receive fixed remuneration, with due consideration given to the greater time commitment of the chair and the deputy chair of the supervisory board as well as of the chairs and the members of committees. No variable remuneration is granted.

According to Sec. 113 (3) AktG, the remuneration system of the supervisory board is subject to a non-binding vote at the general meeting every four years. A confirmative vote is possible. The remuneration system for the supervisory board was subject to a non-binding vote at the general meeting of Mister Spex held on June 30, 2022.

At the general meeting held on June 7, 2024, a resolution was passed to adjust the remuneration of the supervisory board. This included, in particular, the introduction of remuneration for the newly created transformation committee and an adjustment of the existing remuneration structure for committees. The following table shows the updated remuneration structure:

Remuneration system

The members of the supervisory board receive annual fixed remuneration for their membership in the supervisory board. Additional remuneration is paid for memberships in supervisory board committees. No attendance fees are paid to the members of the supervisory board. Members who belong to the supervisory board and any of its committees for only part of a year receive remuneration pro rata temporis.

9 Resigned from the management board on July 31, 2024.
10 Other remuneration exclusively comprises the benefits defined in the respective termination agreements and the disclosures under Sec. 162 (2) no. 4 AktG.

Remuneration system until June 2024

Remuneration component	Remuneration of the supervisory board
Annual fixed remuneration	Chair(wo)man: € 87,500
	Deputy Chair(wo)man: € 52,500
	Supervisory Board member: € 35,000
Committee remuneration	Audit Committee: € 10,000/€ 20,000 (member/Chair(wo)man)
	Nomination and Remuneration Committee: € 2,500/€ 5,000 (Chair(wo)man)
	Strategy and ESG Committee: € 5,000/€ 10,000 (Chair(wo)man)

Remuneration system as of July 2024

Remuneration component	Remuneration of the supervisory board
Annual fixed remuneration	Chair(wo)man: € 112,500
	Deputy Chair(wo)man: € 67,500
	Supervisory Board member: € 45,000
Committee remuneration	Audit Committee: € 10,000/€ 20,000 (member/Chair(wo)man)
	Nomination and Remuneration Committee: € 2,500 / € 5,000 (member/Chair(wo)man)
	Strategy and ESG Committee: € 5,000/€ 10,000 (Chair(wo)man)
	New: transformation committee: € 10,000/€ 15,000 (member/Chair(wo)man)

In addition to the remuneration set forth above, the Company reimburses the members of the supervisory board for all reasonable out-of-pocket expenses incurred in the performance of their duties as members of the supervisory board and for any VAT payable on such out-of-pocket expenses. Furthermore, the members of the supervisory board are covered by the D&O insurance policy of Mister Spex Group.

These adjustments reflect the increased responsibility and workload of the supervisory board members, in particular in the wake of the establishment of the new transformation committee, which was decided by the general meeting 2024.

Changes in the supervisory board and in the committees in the year 2024

In the financial year 2024, there were several personnel changes in the supervisory board and its committees. In June 2024, Peter Williams, the previous chair of the supervisory board, resigned from his position. At the same time, Stuart Paterson stepped down.

Further personnel changes followed in July 2024. Tobias Krauss was elected as the new chair of the supervisory board by the supervisory board meeting held on July 4, 2024. Nicola Brandolese took over the role of the deputy chair. In the course of these changes, the composition of the committees was also adjusted accordingly.

Remuneration of the supervisory board in 2024

Sec. 162 AktG requires a comprehensive overview of the remuneration awarded and due to members of the supervisory board of listed companies. The following table provides the pro rata fixed remuneration as well as the pro rata committee remuneration in the reporting period. To ensure better comprehensibility, committee memberships are included in the table as well:

Total remuneration of the supervisory board

	Committee memberships[1]				Fixed salary		Committee remuneration		Total remuneration[11]
	Audit	Nomination & Remuneration	Strategy & ESG	Transformation	in €	**in %**	in €	**in %**	in €
Peter Williams (chair Jan 24–Jun 24)	M (Jan 24–Jun 24)	C (Jan 24–Jun 24)	M (Jan 24–Jun 24)		43,750	75	10,000	17	58,049
Nicola Brandolese (deputy chair Jan 24–Jun 24 & Aug 24–today)		C (Jan 24 –Mai 24) M (Jun 24–today)	C (Jan 24–Jul 24)	M (Jul 24–today)	58,125	80	14,375	20	73,112
Tobias Krauss (chair Aug 24–today)	M (Jan 24–today)	M (Jan 24–today)	M (Jun 24–today)	M (Jul 24) C (Aug 24–today)	68,125	64	22,500	21	105,639
Birgit Kretschmer	C (Jan 24–today)	M (Aug 24–today)	M (Jun 24–today)		40,000	63	23,958	37	63,958
Pietro Luigi Longo	M (Jan 24–Mai 24)				40,000	91	4,167	9	44,167
Stuart Paterson	M (Jan 24–Jun 24)	M (Jan 24–Jun 24)	M (Jan 24–Jun 24)		17,500	67	8,750	33	26,250
Nicole Srock,Stanley			M (Jan 24–today)	M (Jun 24–today)	40,000	85	7,083	15	47,083

1 V= Chair; M = Member

11 Including travel costs

Comparative presentation

In addition to the individualized disclosure of the remuneration awarded and due to the management board and supervisory board, Sec. 162 (1) sentence 2 No. 2 AktG also requires a comparative presentation thereof showing the remuneration of the workforce as well as the Company's financial performance. The following table therefore compares the remuneration awarded and due to members of the management board and the supervisory board with the average employee remuneration of Mister Spex SE and the profit or loss of the Company and the Group. As indicators to evaluate the Company's financial performance, the profit or loss of the Company and the Group as well as adjusted EBITDA and consolidated revenue are considered as these indicators are used as key financial parameters in the corporate management of Mister Spex.

The average employee remuneration on a full-time equivalent basis is stated based on personnel expenses including the employer contributions to social security for all together insured employees.

Berlin/Germany, March 26, 2025

Mister Spex SE

The Management Board The Supervisory Board

Comparative presentation

	2024	2023	Change from 2023 to 2024 in %
Management Board	**in €**	in €	in %
Dirk Graber [12]	862,528 [13]	324,405	166
Stephan Schulz-Gohritz	302,528	–	–
Total	**1,165,056**	**324,405**	**259**
Supervisory board			
Peter Williams [14]	58,049	107,500	–46
Nicola Brandolese	73,112	65,000	12
Tobias Krauss	105,639	52,500	101
Birgit Kretschmer	63,958	60,000	7
Pietro Luigi Longo	44,167	35,000	26
Stuart Paterson [15]	26,250	52,500	–50
Nicole Srock,Stanley	47,083	40,000	18
Average	**59,751**	**58,929**	**1**
Employees			
Average for Mister Spex SE (FTE)	50,748	46,551	9
Company performance			
Profit or loss in € m (group level)	–84.9	–47.9	
Profit or loss in € m (company level)	–67.5	–44.2	
Revenue in € m (group level)	216.7	223.5	
Adjusted EBITDA in € m (group level)	–5.8	0.9	

12 Resignation and termination of employment as of July 31, 2024.
13 Includes the benefits defined in the respective termination agreements.
14 Resignation as of June 2024.
15 Resignation as of June 2024.

Report of the independent auditor on the audit of the remuneration report pursuant to Sec. 162 (3) AktG

To Mister Spex SE, Berlin/Germany

Audit Opinion

We conducted a formal audit of the remuneration report of Mister Spex SE, Berlin/Germany, for the financial year from January 1, 2024 to December 31, 2024 to assess whether the disclosures required under Section 162 (1) and (2) German Stock Corporation Act (AktG) have been made in the remuneration report. In accordance with Section 162 (3) AktG, we have not audited the content of the remuneration report.

In our opinion, the disclosures required under Section 162 (1) and (2) AktG have been made, in all material respects, in the accompanying remuneration report. Our audit opinion does not cover the content of the remuneration report.

Basis for the Audit Opinion

We conducted our audit of the remuneration report in accordance with Section 162 (3) AktG and in compliance with the IDW Auditing Standard: Audit of the Remuneration Report pursuant to Section 162 (3) AktG (IDW AuS 870 (09.2023)). Our responsibilities under those requirements and this standard are further described in the "Auditor's Responsibilities" section of our report. Our audit firm has applied the requirements of the IDW Quality Management Standards. We have fulfilled our professional responsibilities in accordance with the German Public Auditor Act (WPO) and the Professional Charter for German Public Auditors and German Sworn Auditors (BS WP/vBP) including the requirements on independence.

Responsibilities of the Executive Board and the Supervisory Board

The executive board and the supervisory board are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of Section 162 AktG. In addition, they are responsible for such internal control as they have determined necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

Auditor's Responsibilities

Our objective is to obtain reasonable assurance about whether the disclosures required under Section 162 (1) and (2) AktG have been made, in all material respects, in the remuneration report, and to express an opinion on this in a report on the audit.

We planned and conducted our audit in such a way to be able to determine whether the remuneration report is formally complete by comparing the disclosures made in the remuneration report with the disclosures required under Section 162 (1) and (2) AktG. In accordance with Section 162 (3) AktG, we have neither audited the correctness of the content of the disclosures, nor the completeness of the content of the individual disclosures, nor the adequate presentation of the remuneration report.

Handling of Possible Misrepresentations

In connection with our audit, our responsibility is to read the remuneration report taking into account our knowledge obtained in the financial statement audit while remaining attentive to any signs of misrepresentations in the remuneration report regarding the correctness of the disclosures' contents, the completeness of the content of the individual disclosures or the adequate presentation of the remuneration report.

If, based on the work we have performed, we conclude that there is such a misrepresentation, we are required to report that fact. We have nothing to report in this regard.

Berlin/Germany, March 26, 2025

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Signed:	Signed:
Gerald Reiher	Patrick Wendlandt
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Consolidated financial statements

4

Consolidated statement of comprehensive income

Consolidated statement of profit or loss

in € k	Note	2024	2023	Change
Revenue	1.	216,752	223,530	-3%
Other own work capitalized		3,203	4,826	-34%
Other operating income	3.	1,357	1,507	-10%
Operating income		**221,313**	**229,863**	**-4%**
Cost of materials	10.	-108,736	-110,373	-1%
Personnel expenses	2., 14.	-62,310	-61,970	1%
Other operating expenses	3.	-74,991	-62,213	21%
Earnings before interest, taxes, depreciation and amortization (EBITDA)		**-24,724**	**-4,693**	**>100%**
Depreciation, amortization and impairment and reversals of impairment	6., 7., 8., 16.	-60,440	-43,026	40%
Earnings before interest and taxes (EBIT)		**-85,164**	**-47,720**	**78%**
Finance income	4.	3,843	3,898	-1%
Finance costs	4.	-4,468	-4,318	3%
Financial result		**-625**	**-421**	**49%**
Earnings before taxes (EBT)		**-85,790**	**-48,141**	**78%**
Income tax income	5.	931	256	>100%
Loss for the period		**-84,859**	**-47,884**	**77%**
Thereof loss attributable to the shareholders of Mister Spex SE		-84,859	-47,884	77%
Basic and diluted earnings per share (in EUR)	26.	**-2,56**	**-1,45**	**77%**

Consolidated statement of comprehensive income

in € k		2024	2023	
Loss for the period		**-84,859**	**-47,884**	**77%**
Other comprehensive income/loss possibly to be reclassified to profit and loss in subsequent periods				
Exchange differences on translation of foreign financial statements		**235**	**-160**	**>-100%**
Other comprehensive income/loss		**235**	**-160**	**>-100%**
Total comprehensive loss		**-84,624**	**-48,044**	**76%**
Thereof loss attributable to the shareholders of Mister Spex SE		-84,624	-48,044	76%

Consolidated balance sheet

Consolidated statement of financial position

Assets

in € k	Note	31 Dec 2024	31 Dec 2023
Non-current assets		**60.479**	**122.673**
Goodwill	6.	316	4,669
Intangible assets	6.	6,405	21,412
Property, plant and equipment	7.	12,927	22,845
Right-of-use assets	16.	36,254	69,126
Other financial assets	9.	4,577	4,620
Current assets		**110,791**	**157,751**
Inventories		28,249	32,498
Right of return assets	1.	807	783
Trade receivables	9.	1,188	2,213
Other financial assets	9.	1,317	975
Other non-financial assets	11.	5,639	9,790
Tax refund claims		1,458	838
Cash and cash equivalents	12.	72,133	110,654
Total assets		**171,270**	**280,424**

Consolidated statement of financial position

Equity and liabilities

in € k	Note	31 Dec 2024	31 Dec 2023
Equity	13.	**71,837**	**155,453**
Issued capital		34,176	34,075
Capital reserves		330,858	329,951
Other reserves		−1,019	−1,254
Accumulated loss		−292,178	−207,319
Non-current liabilities		**57,532**	**77,168**
Provisions	18.	1,886	1,839
Lease liabilities	16.	52,908	70,161
Liabilities to banks	15.	640	1,120
Other financial liabilities	15.	2,026	3,059
Other non-financial liabilities	17.	72	21
Deferred tax liabilities	5.	0	969
Current liabilities		**41,901**	**47,803**
Provisions	18.	802	1,006
Trade payables	15.	9,957	17,935
Refund liabilities	15.	2,187	1,974
Lease liabilities	16.	12,563	15,328
Liabilities to banks	15.	240	0
Other financial liabilities	15.	3,144	2,157
Contract liabilities	1.	2,456	1,821
Other non-financial liabilities	17.	10,551	7,582
Total equity and liabilities		**171,270**	**280,424**

Consolidated statement of changes in equity

Consolidated statement of changes in equity

in € k	Note	Subscribed capital	Treasury shares	Capital reserve	Other reserves	Accumulated loss	**Total**
As of 1 Jan2023		**34,864**	**−998**	**327,668**	**−1,094**	**−159,435**	**201,005**
Loss for the period						−47,884	−47,884
Other comprehensive income/loss					−160		−160
Consolidated comprehensive income							**−48,044**
Capital increases		184		68			252
Issue of treasury shares for share-based payments			25				25
Share-based payments				2,215			2,215
As of 31 Dec 2023		**35,048**	**−973**	**329,951**	**−1,254**	**−207,319**	**155,453**
Loss for the period						−84,859	−84,859
Other comprehensive income/loss					235		235
Consolidated comprehensive income							**−84,624**
Issue of treasury shares for share-based payments	13.		101				101
Share-based payments	14.			907			907
As of 31 Dec 2024		**35,048**	**−872**	**330,858**	**−1,019**	**−292,178**	**71,837**

Consolidated statement of cash flows

Consolidated statement of cash flows

in € k	Note	2024	2023
Operating activities			
Loss for the period		**−84,859**	**−47,884**
Adjustments for:			
Finance income	4.	−3,843	−3,898
Finance costs	4.	4,468	4,313
Income tax income	5.	−931	−256
Amortization and impairment of intangible assets	6.	18,952	7,468
Depreciation and impairment of property, plant and equipment	7.	9,618	8,402
Depreciation and impairment of right-of-use assets	16.	27,517	18,996
Impairment of goodwill	6.	4,353	8,160
Non-cash expenses for share-based payments and remeasurement of financial liabilities	15.	1,192	2,215
Increase (+)/decrease (-) in provisions	18.	107	275
Increase (-)/decrease (+) in inventories	10.	4,249	−2,457
Increase (-)/decrease (+) in other assets	11.	6,713	4,362
Increase (+)/decrease (-) in trade payables and other liabilities	15.,17.	−2,779	7,168
Income tax paid	5.	−664	−908
Interest paid		−3,400	−3,263
Interest received		3,008	3,344
Cash flow from operating activities		**−16,299**	**6,037**

Consolidated statement of cash flows

in € k	Note	2024	2023
Investing activities			
Investments in property, plant and equipment	7.	−1,589	−7,464
nvestments in intangible assets	6.	−4,788	−7,142
Cash flow from investing activities		**−6,377**	**−14,606**
Financing activities			
Payments issue of shares or other equity instruments		−183	0
Cash received from capital increases, net of transaction costs	14.	0	277
Cash received from borrowings		0	1,941
Cash outflows from repayment of borrowings	16.	−1,253	−928
Payment of principal portion of lease liabilities	16.	−14,411	−9,860
Cash flow from financing activities		**−15,846**	**−8,569**
Net change in cash		**−38,522**	**−17,138**
Cash and cash equivalents at the beginning of the period		110,654	127,792
Cash and cash equivalents at the end of the period		**72,133**	**110,654**

Notes to the consolidated financial statements

I. Information on the Company

The consolidated financial statements of Mister Spex SE (the "Company") and its subsidiaries ("Mister Spex Group," "Mister Spex" or the "Group") for the financial year ended December 31, 2024, were approved and authorized for issue by management resolution dated March 26, 2025. Mister Spex SE was established on January 8, 2008. and has its registered office at Hermann-Blankenstein-Strasse 24, 10409 Berlin/Germany. The Company is entered in the commercial register of Charlottenburg Local Court under HRB no. 230317 B. The Company has been listed on the Regulated Market (Prime Standard) of the Frankfurt Stock Exchange since July 2, 2021.

The Group primarily engages in the marketing of glasses, sunglasses and contact lenses in Europe.

II. Summary of significant accounting policies

Basis of preparation

The consolidated financial statements were prepared applying Sec. 315e German Commercial Code (HGB) and in accordance with the international accounting standards based on the IFRS® Accounting Standards (IFRS) published by the International Accounting Standards Board in effect and adopted by the European Union (EU) at the reporting date and the IFRIC® pronouncements of the IFRS Interpretations Committee (IFRIC) approved by the IASB.

The consolidated financial statements are regularly prepared on an historical cost basis. except for certain financial instruments and share-based payments, which were measured at fair value. The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

The statement of profit and loss within the statement of comprehensive income was prepared using the nature of expense method.

Due to rounding differences, figures in tables may differ slightly from the actual figures.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

Presentation currency

The consolidated financial statements were prepared in euros (EUR), which is the functional and presentation currency of the Group, and all values in the consolidated financial statements and the related notes are rounded to the nearest thousand (kEUR) except where otherwise indicated. This may result in rounding differences in the tables of the notes to the consolidated financial statements.

Scope of consolidation

The consolidated financial statements include the financial statements of Mister Spex SE and its subsidiaries as of December 31, 2024. Control within the meaning of IFRS 10 is achieved when the Group is exposed, or has the right, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee that significantly affect its returns)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins from the date the Group obtains control over the subsidiary. and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

All intercompany assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, the related assets (including goodwill), liabilities, non-controlling interests and other equity components are derecognized. Any resultant gains or losses are recognized in the statement of profit and loss. Any investment retained is recognized at fair value.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company.

The number of consolidated companies in the financial year 2024 remains unchanged at six subsidiaries, which were fully consolidated in the financial year.

These consolidated financial statements were prepared for financial year 2024 with a reporting period from January 1 to December 31. The consolidated entities also have the calendar year as their financial year.

The structure of the Group is described in note (24).

The financial statements of the entities included in the consolidated financial statements were prepared in accordance with the uniform accounting policies of the parent company. The group entities each prepare their financial statements in their own functional currency.

Currency translation

The consolidated financial statements are presented in euros, which is the functional currency of Mister Spex SE and the Group's presentation currency pursuant to IAS 21.

Items included in the financial statements of each entity are measured using the respective functional currency.

Transactions in foreign currencies are initially translated into the functional currency by the group entities at the respective rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the spot rate prevailing at the end of the reporting period. Any differences arising on settlement or translation of monetary items are recognized in profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The assets, liabilities, expenses and income of all the group entities are translated into the presentation currency as follows:

- The assets and liabilities of subsidiaries are translated at the closing rate on the balance sheet date.
- Income and expenses included in the statements of comprehensive income are translated using the exchange rate at the date of the transaction. If exchange rates do not fluctuate strongly, the weighted average rates are used instead.
- The equity of the subsidiaries is translated using the historical rate. All resulting exchange differences are recognized in other comprehensive income as an adjustment item for exchange differences on translating foreign operations.

The Group uses the following exchange rates:

	2024	2023
Norwegian krone (NOK)		
Closing rate	11.7950	11.2405
Annual average exchange rate	11.6290	11.4248
Swedish krona (SEK)		
Closing rate	11.459	11.0960
Annual average exchange rate	11.4325	11.4788
Swiss franc (CHF)		
Closing rate	0.9412	0.9260
Annual average exchange rate	0.9526	0.9718

III. Accounting policies

Goodwill

Goodwill is measured by deducting the net assets of the acquiree, measured at fair value, from the aggregate of the consideration transferred for the acquiree, the amount of non-controlling interest in the acquiree and fair value of an interest in the acquiree held immediately before the acquisition date. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit and loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this way is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Measurement of the fair value of financial assets and liabilities

The Group measures certain financial instruments, such as derivatives, at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the parties involved in setting the price always act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value.

The following measurement hierarchy is used for fair value measurement. The inputs used in the valuation techniques are categorized in three levels:

- Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

When measuring fair value, the Group maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. The categorization of valuation techniques in the various levels is reviewed at the end of each reporting period.

Current versus non-current classification

The Group presents its assets and liabilities in the statement of financial position based on current/non-current classification.

The Group classifies assets and liabilities as current if

- the asset is expected to be realized or the liability is due to be repaid in the normal operating cycle, or the asset is held for sale or consumption within this period,
- the assets and liabilities are primarily held for trading,
- the asset is expected to be realized or the liability is due to settled within 12 months after the reporting date,
- they are, in case of assets, cash or a cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date
- in the case of liabilities, the Company on the closing date does not have the right to defer settlement of the liability for at least twelve months after the reporting date.

The Group classifies all other assets and liabilities as non-current.

Management's intention to repay a long-term liability early does not justify its classification as current. Rather, the contractual right to avoid payment for at least twelve months should be the point of reference.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Revenue from contracts with customers

The Group generates revenue primarily from the sale of glasses, sunglasses and contact lenses.

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer, always on delivery of the goods. Revenue is recognized at the amount of the consideration received or receivable. This revenue is generally recognized prior to performance. The Mister Spex Group therefore presents contract liabilities for the outstanding performance. The Group has generally concluded that it is the principal in its revenue arrangements because it regularly controls the goods or service before transferring them to the customer.

Mister Spex offers its customers a wide range of payment options, in particular payment by invoice, by PayPal, by credit card, in advance, per credit/voucher or by direct debit.

Rights of return

The contracts for the sale of products provide customers with a right of return within a fixed period.

The Group uses the expected value method to estimate the goods that will not be returned, because this method best predicts the amount of variable consideration to which the Group will be entitled. For goods that are expected to be returned, instead of revenue, the Group recognizes a refund liability. It is measured at the amount the Group ultimately expects it will have to return to the customer. A right of return asset (and corresponding adjustment to cost of sales) is also recognized for the right to recover products from a customer. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods.

Warranty obligations

The Group typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are recognized as provisions in accordance with IAS 37. Details on the accounting policy for warranty provisions are included in note (18).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Group performs under the contract. The length of time between payment of the products and the transfer of the product to the customer can be up to 15 days. Refer to note (1) for more information.

Factoring

With a view to recognizing the receipt of cash flows at an early stage, receivables from sales by invoice and direct debit are sold and assigned to factors and then derecognized from the consolidated statement of financial position (non-recourse factoring). In this connection, the Group transfers, on a notification basis, the cash flows to a third party which bears the full credit risk. No del credere risk is retained.

Expense recognition

Operating expenses are recognized in profit and loss when a service is used or when the costs are incurred.

Interest is recognized as a financial income or expense item in the period to which it relates using the effective interest method. The EIR is the rate that exactly discounts the estimated future cash receipts and payments over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

Taxes

Current income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

The income tax expense or income relates to current and deferred taxes and is recognized in the statement of profit and loss for the financial year.

Deferred tax assets and liabilities

Deferred tax is recognized using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date and for tax loss carryforwards.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss and

- With regard to taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

VAT

Expenses and assets are recognized net of VAT when the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

The net amount of VAT recoverable from, or payable to, the taxation authority is included in the statement of financial position under other non-financial assets and other non-financial liabilities, respectively.

Intangible assets

Intangible assets acquired separately are recognized initially at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Internally generated intangible assets are recognized at the costs incurred in the development phase from the time when the technical and economic feasibility has been demonstrated until the time when the intangible asset has been completed.

Development expenditures on an individual project are recognized as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for internal use or sale
- Its intention to complete the asset and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and, if necessary, accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit.

Research costs were insignificant and were immediately expensed.

The useful lives of intangible assets are assessed as either finite or indefinite.

Internally generated and purchased intangible assets that have a determinable useful life are amortized over their expected useful lives using the straight-line method, starting from the time when they become available for use by the enterprise, as follows:

	Useful life in years
Customer lists	2.5 to 9.5
Software	2 to 5
Other licenses	3 to 10

The amortization period for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. These intangible assets are not amortized. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Property, plant and equipment

Property, plant and equipment as well as assets under construction are stated at cost less accumulated depreciation and impairment, if any. Costs of repairs and maintenance are expensed as incurred.

The present value of the expected cost for the decommissioning of assets after their use is included in the cost of the respective asset if the recognition criteria for a provision are met. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit and loss when the asset is derecognized.

The residual values, useful lives and depreciation methods of items of property, plant and equipment are reviewed, and adjusted if appropriate, at each reporting date.

Property, plant and equipment are depreciated using the straight-line method, with the cost being allocated over their estimated useful lives:

	Useful life in years
Plant and machinery	8 to 15
Furniture, fixtures and office equipment	3 to 10

Leases

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. It recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying asset.

Rental agreements may contain both a lease and a non-lease component. The Group allocates the transaction price to these components on the basis of their relative standalone selling prices.

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of the right-of-use assets includes the present value of lease payments, any initial direct costs incurred by the lessee, any restoration obligations and any lease payments made on or prior to the commencement date, less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the lease term and the useful lives of the leased assets. Further information on lease terms is included in note (16).

Lease liability

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

The Group is exposed to potential increases in variable lease payments resulting from a change in an index or rate. Such potential changes in lease payments are not included in the lease liability until they become effective. As soon as the change in an index or rate affects lease payments, the lease liability and the right-of-use asset are adjusted accordingly.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

The present value of the lease payments is determined using the maturity- and risk-matched incremental borrowing rate.

The carrying amount of the lease liability is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value.

Lease payments on short-term leases and leases of low-value assets are recognized as expenses on a straight-line basis over the lease term.

Sale and leaseback transactions

If a sale and leaseback transaction constitutes a sale of an asset within the meaning of IFRS 15 Revenue from Contracts with Customers, the Group must derecognize the right-of-use asset and recognize any gain or loss that relates to the rights transferred to the lessor (buyer). If the transfer of the asset is not a sale, the Group accounts for the transaction as a financing arrangement. The Group continues to recognize the asset transferred under the sale and leaseback transaction in its statement of financial position and recognizes amounts received as a financial liability in accordance with IFRS 9. The financial liability is reduced by payments made by the Group less the related interest expense.

The Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in other operating income due to its operating nature. Initial direct costs incurred in negotiating and concluding an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Investment property

Investment property is property held to earn rentals or for capital appreciation or both. It also includes property under construction for future use for the above purposes. Investment properties are initially recognized at cost, including transaction costs. Investment properties are subsequently measured at fair value. Gains and losses arising from changes in fair value are recognized in profit and loss for the period in which they arise.

An investment property is derecognized upon disposal or when it is no longer intended to be used permanently and a future economic benefit from the disposal is no longer expected. Gains or losses resulting from the disposal are determined as the difference between the net realizable value and the carrying amount of the asset and is recognized in the consolidated statement of profit and loss in the period of the disposal.

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using an after-tax discount rate that reflects current market assessments of the time value of money. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations mostly cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year. To assess impairment of the stores, detailed budgets and forecast calculations were prepared for the contractually agreed lease terms.

Impairment losses are recognized in the expense category "Depreciation, amortization and impairment" in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. The reversal is recognized in profit and loss.

Goodwill is tested for impairment once a year as of December 31. A test is also performed if circumstances indicate that the value may be impaired.

Impairment losses relating to goodwill may not be reversed in future periods.

Inventories

Inventories are measured at the lower of cost or net realizable value on the reporting date. Net realizable value is the estimated selling price less the estimated costs to make the sale. The cost of items of inventory is determined using the first-in, first-out (FIFO) method.

Inventories comprise merchandise, raw materials, consumables and supplies.

Adequate write-downs to the net realizable value provide for valuation risks resulting from slow-moving stock and/or reduced usability. Write-downs of inventories are reversed if the reasons for the write-down no longer exist.

Financial assets

The Group's financial assets mainly comprise cash and cash equivalents, trade receivables and other financial assets.

Initial recognition

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI) and fair value through profit and loss.

The category financial assets measured at amortized cost (debt instruments) includes trade receivables, receivables from sales by invoice and direct debit and other financial assets initially recognized at fair value.

Financial assets with cash flows that are not solely payments of principal and interest are classified at fair value through profit and loss, irrespective of the business model, and accordingly valued purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Trade receivables are recognized at the transaction price determined under IFRS 15.

Losses arising from the impairment of financial assets are recorded in the statement of profit and loss under other operating expenses in separate accounts.

There are no other risks arising from late payment or changes in the exchange rate.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at fair value through other comprehensive income with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through other comprehensive income with no recycling of cumulative gains and losses upon derecognition (equity instruments);
- Financial assets at fair value through profit and loss.

The financial assets at amortized cost (debt instruments) category is the category most relevant to the consolidated financial statements.

The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Assets at amortized cost (debt instruments) are subsequently measured using the effective interest method and are subject to impairment.

The Group uses the new impairment model for financial assets measured at amortized cost introduced by IFRS 9. Mister Spex uses the simplified approach to assess credit risk and calculates the expected credit losses (ECL) using a loss allowance equal to the amount of the lifetime expected credit losses, regardless of the timing of the default. Refer to note (9) for more information.

Financial assets at fair value through profit and loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit and loss.

A financial asset is generally derecognized when the contractual rights to receive the cash flows from the financial asset expire.

Financial liabilities

Initial recognition

All financial liabilities are recognized initially at fair value, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, other financial liabilities and liabilities to banks including bank overdrafts.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification.

Trade payables, liabilities to banks and other financial liabilities are classified in the category at amortized cost.

After initial recognition, interest-bearing liabilities to banks are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. Refer to note (15) for more information.

A financial liability is derecognized when the obligation under the liability is discharged or canceled or expires.

Provisions

Provisions are non-financial liabilities of uncertain timing or amount. They are recognized in accordance with IAS 37 when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount of the provision is the best estimate taking all identifiable risks from the obligation into account. The settlement value that is the most probable is used. Provisions with a term of more than one year were discounted to the reporting date.

Warranty provision

The Group provides warranties for general repairs of defects that existed at the time of sale, as required by law. Provisions related to these assurance-type warranties are recognized when the product is sold or the service is provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Share-based payments

In the Mister Spex Group, employees receive share-based payments in the form of equity instruments.

The payments granted to executive staff and employees are recognized as an expense, on the one hand, and as a contribution to capital reserves in the amount of the fair value, on the other. Expenses are recognized and amounts are allocated to the capital reserves over the contractually agreed vesting period. The fair value of the options issued is calculated at the grant date.

The cost of equity-settled transactions is recognized, together with a corresponding increase in capital reserves in equity, over the period in which the performance and/or service conditions are fulfilled (so called vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in profit and loss for represents the movement in cumulative expense recognized as at the beginning and end of that period.

No expense is recognized for awards that do not vest because a service condition was not observed. No expense is recognized for awards that do not ultimately vest, except for equity-settled transactions for which vesting is conditional upon a market or non-vesting condition. These are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the original terms of the award had been met. Mister Spex also records the increase in the fair value of the promised equity instruments as a result of a modification.

When an equity-settled award is canceled, it is treated as if it vested on the date of cancellation, and any expense not yet recognized for the award is recognized immediately. However, if a new award is substituted for the canceled award, and designated as a replacement award on the date that it is granted, the canceled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph. All cancellations of equity-settled transaction awards are treated equally.

Refer to note (14) for more information.

Earnings per share

Basic earnings per share are calculated by dividing the share in profit and loss for the period attributable to the shareholders of Mister Spex SE by the weighted average number of shares outstanding. New share issues during a period are considered on a pro rata basis for the period during which they are outstanding.

Segment reporting

The segment reporting of the Mister Spex Group is based on its internal organizational and reporting structure using the management approach.

IV. Significant accounting estimates and judgments in applying accounting policies

The preparation of financial statements in accordance with IFRSs requires management to make assumptions and estimates which impact the reported amounts as well as the related disclosures. In preparing the consolidated financial statements as of December 31, 2024, management assessed the ongoing war in Ukraine, the continued high inflation rate compared to the long-term trend and the subdued global economic growth and its impact on the Group's assets, liabilities, financial position and financial performance as well as the significant assumptions and estimates.

The Russian war against Ukraine with its political and economic implications, cost inflation and the overall economic development could still lead to a slight decrease in demand for consumer goods, according to management estimates. The change in customer demand could also result in a slight slump in revenue. All estimates and assumptions are reviewed on an ongoing basis. The future development and the impact on business development are still subject to a fair amount of uncertainty at present due to the volatility of economic growth (in addition, see the detailed discussion of the market environment and industry development in the "Economic report" section of the management report). With regard to judgments, changes in estimates and valuation uncertainties, the Group endeavored to factor in the current market situation with its uncertainties and other conditions to the best of its knowledge and belief at the time the financial statements were prepared.

Significant estimates and assumptions are made particularly with regard to the following matters:

Share-based payments

The Group measures the cost of equity-settled transactions with executives and employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note (14).

Impairment tests

Regardless of whether there is any indication of impairment, goodwill and intangible assets under development are tested for impairment in accordance with IAS 36 on an annual basis at the level of the cash-generating unit to which the asset belongs. If there are indications of impairment, the impairment test is extended to include other assets that also might be affected. The impairment test is based on the future net cash flows generated for individual assets or in groups of assets combined into cash-generating units. Impairment exists when the carrying value of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. A discounted cash flow method is used to calculate the value in use, with the inputs classified as level 3 of the fair value hierarchy. The recoverable amount is sensitive to the discount rate used for the discounted cash flow method as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

See note (8) of the notes to the consolidated financial statements on impairment tests for further details.

Leases

The Group determines the lease term as the non-cancelable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group uses its incremental borrowing rate to measure lease liabilities, which is estimated using observable inputs when available. In addition, the Group is required to make certain entity-specific estimates.

There have been no changes in accounting methods or accounting-related estimates.

Climate action and sustainability

Climate protection and a focus on sustainability are important to us. To this end, we are driving many initiatives, large and small, to reduce our negative impact on the environment and people, and to transform it into a positive one. At the end of 2023, we designed our ecommerce boxes and subcontracted a new supplier. The new packaging has been in use since January 2024. The focus is on sustainability and the "unboxing" customer experience. Our cardboard boxes are made from a high percentage of recycled materials and are FSC-certified. This means that the paper products we use for our packaging come from responsibly managed forests and are 100% recyclable. Our home trial boxes with glasses that can be tried on at home can be reused for returns, as they have a second adhesive tape and do not require any additional packaging tape. To protect our glasses from damage in the package during transport, we have launched a 100% recyclable filling paper that we use to fill the boxes and protect the contents of the boxes.

Overall, there were no material effects on the consolidated financial statements.

V. Amendments and new accounting pronouncements

As of January 1, 2024, the Group applied all standards and amendments for the first time that became effective as of that date. However, these do not have a significant impact on the consolidated financial statements:

- Amendments to IAS 1: Classification of Liabilities as Current or Non-Current and Non-current Liabilities with Covenants
- Amendments to IFRS 16: Lease Liability in a Sale-and-Leaseback Transaction
- Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements

New accounting pronouncements that have not yet been applied

The Mister Spex Group does not plan early application of the following standards and interpretations that will only become effective in future financial years. The Group does not expect their application to have a material impact on its consolidated financial statements.

First-time application: reporting periods beginning on or after January 1, 2025

- Amendments to IAS 21: Lack of Exchangeability of a Currency

New requirements

The following standards have not yet been endorsed by the EU. These standards have not yet applied been applied and, apart from IFRS 18, are not to be expected to have any significant impact on the consolidated financial statements. The Group is currently assessing the impact of IFRS 18:

First-time application: reporting periods beginning on or after January 1, 2026

- Amendments to IFRS 9 and IFRS 7: Classification and Valuation of Financial Instruments
- Annual Improvements to IFRS – Volume 11
- Amendments to IFRS 9 and IFRS 7: Contracts with Links to Nature-Dependent Electricity

First-time application: reporting periods beginning on or after January 1, 2027

- IFRS 18: Presentation and Disclosure in Financial Statements
- IFRS 19: Subsidiaries without Public Accountability: Disclosures

Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture. The date of application has not yet been decided.

VI. Operating segments

For corporate management purposes, the Mister Spex Group is organized according to geographic regions and comprises the two reportable segments pursuant to IFRS 8 presented below:

Reportable Segments	Divisions
Germany	Purchase and sale of prescription glasses, sunglasses and contact lenses via the German web shops and stores in Germany
International	Purchase and sale of prescription glasses, sunglasses and contact lenses via the international web shops in Austria, Finland, France, Italy, the Netherlands, Norway, Spain, Sweden, Switzerland and the UK as well as stores in Austria, Sweden and Switzerland

The breakdown by geographical area is based on the size of the sales volume because Germany represents the core market and International represents the comparison market.

In 2024, the two Co-CEOs were initially the chief operating decision makers (CODM), and from August they were joined by another CEO. They separately monitored the operating results of the segments to decide on the allocation of resources and assess performance.

Intersegment pricing is determined on an arm's length basis.

Information on the two reportable segments is presented below. The adjusted segment earnings before interest, taxes, depreciation and amortization (adjusted EBITDA) are used to measure performance because the management board believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries. EBITDA is adjusted for expenses for share-based payments pursuant to IFRS 2, transformation costs and one-time effects that are not part of ordinary business.

In financial year 2024, impairment losses of kEUR 19,871 and kEUR 9,343, respectively, were charged on assets in the Germany and International segments. For additional information, see note (8) and (16).

Revenue development by segment

The "Reconciliation" column shows the consolidation entries between the segments subject to reporting.

2024 in € k	Germany	International	Reconciliation	Total
External revenue	169,047	47,705		216,752
Intersegment revenue	575	2,340	–2,915	0
Segment revenue	**169,623**	**50,045**	**–2,915**	**216,752**
Adjusted EBITDA	–1,504	–4,297		–5,801

Reconciliation of the adjusted EBITDA to EBIT

(1 Jan to 31 Dec)

In € k	**2024**	2023	Change
I. Revenue			
Revenue of the reportable segments	219,668	231,112	–5%
Elimination of intersegment revenue	–2,915	–7,582	–62%
Consolidated revenue	**216,752**	**223,530**	–3%
II. Adjusted EBITDA			
Adjusted EBITDA of the reportable segments	–5,801	900	>–100%
Adjustments - of which:	–18,924	–5,593	>100%
Effects from the application of IFRS 2	–907	–2,215	–59%
Transformation costs	–14,611	–2,950	>100%
Other one-time effects	–3,405	–428	>100%
Finance income and costs	–625	–421	49%
Depreciation, amortization and impairment and reversals of impairment	–60,440	–43,026	40%
Earnings before income taxes	**–85,790**	**–48,141**	78%

The adjustments in the amount of kEUR 18,924 for 2024 mainly comprise the expenses of kEUR 13,113 for the transformation program “SpexFocus” launched in August 2024 and kEUR 1,498 (prior year: kEUR 2,950) for the efficiency program “Lean for Leverage“, which was terminated in 2024, as well as kEUR 3,405 (prior year: kEUR 428) for other one-time effects.

The costs for the transformation and restructuring program “SpexFocus” mainly comprise expenses incurred in relation with store closures of kEUR 5,047, employee severance and redundancy payments of kEUR 3,824 and expenses for adjusting the product range strategy of kEUR 3,.353. Other one-time effects include, among others, non-recurring consulting services for transactions that are not part of the normal course of business, e.g. expenses related to the annual meeting and the extraordinary annual general meeting in the amount of kEUR 902.

The adjustments for 2024 also include expenses of kEUR 907 in relation to IFRS 2.

The financial information for the segments is broken down in the regions Germany and international as follows:

(1 Jan to 31 Dec)						
In € k	Germany		International		Total	
	2024	2023	**2024**	2023	**2024**	2023
EBITDA	**−12,891**	**141**	**−11,833**	**−4,834**	**−24,724**	**−4,693**
Revenue	169,047	168,556	47,705	54,974	216,752	223,530
Cost of materials	−81,233	−78,840	−27,503	−31,533	−108,736	−110,373
Personnel expenses	−50,857	−43,663	−11,453	−18,307	−62,310	−61,970
Of which adjusted	3,745	3,418	1,526	1,115	5,270	4,533
Other operating expenses	−53,405	−50,688	−21,586	−11,525	−74,991	−62,213
Of which adjusted	7,642	782	6,011	278	13,653	1,060
Total adjustments	11,387	4,200	7,537	1,393	18,924	5,593
Adjusted EBITDA	**−1,504**	**4,341**	**−4,297**	**−3,442**	**−5,801**	**900**

Adjusted EBITDA came to a total of kEUR -5,801 in financial year 2024 (prior year: kEUR 900) and was therefore down by kEUR 6.701 compared to the same period of the prior year.

In 2024, **personal expenses** increased by 1% compared to the previous year. The implementation of the transformation and restructuring program “SpexFocus” led to an increase in personnel expenses in the second half of the year due to severance pay agreements. The increase in personnel expenses affects both segments equally, as the costs for the transformation and restructuring program are allocated to both segments on a proportionate basis.

The **other operating expenses** increased by 21% year-on-year, which was mainly due to the expenses in connection with the transformation and restructuring program “SpexFocus“, which mainly included expenses incurred in relation to the adjustment of the assortment strategy and the store closures, the latter relating to the International segment. At the same time, marketing expenditure decreased by 6%.

EBITDA came to kEUR -24,724, which was below the level in the prior year of kEUR -4,693. The main reasons for this were the effects from the transformation and restructuring program “SpexFocus”, higher expenses and a decrease in sales due to the discontinuation of discounts.

The following table shows Mister Spex Group's external revenue by product type, with segment revenue based on the geographical location of customers:

In € k	Germany		International		Total	
	2024	2023	**2024**	2023	**2024**	2023
Revenue						
Prescription glasses	78,188	77,171	11,671	12,943	89,859	90,114
Sunglasses	48,739	48,721	16,195	18,770	64,933	67,491
Contact lenses	38,786	38,807	19,117	22,493	57,903	61,300
Total products	**165,712**	**164,699**	**46,982**	**54,206**	**212,695**	**218,905**
Other services	3,335	3,857	722	768	4,057	4,625
Total	**169,047**	**168,556**	**47,705**	**54,974**	**216,752**	**223,530**

The following table shows the Group's revenue and non-current assets broken down by the Company's country of domicile (Germany) and other countries (International). In presenting the geographic information, segment assets are based on the location of the assets.

	2024	2023
Non-current assets		
Germany	43,603	89,012
International	12,298	29,041
Total	**55,902**	**118,053**

Non-current assets exclude financial instruments, deferred tax assets and employee benefit assets.

Revenue from transactions with a single customer never exceeded 10% of the Group's total revenue generated in financial years 2024 or 2023.

VII. Notes to the consolidated statement of comprehensive income

1. Revenue

Revenue comprises sales of merchandise, marketing services provided and other services related to the core business.

The Group's revenue by geographical segment and by product category and services is presented in the section on operating segments.

Revenue from product sales amounted to kEUR 212,695 in the financial year (prior year: kEUR 218,905). Revenue from marketing and other services provided amounted to kEUR 4,057 in 2024 (prior year: kEUR 4,625).

Assets and liabilities under IFRS 15 Revenue from Contracts with Customers break down as follows:

In € k	**2024**	2023
Right of return assets	807	783
Refund liability	2,187	1,974
Provisions for warranties	742	1,006
Contract liabilities	2,456	1,821

Contract liabilities of kEUR 2,456 (prior year: kEUR 1,821) arising from prepayments received are generally realized (settled) within a few weeks after the reporting date by delivery of the products to customers. The prior-year amount was realized in full in financial year 2024. As the contract liabilities relate to prepayments received from customers, the balances of this item vary and depend on the invoiced orders at the end of the year.

Rights to the surrender of goods from anticipated returns by customers in the amount of kEUR 807 (prior year: kEUR 783) and refund liabilities of kEUR 2,187 (prior year: kEUR 1,974) are presented as separate items in the statement of financial position.

2. Personnel expenses

Personnel expenses for the financial year break down as follows:

In € k	**2024**	2023
Wages and salaries	53,252	52,837
Social security costs	9,058	9,132
Total	**62,310**	**61,970**

Social security costs include pension costs in the form of contributions to statutory pension insurance of kEUR 3,902 (prior year: kEUR 3,909).

The increase in personnel expenses is due to higher severance payments compared to the prior year.

Furthermore, the personnel expenses include share-based payments in accordance with IFRS 2 totaling kEUR 1,337, which are described in section 14.

3. Other operating income and expenses

The changes in **other operating income** for the financial year of kEUR 150 to kEUR 1,357 (prior year: kEUR 1,507) are due to the reimbursements in connection with the international store closures in Sweden and operating costs of kEUR 461 (prior year: EUR 0) as well as to the countervailing effect of a decline in out-of-period income of kEUR 74 (prior year: kEUR 609).

Other operating expenses for the financial year break down as follows:

In € k	2024	2023
Marketing costs	23,440	24,877
Freight and fulfillment costs	14,537	15,189
General business costs	11,068	10,150
Other	10,200	3,939
Legal and consulting fees	9,637	2,710
External services	6,109	5,349
Total	**74,991**	**62,213**

The "**Other**" item under other operating expenses for the financial year of kEUR 10,200 (prior year: kEUR 3,939) mainly comprises expenses from the store closures of kEUR 3,688 (prior year: kEUR 2,592), expenses in relation to the transformation program "SpexFocus" of kEUR 4,521, insurance and other fees of kEUR 832 (prior year: kEUR 910) and out-of-period expenses of kEUR 212 (prior year: kEUR 393).

4. Finance income and costs

Finance income for the financial year breaks down as follows:

In € k	2024	2023
Interest income	3,304	3,237
Currency translation	539	661
Total	**3,843**	**3,898**

Finance income mainly includes income from overnight and time deposits in the amount of kEUR 3,010 (prior year: kEUR 3,206) and the air value measurement of foreign currencies in the amount of kEUR 265 (prior year: expenses kEUR 195).

Finance costs for the financial year break down as follows:

In € k	2024	2023
Interest and similar expenses	3,544	3,655
Currency translation	924	663
Total	**4,468**	**4,318**

Interest and similar expenses also contain interest on lease liabilities of kEUR 3,184 (prior year: kEUR 2,758). In addition, the interest expenses from sale and leaseback transactions of kEUR 163 (prior year: kEUR 177).

5. Income taxes

Income tax income in profit and loss relates to the following items:

In € k	2024	2023
Current taxes	38	–52
Deferred tax assets and liabilities	–969	–205
Income tax income	**–931**	**–256**

The reconciliation of income tax income and the expected tax income for financial years 2024 and 2023 is as follows:

Recognized deferred tax assets on tax losses	2024	2023
Earnings before taxes	**–85,790**	**–48,141**
Tax rate	27.68%	29.45%
Expected tax income calculated at domestic tax rates applicable to earnings in the respective countries	23,742	14,177
Unrecognized deferred tax assets on tax losses and deductible temporary differences	–13,438	–10,690
Unrecognized deferred tax assets on asset differences	– 6,548	0
Non-deductible business expenses	–1,694	–749
Non-deductible impairment losses on goodwill	–1,314	–2,581
Utilization of interest carryforward	848	769
Share-based payment expenses not deductible for tax purposes	–2	–668
Other effects	–663	–2
Recognized income tax income	**931**	**256**

The average applicable tax rate was 27.7% (prior year: 29.4%) which was derived from the tax rates in the individual countries by the relevant pre-tax earnings.

Deferred tax assets and liabilities

Differences between IFRS and statutory taxation regulations give rise to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases. The deferred income taxes resulting for the temporary differences are recognized in full in the statement of profit and loss. The deferred taxes recognized in the statement of financial position for temporary differences and losses and interests carryforwards are detailed below:

In € k	Deferred tax assets		Deferred tax liabilities	
	31 Dec 2024	31 Dec 2023	**31 Dec 2024**	31 Dec 2023
Intangible assets from internally generated software	734	0	2,631	6,286
Intangible assets from business combinations	0	0	90	123
Software	0	0	–	–
Furniture, fixtures and office equipment	2,292	1,031	–	–
Leases	19,100	22,200	10,881	20,612
Other	986	197	–	–
Aggregate amount of temporary differences	**23,113**	**23,428**	**13,602**	**27,021**
Loss carryforwards capitalized	0	2,624	–	–
Total deferred taxes (before offsetting)	**23,113**	**26,052**	**13,602**	**27,021**
Offsetting	–13,602	–26,052	–13,602	–26,052
Total deferred taxes (after offsetting)	**9,511**	**–**	**–**	**969**

Deferred tax assets are recognized in the amount of the expected future tax benefit. No deferred tax assets were recognized on corporate income tax loss carryforwards of kEUR 192,460 (prior year: kEUR 147,404) and trade tax loss carryforwards of kEUR 180,372 (prior year: kEUR 137,712). Additionally, there are interest carryforwards of kEUR 3,332 (prior year: kEUR 6,140) for which no deferred taxes were recognized.

Tax loss carryforwards for foreign subsidiaries for which no deferred taxes were recognized amount to kEUR 23,681 (prior year: kEUR 4,933). The unused losses and interest can be carried forward indefinitely.

No deferred taxes were recognized for deductible temporary differences of kEUR 31,517 (prior year: kEUR 10,069).

VIII. Notes to the consolidated statement of financial position

6. Goodwill and intangible assets

Changes in the carrying amounts of goodwill and intangible assets are presented below:

Cost

In € k	Goodwill	Customer base	Brand	Software	Software under development	Total
As of 1 Jan 2023	**14,987**	**3,569**	**221**	**42,728**	**7,413**	**68,918**
Additions	0	0	0	338	6,804	7,142
Reclassifications	0	0	0	10,925	– 10,925	0
Currency effects	0	0	0	0	0	0
As of 1 Dec 2023	**14,987**	**3,569**	**221**	**53,992**	**3,292**	**76,061**
Additions	0	0	0	308	4,480	4,788
Reclassifications	0	0	0	3,555	– 3,555	0
Disposals	0	0	0	– 1,590	– 343	– 1,933
Currency effects	0	0	0	– 6	0	– 6
As of 31 Dec 2024	**14,987**	**3,569**	**221**	**56,258**	**3,875**	**78,910**

Depreciation and impairment

In € k	Goodwill	Customer base	Brand	Software	Software under development	Total
As of 1 Jan 2023	**2,158**	**3,486**	**221**	**28,486**	**–**	**34,351**
Depreciation and amortization	0	83		6,720		6,803
Impairment	8,160	0	0		1,040	9,200
Reversals of impairment	0	0	0	–375		–375
As of 1 Dec 2023	**10,318**	**3,569**	**221**	**34,832**	**1,040**	**49,979**
Depreciation and amortization	0	0	0	10,752	248	11,000
Impairment	4,353	0	0	7,952		12,306
Disposals	0	0	0	–1,004	–85	–1,090
Currency effects	0	0	0	– 6		–6
As of 31 Dec 2024	**14,671**	**3,569**	**221**	**52,525**	**1,203**	**72,189**

Net carrying amounts

In € k	Goodwill	Customer base	Brand	Software	Software under development	Total
As of 31 Dec 2023	**4,669**	**–**	**–**	**19,160**	**2,252**	**26,082**
As of 31 Dec 2024	**316**	**–**	**–**	**3,733**	**2,672**	**6,721**

For further information on the impairment losses of kEUR 12,306 recognized in financial year 2024 (prior year: kEUR 7,785), see note (8).

7. Property, plant and equipment

Changes in the carrying amount of property, plant and equipment are presented below:

Cost

In € k	Plant and machinery	Furniture, fixtures and office equipment	Assets under construction	Total
As of 1 Jan 2023	**8,682**	**28,080**	**3,371**	**40,133**
Additions	861	3,213	3,390	7,464
Reclassifications	2,362	4,247	−6,609	0
Disposals	0	−307	0	−307
Currency effects	3	30	0	32
As of 31 Dec 2023	**11,908**	**35,263**	**151**	**47,322**
Additions	191	1,138	269	1,599
Reclassifications	1	303	−304	0
Disposals	−89	−5,301	0	−5,390
Currency effects	−2	−56	0	−58
As of 31 Dec 2024	**12,010**	**31,347**	**115**	**43,473**

Depreciation and impairment

In € k	Plant and machinery	Furniture, fixtures and office equipment	Assets under construction	Total
As of 1 Jan 2023	**2,794**	**13,418**	**0**	**16,212**
Depreciation and amortization	1,115	3,873	0	4,988
Impairment	0	3,415	0	3,415
Disposals	0	−137	0	−137
Currency effects	0	1	0	1
As of 31 Dec 2023	**3,908**	**20,569**	**0**	**24,477**
Depreciation and amortization	3,440	4,703	0	8,143
Impairment	0	1,475	0	1,475
Disposals	−43	−3,475	0	−3,518
Currency effects	−1	−29	0	−31
As of 31 Dec 2024	**7,305**	**23,242**	**0**	**30,547**

Nettobuchwerte

In € k	Plant and machinery	Furniture, fixtures and office equipment	Assets under construction	Total
As of 31 Dec 2023	**8,000**	**14,694**	**151**	**22,845**
As of 31 Dec 2024	**4,706**	**8,105**	**115**	**12,926**

No borrowing costs were capitalized in the reporting period.

The year-on-year change in property, plant and equipment of kEUR 9,919 is mainly due to the 8 international store closures.

For further information on the impairment losses of kEUR 1,475 recognized in financial year 2024 (prior year: kEUR 3,415), see note (8).

8. Impairment tests for non-current non-financial assets

Besides the annual impairment tests of goodwill and software under development, Mister Spex tests other non-current non-financial assets (such as intangible assets, property, plant and equipment as well as right-of-use assets) for impairment if there are indications that they may be impaired. The consistently low market capitalization of Mister Spex remains such an indication as of December 31, 2024. As a result of changes in forecast cash flows and in the interest rate due to the current macroeconomic situation, the recoverable amount of some assets was lower than their carrying amount.

Mister Spex has identified online business regions grouped by country as well as the individual retail stores as cash-generating units.

Goodwill and other non-current non-financial assets are tested for impairment at the level of cash-generating units or groups of cash-generating units. They represent the lowest level within the Company at which goodwill and other non-current non-financial assets are monitored for internal management purposes. Testing requires an estimate of the recoverable amount of the group or the individual cash-generating unit to which the goodwill or other non-current non-financial asset is allocated. The recoverable amount of a cash-generating unit or group of cash-generating units is determined based on the value in use or the fair value less costs of disposal. To estimate the value in use, Mister Spex must estimate the future cash flows expected to be derived from the cash-generating units or groups of cash-generating units and apply an appropriate discount rate to determine the present value of those cash flows.

The impairment test is based on cash flow projections for the cash-generating units and estimates concerning the future market development. The five-year planning period reflects the medium-term business plan. In the detailed planning phase, the operating margin of the reporting units is expected to increase. The underlying budgets reflect the current performance and management's best estimate of the future development of factors such as market prices and profit margins. Market assumptions such as economic trends and market growth take into account external macroeconomic and business-specific sources. Growth is expected to slow after the end of this phase and a steady state is assumed for the reporting units, which is the basis for the calculation of the perpetuity. The fair value less costs to sell is determined using the discounted cash flow method on the basis of non-observable input factors (level 3).

Goodwill

The Mister Spex Group has recognized goodwill of kEUR 316 (prior year: kEUR 4.669) from two business combinations (Lensit and Tribe). As in the prior year, the online business of Lensit with allocated goodwill of kEUR 0 (prior year: kEUR 1,795) is a separate cash-generating unit to which the relevant goodwill is allocated directly. Goodwill from the acquisition of Tribe GmbH of kEUR 316 (prior year: kEUR 2,874) was allocated to several cash-generating units (online business Germany and online business International). The remaining portion of the carrying amount of Tribe GmbH's goodwill was allocated to the cash-generating unit online business International in the Germany reportable segment International. The impairment loss recognized on goodwill of Tribe of kEUR 2,558 in the financial year 2024 was allocated to the cash-generating unit online business Germany (kEUR 2,239) in the Germany segment and in the amount of kEUR 319 to the cash-generating unit online business International in the International segment. In the financial year 2024, an impairment loss of kEUR 1,794 (prior year: kEUR 3,464) was recognized in "Depreciation, amortization and impairment" for the goodwill of the Lensit cash-generating unit, which is part of the International reportable segment. The value in use of the cash-generating unit was estimated at kEUR 0(prior year: kEUR 2,011). The goodwill from the acquisition of Tribe GmbH was impaired by kEUR 2,558 (prior year: kEUR 0) to kEUR 316 (prior year: kEUR 2,558). The values in use of the cash-generating unit were estimated at kEUR 27,751 (prior year: kEUR 87,616).

The consistently low market capitalization of Mister Spex remains an indication for the possible impairment as of December 31, 2024. The results of the impairment tests performed indicate that the lower recoverable amount compared to the carrying amount for individual cash-generating units, which was allocated to individual assets, is due to changes in the forecast cash flows and changes in the interest rate as a result of the current overall macroeconomic situation.

The following key assumptions were made for all impairment tests:

	After-tax cost of capital (WACC)	Growth rate of the perpetuity
Lensit	12.03% (prior year: 10,79%)	1.33% (prior year: 1.33%)
Tribe	11.07 to 14.89% (prior year: 8.65 to 13.30%)	1.33% (prior year: 1.33%)

In addition to the impairment test, a sensitivity analysis was performed for all reporting units to test whether changes in the assumptions above (a one percentage point increase in WACC, long-term growth rate of 1%, a 10 percentage point decrease in future cash flows in the detailed planning period) would cause the units' carrying amount to exceed their recoverable amount.

For the goodwill of Tribe this would result in an additional impairment loss of EUR 0,00 (1% increase in WACC), of EUR 0,00 (growth rate of 1%).

Other non-current non-financial assets

As there was an indication of impairment, intangible assets, property, plant and equipment as well as right-of-use assets were tested for impairment at the level of all cash-generating units or groups of cash-generating units.

Intangible assets

The intangible assets of the Mister Spex Group of kEUR 6,405 (prior year: kEUR 21,412) are allocated to several groups of cash-generating units as they are mainly assets (such as IT systems used group-wide) that contribute to future cash flows of multiple cash-generating units.

Online business

In the online business, intangible assets, property, plant and equipment, and rights of use for leased assets could be directly allocated.

The carrying amount (after impairment) of the cash-generating units breaks down according to groups of assets as follows:

Groups of assets	Carrying amount in kEUR	Thereof in the Germany segment	Thereof in the International segment
Intangible assets	5,294	4,129	1,165
Property, plant and equipment	5,820	4,540	1,280
Right-of-use assets	9,398	7,330	2,068

In the financial year 2024, an impairment loss of kEUR 5,861 (prior year: kEUR 0) and kEUR 4,659 (prior year: kEUR 0) was identified for the cash-generating units online business Germany and online business International, respectively, and was recognized under "Depreciation, amortization and impairment", apart from the impairment losses for goodwill as described above.

The value in use for the cash-generating units was estimated at kEUR 27,751 (prior year: kEUR 87,616).

The following key assumptions were made for all impairment tests:

Online Spain	14.10% (prior year: 13.30%)	1.33% (prior year: 1,33%)
Online France	12.6% (prior year: 11.74%)	1.33% (prior year: 1,33%)
Online Lensit	12.03% (prior year:10.23%)	1.33% (prior year: 1,33%)
Online Netherlands	12.01% (prior year:11.02%)	1.33% (prior year: 1,33%)
Online Great Britain	12.80% (prior year:12.24%)	1.33% (prior year: 1,33%)
Online Nordic Eyewear	12.04% (prior year: 10.23%)	1.33% (prior year: 1,33%)

Retail stores (stores)

Intangible assets, property, plant and equipment as well as right-of-use assets were allocated directly to the retail stores

The carrying amount (after impairment) of the cash-generating units breaks down according to groups of assets as follows:

Groups of assets	Carrying amount in kEUR	thereof in the Germany segment	thereof in the International segment
Intangible assets	1,111	1,111	0,00
Property, plant and equipment	7,106	7,106	0,00
Right-of-use assets	26,857	26,857	0,00

In the financial year 2024, an impairment loss of kEUR 2,653 (prior year: kEUR 7,706) was determined for the retail stores cash-generating units and recognized in “Depreciation, amortization and impairment“. The impairment loss is attributable to the reporting segment Germany (prior year: Germany: kEUR 6,593, International: kEUR 1,113).

The recoverable amount of the impaired retail stores cash-generating units is mEUR 27.8 (prior year: mEUR 24.6), comprising a value in use of kEUR 24,851 (prior year: kEUR 22,354) and a fair value less costs of disposal of kEUR 2,915 (prior year: kEUR 2,286).

To estimate the value in use, the expected future cash flows were estimated for each cash-generating unit and discounted over the term of the lease for each retail store. The discount factor used for the retail stores in Germany was the after-tax cost of capital of 12% (prior year: 10.95%).

The fair value measurement of the assets in the cash-generating units was classified as Level 3 of the fair value hierarchy (IFRS 13). For the right-of-use assets, the rent observable at the reporting date was used, among other inputs, to determine the fair value. For property, plant and equipment (comprising store fittings and other equipment, furniture and fixtures), the resale value customary in the market was used to determine the fair value. The fair value measurement for the right-of-use assets was based on the discounted cash flow method. The discount factor used for the retail stores in Germany was the after-tax cost of capital of 12% (prior year: 10.95%).

The planning period is based on the term of the respective agreed lease for the retail stores.

9. Financial assets

Financial assets break down into current and non-current assets as follows:

In € k	**31 Dec 2024**	31 Dec 2023
Non-current financial assets	4,577	4,620
Current financial assets	2,505	3,187
Total	**7,082**	**7,807**

Non-current financial assets comprise receivables from rent deposits and collateral pledged of kEUR 4,577 (prior year: kEUR 4,620). Non-current receivables from rent deposits and collateral pledged are recognized at their respective carrying amounts, since they bear interest at market interest rates.

Current financial assets mainly comprise trade receivables of kEUR 1,188 (prior year: kEUR 2,213), other financial assets of kEUR 947 (prior year: kEUR 492) and receivables from sales by invoice and direct debit of kEUR 365 (prior year: kEUR 476).

Other financial assets essentially arise from loan receivables of kEUR 521 (prior year: kEUR 221).

Trade receivables are generally on terms of 30 to 90 days and are non-interest bearing.

All significant financial assets are classified and measured at amortized cost in accordance with IFRS 9. The carrying amounts of the financial assets are the same as their fair values.

As the Group has not experienced any historical default events in relation to its current and non-current financial assets and, in light of the good credit quality of its debtors, it does not expect any significant losses, it did not recognize any expected credit losses in the financial year. In addition, the majority of orders are placed using credit card and prepayment methods, with a credit rating check and receipt of funds prior to the shipment of goods.

10. Inventories

Inventories comprise the following:

In € k	31 Dec 2024	31 Dec 2023
Raw materials, consumables and supplies	1,549	1,201
Merchandise	26,700	31,296
Inventories	**28,249**	**32,498**

Write-downs of inventories amounted to kEUR 3,310 in the reporting period (prior year: kEUR 142) and reflect the estimated inventories at risk at year-end. The increase is due to the new “SpexFocus” program, which, among others, led to a reduction in the stock value due to the adjustments of the assortment strategy.

Cost of inventories included as an expense under cost of materials amounts to kEUR 108,736 (prior year: kEUR 110,373).

11. Other non-financial assets

As of December 31, 2024, **other non-financial assets** amounted to kEUR 7,097 (prior year: kEUR 9,790).

In the financial year, they comprised other receivables (kEUR 3,495; prior year: kEUR 7,045), prepayments (kEUR 2,056; prior year: kEUR 2,487) and VAT receivables (kEUR 89; prior year: kEUR 259).

The decrease in other receivables is mainly due to lower annual refunds from suppliers as a result of the adjustment of the assortment strategy.

All other non-financial assets are classified as current.

12. Cash and cash equivalents

Cash and cash equivalents mainly comprise cash on hand, cash at banks and short-term highly liquid deposits with a maturity of a maximum of three months that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. Cash and cash equivalents are not subject to any restraints on disposal.

13. Equity

Subscribed capital:

In the financial year 2024, several capital increases took place in connection with the exercise of options.

Capital stock is divided into 35,048,001 no-par value shares (prior year: 35,048,001 non-par value shares – shares without a nominal amount). The shares have been issued and paid in in full. All shares entail the same rights and obligations. Each share entitles the holder to one vote at the Annual General Meeting and determines the holder’s share of the Company’s profit after tax.

Capital reserves:

Capital reserves amount to kEUR 330,858 (prior year: kEUR 329,951). Capital reserves rose by kEUR 907 (prior year: kEUR 2,283) as a result of the addition from share-based payment transactions pursuant to IFRS 2 in the financial year 2024.

Authorized capital:

As of the reporting date December 31, 2024, authorized capital amounted to EUR 12,500,115 (prior year: EUR 12,594,809). The authorized capital also serves to create equity in connection with the employees’ share-based payments.

Other reserves:

Other reserves solely includes gains or losses from currency translation.

Treasury shares:

The amount of treasury shares changed by kEUR 101 from kEUR 973 to kEUR 872 due to the exercise of options under the current stock option program (ESOP).

Dividend restriction:

As of the reporting date, the total amount not distributable pursuant to Sec. 268 (8) HGB came to kEUR 11,390 (prior year: kEUR 15,992).

14. Share-based payments

ESOP I to IV

The Group has set up four stock option plans (ESOP I to IV) which give eligible employees the option of investing directly or indirectly in the Company’s equity instruments. The share-based payment awards granted by the Mister Spex Group are equity-settled plans. Due to the change in legal form, the Company harmonized the four stock option plans. Separate amendment agreements for all existing stock option agreements were concluded. The harmonization did not have any material impact on the measurement of the individual stock option plans. As part of the harmonization, the adjusted option plans provide for a cash settlement at the discretion of Mister Spex in addition to the previous settlement through equity instruments. Each option confers the right to acquire one ordinary share of the Company’s capital stock for a price of EUR 1.00. The vesting of option rights under each amendment agreement may be subject to different provisions in individual cases.

In the reporting period, total personnel expenses of kEUR 43 (prior year: kEUR 87) were recognized in this connection. The settlement was made exclusively through equity instruments.

The vesting period for the equity-settled share-based payment awards is usually 48 months. The first tranche vests after 12 months, while the remaining tranches vest on a monthly basis in equal amounts over the residual vesting period. The share-based payment awards become exercisable after a certain period of time, when an exit event occurs or the participant leaves.

The parameters used in the valuation were determined as follows: The share price used was derived from the financing rounds performed close to the issue date and a sale of shares. The expected volatility is based on the development of the share price volatility of comparable companies (peer group) over the expected term of the option in each case. The maturity-matched risk-free interest rate was calculated using the Svensson method.

45,638 options were exercised during the 2024 reporting period (2023: 122,892). The exercise was in return for the issue of treasury shares. The weighted average share value at the date of exercise of an option exercised during the 2024 reporting period amounted to EUR 2.78.

ESOP I

The payment awards granted by Mister Spex SE in Germany under Employee Stock Option

Program I (ESOP I) were granted at different times between 2012 and 2015.

The number of outstanding options developed as follows in the reporting period:

	Heads	Weighted average exercise price (in €)
Options outstanding on 1 Jan 2023	**356,491**	**1.92**
Options granted during the period	–	–
Options forfeited during the period	–	–
Options exercised during the period	122,892	1.00
Options forfeited during the period	–	–
Options outstanding on 31 Dec 2023	**233,599**	**2.40**
Options exercisable on 31 Dec 2023	**233,599**	**2.40**
Options outstanding on 1 Jan 2024	**233,599**	**1.92**
Options granted during the period	–	–
Options forfeited during the period	–	–
Options exercised during the period	45,638	1.00
Options forfeited during the period	–	–
Options outstanding on 31 Dec 2024	**187,961**	**2.74**
Options exercisable on Dec. 31,2024	**187,961**	**2.74**

The range of exercise prices for options issued and outstanding under ESOP I as of the reporting date was EUR 1.00 to EUR 3.86 (prior year: EUR 1.00 to EUR 3.86); of which 65,471 outstanding options (prior year: 111,379 outstanding options) have an exercise price of EUR 1.00 and 122,220 outstanding options (prior year: 122,220 outstanding options) have an exercise price of EUR 3.68. Considering the harmonization of ESOP I in 2021, the beneficiaries may exercise vested options up to a maximum of four years after the IPO.

The weighted average fair value of an option granted in financial year 2015 is EUR 4.57. The fair value of the option rights consists of the intrinsic value and the time value. The weighted average remaining contractual life for the stock options outstanding as of December 31, 2024 was 0.5 years (prior year: 1.5 years).

The Black-Scholes model was used to determine the fair values of the option rights. The inputs used to calculate the options granted are summarized in the following overview:

Weighted average share value (EUR)	€ 3.62
Weighted average exercise price (EUR)	€ 1.89
Expected volatility (%)	14.73% to 38.68%
Expected option term (years)	2.47 to 5.31
Expected dividends (%)	0%
Maturity-matched risk-free interest rate (%)	−0.28% to 1.33%

ESOP II

Employee Stock Option Program II (ESOP II) was introduced by Mister Spex SE in October 2015. The vesting conditions are the same as under ESOP I.

The number of outstanding options developed as follows in the reporting period:

	Heads	Weighted average exercise price (in €)
Options outstanding on 1 Jan 2023	**518.622**	**3.71**
Options granted during the period	–	–
Options forfeited during the period	–	–
Options exercised during the period	25.000	3.71
Options forfeited during the period	–	–
Options outstanding on 31 Dec 2023	**493.622**	**3.71**
Options exercisable on 31 Dec 2023	**493.622**	**3.71**
Options outstanding on 1 Jan 2024	**493.622**	**3.71**
Options granted during the period	–	–
Options forfeited during the period	–	–
Options exercised during the period	–	–
Options forfeited during the period	–	–
Options outstanding on 31 Dec 2024	**493.622**	**3.71**
Options exercisable on 31 Dec 2024	**493.622**	**3.71**

No new options under ESOP II were issued during the 2024 reporting period. The uniform exercise price for option rights outstanding under ESOP II as of the reporting date was EUR 3.71. Considering the harmonization of ESOP II in 2021, the beneficiaries may exercise vested options up to a maximum of four years after the IPO.

The weighted average fair value of a new option granted in financial year 2017 is EUR 4.35. The fair value of the option rights consists of the intrinsic value and the time value. The weighted average remaining contractual life for the stock options outstanding as of December 31, 2024 was 0.5 years (prior year: 1.5 years).

The Black-Scholes model was used to determine the fair values of the option rights. The inputs used to calculate the options granted are summarized in the following overview:

Weighted average share value (EUR)	€ 5.68
Weighted average exercise price (EUR)	€ 3.71
Expected volatility (%)	33.47% to 36.93%
Expected option term (years)	1.85 to 3.22
Expected dividends (%)	0%
Maturity-matched risk-free interest rate (%)	−0.90% – −0.22%

ESOP III

Employee Stock Option Program III (ESOP III) is the name of the employee stock option program launched in November 2017. The vesting conditions are the same as under ESOP I and II.

The number of outstanding options developed as follows in the reporting period:

	Heads	Weighted average exercise price (in €)
Options outstanding on 1 Jan 2023	**248,802**	**9.07**
Options granted during the period	–	–
Options forfeited during the period	11,030	9.07
Options exercised during the period	–	–
Options forfeited during the period	–	–
Options outstanding on 31 Dec 2023	**237,772**	**9.07**
Options exercisable on 31 Dec 2023	**237,772**	**9.07**
Options outstanding on 1 Jan 2024	**237,772**	**9.07**
Options granted during the period	–	–
Options forfeited during the period	–	–
Options exercised during the period	–	–
Options forfeited during the period	–	–
Options outstanding on 31 Dec 2024	**237,772**	**9.07**
Options exercisable on 31 Dec 2024	**237,772**	**9.07**

No new options under ESOP III were issued during the 2024 reporting period. The uniform exercise price for option rights outstanding under ESOP III as of the reporting date was EUR 9.07. Considering the harmonization of ESOP III in 2021, the beneficiaries may exercise vested options up to a maximum of four years after the IPO.

The weighted average fair value of a new option granted in financial year 2018 is EUR 1.14. The fair value of the option rights consists of the intrinsic value and the time value. The weighted average remaining contractual life for the stock options outstanding as of December 31, 2024 was 0.5 years (prior year: 1.5 years).

The Black-Scholes model was used to determine the fair values of the option rights. The inputs used to calculate the options granted are summarized in the following overview:

Weighted average share value (EUR)	€ 8.84
Weighted average exercise price (EUR)	€ 9.07
Expected volatility (%)	28.86% to 33.60%
Expected option term (years)	1.07 to 2.36
Expected dividends (%)	0%
Maturity-matched risk-free interest rate (%)	−0.79% – −0.59%

ESOP IV

Employee Stock Option Program IV (ESOP IV) is the name of the current employee stock option program launched in January 2019. The vesting conditions are largely the same as under ESOP III.

The number of outstanding options developed as follows in the reporting period:

	Heads	Weighted average exercise price (in €)
Options outstanding on 1 Jan 2023	**1,447,984**	**7.52**
Options granted during the period	–	–
Options forfeited during the period	23,199	7.52
Options exercised during the period	–	–
Options forfeited during the period	–	–
Options outstanding on 31 Dec 2023	**1,424,784**	**7.52**
Options exercisable on 31 Dec 2023	**1,370,413**	**7.52**
Options outstanding on 1 Jan 2024	**1,424,784**	**7.52**
Options granted during the period	–	–
Options forfeited during the period	–	–
Options exercised during the period	–	–
Options forfeited during the period	–	–
Options outstanding on 31 Dec 2024	**1,424,784**	**7.52**
Options exercisable on 31 Dec 2024	**1,421,814**	**7.52**

The uniform exercise price for option rights outstanding under ESOP IV as of the reporting date was EUR 7.52. Considering the harmonization of ESOP IV in 2021, the beneficiaries may exercise vested options up to a maximum of four years after the IPO or two years after expiry of the vesting period. The later of the two aforementioned periods always applies here.

The weighted average fair value of a new option granted in financial year 2021 is EUR 9.55. The fair value of the option rights consists of the intrinsic value and the time value. The weighted average remaining contractual life for the stock options outstanding as of December 31, 2023 was 1.0 year (prior year: 2.0 years).

The Black-Scholes model was used to determine the fair values of the option rights. The inputs used to calculate the new options granted are summarized in the following overview:

Weighted average share value (EUR)	€ 12.17
Weighted average exercise price (EUR)	€ 7.52
Expected volatility (%)	36.88% to 39.15%
Expected option term (years)	3.93 to 4.57
Expected dividends (%)	0%
Maturity-matched risk-free interest rate (%)	−0.81% – −0.65%

VSOP (LTIP)

As long-term variable remuneration, from financial year 2022 Mister Spex SE (Mister Spex) will allow the members of the management board and senior management to participate in a Long-Term Incentive Program (LTIP) in the form of a Virtual Stock Option Plan (VSOP).

Effective at the beginning of each financial year, each eligible member is granted a number of virtual stock options (VSOs). Both the vesting period and the waiting period begin at the grant date. Additionally, the VSOs are subject to a performance condition in the performance period. In the financial year 2024, this means achieving a defined increase in the share price. In financial year 2023, this was the respective annual adjusted EBITDA (AEBITDA) target and the revenue target, with both performance targets being equally weighted at 50% each. In financial year 2023, the performance condition was the compound annual growth rate (CAGR) of revenue. The supervisory board sets the target values (sales, adjusted EBITDA, share price increase) as well as minimum and maximum values for each VSO tranche at the beginning of each financial year in the individual grant letters to the management board members. If the respective performance variable falls short of the minimum value in the three-year performance period, the performance factor is 0% and all VSOs from the relevant VSO tranche are forfeited in full without replacement or compensation. If the actual value is equal to or exceeds the maximum value in the performance period, the performance factor is 100%. The performance factor is calculated using linear interpolation if the actual value lies between the defined minimum and maximum values in the performance period.

The number of VSOs is multiplied by the performance factor in order to obtain the number of performance-based VSOs.

Vested VSOs (i.e., VSOs that are both time-vested and vested on the basis of achievement of the performance condition) can be exercised during a three-year exercise period after the end of the four-year waiting period.

On exercising the vested VSOs, the beneficiary is entitled to receive shares in the Company equal to the difference between the share price at the exercise date and the exercise price, multiplied by the number of exercised VSOs. VSOP proceeds are not capped so as to ensure a broad alignment of the interests of the management board members and the shareholders of Mister Spex. However, they are subject to the maximum remuneration cap. The entitlement to VSOP proceeds is generally settled in equity, though the Company may settle in cash at its free discretion. These share-based payment awards granted by the Mister Spex Group are accounted for as equity-settled plans.

In the financial year, in this context, personnel expenses of kEUR 329 (prior year: kEUR 1,455) were recognized.

The number of outstanding options developed as follows in the reporting period:

VSOP 2022	Heads	Weighted average exercise price (in €)
Options outstanding on 1 Jan 2023	**157,668**	**11.72**
Options granted during the period	–	–
Options forfeited during the period	–	–
Options exercised during the period	–	–
Options forfeited during the period	–	–
Options outstanding on 31 Dec 2023	**157,668**	**11.72**
Options exercisable on 31 Dec 2023	**0**	**0**
Options outstanding on 1 Jan 2024	**157,668**	**11.72**
Options granted during the period	–	–
Options forfeited during the period	157,668	11.72
Options exercised during the period	–	–
Options forfeited during the period	–	–
Options outstanding on 31 Dec 2024	**0**	**0**
Options exercisable on 31 Dec 2024	**0**	**0**

The weighted average fair value of an option granted in financial year 2022 is EUR 3.54. The fair value of the option rights consists of the intrinsic value and the time value. At the end of the performance period for the options granted under the VSOP 2022 on December 31, 2024, the performance factor was determined taking into account the agreed performance condition. This is 0%, as the agreed minimum amount has not been reached. As a result, all rights arising from the options granted will expire as of December 31, 2024.

The Black-Scholes model was used to determine the fair values of the option rights. The inputs used to calculate the options granted are summarized in the following overview:

Weighted average share value (EUR)	€ 10.77
Weighted average exercise price (EUR)	€ 11.72
Expected volatility (%)	39.56% to 41.42%
Expected option term (years)	5.5 years
Expected dividends (%)	0%
Maturity-matched risk-free interest rate (%)	−0.47% – 0.39%

The parameters used in the valuation were determined as follows: The average share value used equals the closing price on the last 20 trading days before the grant date in accordance with the terms of the program. The expected volatility is based on the development of the share price volatility of comparable companies (peer group) over the expected term of the option in each case. The maturity-matched risk-free interest rate was calculated using the Svensson method.

VSOP 2023	Heads	Weighted average exercise price (in €)
Options outstanding on 1 Jan 2023	**785,425**	**3.99**
Options granted during the period	–	–
Options forfeited during the period	–	–
Options exercised during the period	–	–
Options forfeited during the period		
Options outstanding on 31 Dec 2023	**785,425**	**3.99**
Options exercisable on 31 Dec 2023	**0**	**0**
Options outstanding on 1 Jan 2024	**785,425**	**3.99**
Options granted during the period	28,561	3.99
Options forfeited during the period	–	–
Options exercised during the period	–	–
Options forfeited during the period	–	–
Options outstanding on 31 Dec 2024	**813,986**	**3.99**
Options exercisable on 31 Dec 2024	**0**	**0**

The weighted average fair value of an option granted under VSOP 2023 is EUR 1.89. The fair value of the option rights consists of the intrinsic value and the time value. The weighted average remaining contractual life for the stock options outstanding as of December 31, 2024 was 3.5 years (prior year: 4.5 years).

The Black-Scholes model was used to determine the fair values of the option rights. The inputs used to calculate the options granted are summarized in the following overview:

Weighted average share value (EUR)	€ 4.15
Weighted average exercise price (EUR)	€ 3.99
Performance factor	100.0%
Expected volatility (%)	48.18%
Expected option term (years)	4.92 years
Expected dividends (%)	0%
Maturity-matched risk-free interest rate (%)	2.52%

The parameters used in the valuation were determined as follows: The average share value used equals the closing price on the last 20 trading days before the grant date in accordance with the terms of the program. The expected volatility is based on the development of the share price volatility of comparable companies (peer group) over the expected term of the option in each case. The maturity-matched risk-free interest rate was calculated using the Svensson method.

VSOP 2024	Heads	Weighted average exercise price (in €)
Options outstanding on 1 Jan 2024	**601,951**	**2.94**
Options granted during the period	–	–
Options forfeited during the period	–	–
Options exercised during the period	–	–
Options forfeited during the period	–	–
Options outstanding on 31 Dec 2024	**601,951**	**2.94**
Options exercisable on 31 Dec 2024	**0**	**0**

The weighted average fair value of an option granted under VSOP 2024 is EUR 1.45. The fair value of the option rights consists of the intrinsic value and the time value. The weighted average remaining contractual life for the stock options outstanding as of December 31, 2024 was 4.5 years.

The Black-Scholes model was used to determine the fair values of the option rights. The inputs used to calculate the options granted are summarized in the following overview:

Weighted average share value (EUR)	€ 3.11
Weighted average exercise price (EUR)	€ 2.94
Performance factor	28.0%
Expected volatility (%)	47.25 – 47.39%
Expected option term (years)	5.37 years
Expected dividends (%)	0%
Maturity-matched risk-free interest rate (%)	1.87% – 2.57%

The parameters used in the valuation were determined as follows: The average share value used equals the closing price on the last 20 trading days before the grant date in accordance with the terms of the program. The expected volatility is based on the development of the share price volatility of comparable companies (peer group) over the expected term of the option in each case. The maturity-matched risk-free interest rate was calculated using the Svensson method.

RSUs

Since mid-December 2022, Mister Spex has granted selected executives and employees long-term remuneration components in the form of restricted share units (RSUs). Each RSU beneficiary is granted a fixed amount of money each year under their employment contract. As of April 1 of a given year, this annual amount of money is converted into a number of rights to shares (the RSUs) at the weighted average share price of the last 20 trading days before 1 April.

The new RSUs granted each year are subject to a vesting period of two years beginning on 1 April of that year (RSU cycle). During the two-year vesting period, the RSUs vest in eight equal stages, i.e., the rights of the beneficiary increase by one eighth of the RSUs in the RSU cycle as of the last day of each quarter (if the beneficiary starts work during the year, the number of quarters and shares that can be earned is reduced proportionally). In the first year of service, the beneficiary is not entitled to receive RSUs before the year has expired (cliff). If an employee leaves the Company after the cliff but before the end of the RSU cycle, they are entitled to receive the RSUs earned until that date.

Upon expiry of the two-year vesting period of an RSU cycle (settlement date, i.e., 31 March two years after 1 April in the year of grant), the RSU beneficiary receives the number of shares in Mister Spex SE equal to the number of RSUs of that RSU cycle. Mister Spex SE reserves the right to settle the RSUs in cash in the amount of the share price as of the settlement date instead of granting shares to the beneficiary. The final total value of the options vested is calculated exclusively at the settlement date. Before this date, the employee does not receive any shares or any payment under the RSU program (cliff). If an employee leaves the Company after the cliff but before the end of the RSU cycle, they are entitled to receive the RSUs earned until that date.

Upon expiry of the two-year vesting period of an RSU cycle (settlement date, i.e., March 31 two years after April 1 in the year of grant), the RSU beneficiary receives the number of shares in Mister Spex SE equal to the number of RSUs of that RSU cycle. Mister Spex SE reserves the right to settle the RSUs in cash in the amount of the share price as of the settlement date instead of granting shares to the beneficiary.

The final total value of the options vested is calculated exclusively at the settlement date. This is the total value of the package and the basis on which the Company’s and the participant’s tax and social security obligations are calculated. Before this date, the employee does not receive any shares or any payment under the RSU program.

If a claim to be settled by granting equity instruments is canceled or settled during the vesting period, the cancellation or settlement is recognized as an acceleration of vesting. The amount that otherwise would have been recognized for the remaining vesting period is recognized immediately in profit and loss. Any payment made to the employee on cancellation or settlement of the claims is recognized as a deduction from equity. If the payment exceeds the fair value of the equity instruments granted, as measured at the termination date, the excess amount is recognized as an expense.

Personnel expenses of kEUR 964 (prior year: kEUR 673) were recognized in this connection.

Total expenses of kEUR 183 were incurred in connection with share-based compensation transactions settled in cash and kEUR 56 with equity instruments.

The number of outstanding options developed as follows in the reporting period:

RSU 2022	Heads	Weighted average exercise price (in €)
Options outstanding on 1 Jan 2023	**118,440**	**4.03**
Options granted during the period	2,208	4.03
Options forfeited during the period	3,450	4.03
Options exercised during the period	–	–
Options forfeited during the period	–	–
Options outstanding on 31 Dec 2023	**117,198**	**4.03**
Options exercisable on 31 Dec 2023	**–**	**–**
Options outstanding on 1 Jan 2024	**117,198**	**4.03**
Options granted during the period	1,104	4.03
Options forfeited during the period	189	4.03
Options exercised during the period	115,215	4.03
Options forfeited during the period	–	–
Options outstanding on 31 Dec 2024	**2,898**	**4.03**
Options exercisable on 31 Dec 2024	**2,898**	**4.03**

115,215 options were exercised during the 2024 reporting period. The exercise was in return for the issue of treasury shares. The weighted average share value at the date of exercise of an option exercised during the 2024 reporting period amounted to EUR 3.09.

RSU 2023	Heads	Weighted average fair value (in €)
Options outstanding on 1 Jan 2023	**–**	**–**
Options granted during the period	240,560	3.37
Options forfeited during the period	16,901	3.43
Options exercised during the period	–	–
Options forfeited during the period	–	–
Options outstanding on 31 Dec 2023	**223,659**	**3.36**
Options exercisable on 31 Dec 2023	**–**	**–**
Options outstanding on 1 Jan 2024	**223,659**	**3.36**
Options granted during the period	2,552	3.35
Options forfeited during the period	12,108	3.38
Options forfeited during the period	3,824	3.41
Options exercised during the period	–	–
Options forfeited during the period	–	–
Options outstanding on 31 Dec 2024	**210,279**	**3.36**
Options exercisable on 31 Dec 2024	**–**	**–**

RSU 2024	Heads	Weighted average fair value (in €)
Options outstanding on 1 Jan 2024	**–**	**–**
Options granted during the period	347,109	3.48
Options forfeited during the period	37,774	3.48
Options forfeited during the period	4,087	3.48
Options exercised during the period	–	–
Options forfeited during the period	–	–
Options outstanding on 31 Dec 2024	**305,248**	**3.48**
Options exercisable on 31 Dec 2024	**–**	**–**

The remaining term of contract amounts to a further 1.3 years.

15. Financial liabilities

Financial liabilities mainly include trade payables, refund liabilities to customers from anticipated returns and liabilities under sale and leaseback agreements.

As of December 31, 2024, financial liabilities had the following maturities based on the contractually agreed amounts:

In € k	Up to one year	One to five years	More than five years	Total
As of 31 Dec 2023				
Liabilities to banks	0	1,120	0	1,120
Trade payables	17,935	0	0	17,935
Refund liabilities	1,974	0	0	1,974
Other financial liabilities	2,157	3,059	0	5,216
Financial liabilities	**22,066**	**4,179**	**0**	**26,245**
As of 31 Dec 2024				
Liabilities to banks	240	640	0	880
Trade payables	9,957	0	0	9,957
Refund liabilities	2,187	0	0	2,187
Other financial liabilities	3,144	2,026	0	5,170
Financial liabilities	**15,528**	**2,666**	**0**	**18,194**

The carrying amounts of the financial liabilities are the same as their fair values.

The following table shows the reconciliation carried out by the Group from the opening to the closing balance of liabilities to banks and other financial liabilities:

In € k	2024	2023
Financial liabilities – 1 Jan	**6,336**	**5,015**
Change due to cash flows from financing activities		
Cash received from borrowings	0	1,941
Cash outflows from repayment of borrowings	−1,253	−928
Total change	**−1,253**	**1,013**

In € k	2024	2023
Other cash and non-cash changes		
Other changes	966	307
Total change	966	307
Financial liabilities – 31 Dec	**6,050**	**6,336**

The total change in **other financial liabilities** of kEUR 1,253 (prior year: kEUR 938) relates to the repayment of the liability from sale and leaseback transactions.

In financial year 2024, no further sale and leaseback agreements were concluded. In the preceding year, the conclusion of a sale and leaseback agreement in the amount of kEUR 1,941 gave rise to an additional cash inflow. The agreement was concluded for the store fittings acquired to equip our stores in financial year 2023 with the aim of spreading one-time expenses for investments in store fittings (high-quality instruments, installations) over an extended period (five years in each case). Mister Spex retains control of the assets. In addition, ownership of the store fittings will be transferred to Mister Spex in full after fulfillment of all payment obligations.

The increase in **Other changes** are mainly due to the recognition of expenses for the main building in relation to vacancy costs for operating costs of kEUR 1.473 (prior year: kEUR 0), the decline due to the repayment of a bank loan in the amount of kEUR 240 (prior year: kEUR 0) and the reduction in losses from the recognition of derivatives in the amount of kEUR 0 (prior year: kEUR 247).

16. Leases

Leases comprise rental agreements for office, warehouse and store space, usually with terms of between five and 10 years. There are several lease contracts that include extension and termination options and variable payments, which are further discussed below.

The **carrying amounts of right-of-use assets** in the statement of financial position are as follows:

In € k	Commercial and office space
As of 1 Jan 2023	**53,193**
Additions	34,929
Depreciation, amortization and impairment	–14,060
Impairment	–4,936
As of 31 Dec 2023	**69,126**
Additions	2,362
Depreciation, amortization and impairment	–12,082
Disposals	–7,717
Reversals of impairment	–15,434
As of 31 Dec 2024	**36,254**

No new rental agreements were entered into in the financial year 2024 that were recognized in accordance with IFRS 16. The additions mainly include adjustments of lease payments of existing lease agreements.

The Group recognized depreciation of right-of-use assets of kEUR 12,082 in the financial year (prior year: kEUR 14,060). The impairment losses are mainly due to the vacancy costs of kEUR 11,690 (prior year: kEUR 0). The unused space in the main building was classified as an “investment property” in 2024, but was fully depreciated in the same year of classification due to vacancy.

For information on the impairment losses of kEUR 3,744 (prior year: kEUR 4,936), see note (8).

The following table presents the **carrying amounts of the lease liabilities** and the changes in the financial year:

In € k	Commercial and office space
As of 1 Jan 2023	**60,535**
Additions	34,814
Accretion of interest	3,028
Payments	–12,887
As of 31 Dec 2023	**85,489**
Thereof current	15,328
Thereof non-current	70,161
Additions	2,300
Disposals	–7,908
Accretion of interest	3,182
Payments	–17,592
As of 31 Dec 2024	**65,471**
Thereof current	12,563
Thereof non-current	52,908

The following amounts were recognized in profit and loss in the reporting period:

In € k	2024	2023
Depreciation of right-of-use assets	12,082	14,060
Impairment of right-of-use assets	15,434	4,936
Interest expense on lease liabilities	3,182	3,028
Expense for variable lease payments not included in the lease liabilities	2,044	1,793
Total	**32,743**	**23,817**

The table below summarizes the maturities of the Group's lease liabilities as of December 31, 2024.

The information presented is based on contractual discounted payments:

In € k	Up to one year	One to five years	More than five years	Total
As of 31 Dec 2024				
Lease liabilities	12,563	37,324	15,583	**65,471**
As of 31 Dec 2023				
Lease liabilities	15,328	46,126	24,035	85,489

The following figures are based on contractual undiscounted payments:

In € k	Up to one year	One to five years	More than five years	Total
As of 31 Dec 2024				
Lease liabilities	15,016	42,673	16,654	**74,343**
As of 31 Dec 2023				
Lease liabilities	18,493	53,485	25,981	97,959

The Group's cash outflows for leases came to kEUR 19,636 in the financial year (prior year: kEUR 14,680). The other variable payments not included in the measurement of the lease liability are based on consumption and totaled kEUR 2,044 in the financial year (prior year: kEUR 1,793).

The Group did not exercise any termination options in the reporting period.

Mister Spex applies an IFRS 16 regulation with regard to the non-recognition of right-of-use assets and leasing liabilities in connection with low-value leasing contracts (i.e. the value of the underlying asset is EUR 5,000 or less for a new acquisition) and short-term leasing contracts (less than twelve months and the contract does not include a purchase option). Lease payments for low-value leases are recognized as expenses at the time of payment over the term of the lease.

17. Other non-financial liabilities

Other non-financial liabilities comprise current and non-current liabilities.

While other non-current non-financial liabilities consist of archiving obligations, other current non-financial liabilities of kEUR 10,579 (prior year: kEUR 7,582) chiefly comprise tax liabilities of kEUR 1,807 (prior year: kEUR 1,605), accrued personnel-related expenses of kEUR 2,182 (prior year: kEUR 1,703), liabilities from outstanding invoices of kEUR 3,050 (prior year: kEUR 1,025) and prepayments received from customers in relation to credit notes or similar services of kEUR 1,230 (prior year: kEUR 992).

18. Provisions

In € k	Warranties	Asset retirement obligations	Total
As of 1 Jan 2024	**1,006**	**1,839**	**2,845**
Additions		320	320
Utilization	–225	–76	–301
Reversals	–39	–323	–362
Compounding		185	185
As of 31 Dec 2024	**742**	**1,945**	**2,687**
Non-current	–	1,885	1,885
Current	742	60	802

Current provisions include warranty provisions of kEUR 742 (prior year: kEUR 1,006) for products sold during the financial year and the previous year as well as asset retirement obligations of kEUR 60 (prior year: kEUR 0) for leased properties where the contract term ends within the next twelve months.

Provisions for warranties arise primarily from the settlement of customer claims regarding the return of products sold by us. The amount of the provisions is based on the historical development of returns and warranty obligations.

Non-current provisions of kEUR 1,886 (prior year: kEUR 1,839) primarily relate to asset retirement obligations for leased properties at the end of the lease term. There are uncertainties regarding the amount and timing of the outflows of funds in connection with the asset retirement obligations, as these depend on future events that are beyond the company's control.

IX. Other notes

19. Financial risk management

In the ordinary course of business, the Mister Spex Group is exposed to credit risk, liquidity risk and market risk (primarily currency and interest rate risk).

The financial instruments of the Mister Spex Group comprise, among others, non-current liabilities to banks, cash and cash equivalents, factoring instruments which serve to finance its business activities as well as sale and leaseback transactions and forward exchange contracts below twelve months.

Group management is responsible for managing the risks and develops principles for overall risk management. The significant risks are presented below:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Exposure to credit risk arises as a result of the Group's sales of products on credit terms and other transactions with counterparties giving rise to financial assets.

The risk of default is very low due to the payment structures. By way of factoring agreements, the Mister Spex Group has transferred the del credere risk for sales by invoice and direct debit to third parties in full. No default risk arises from payments via the service provider PayPal or payments in advance. Credit card risks are closely monitored and managed.

With regard to other financial assets that are neither past due nor impaired on the reporting date, there were no indications that the customers will be unable to meet their payment obligations.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations. The Group is exposed to the risk of daily calls on its available cash resources. Liquidity risk is managed by the management of the Company.

The Group manages liquidity development in the course of annual budgeting and on a monthly basis. Liquidity planning ensures that we actively monitor our liquidity development so that we can take immediate action. This also allows management to respond appropriately to unforeseen events.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and lease contracts.

As of December 31, 2024, the Group's current assets (kEUR 110,791; prior year: kEUR 157,751) exceeded current liabilities (kEUR 41,901; prior year: kEUR 47,803) by kEUR 68,890. The Group's liquidity portfolio comprises cash and cash equivalents of kEUR 72,133 (prior year: kEUR 110,654).

The Group's current other financial liabilities as of December 31, 2024 amounted to kEUR 3,144 (prior year: kEUR 2,157) and consisted exclusively of short-term liabilities due within one year. As of December 31, 2024, there were liabilities to banks of kEUR 240 (prior year: kEUR 0).

The management is aware of the liquidity risk and has therefore launched the transformation program SpexFocus in financial year 2024. As part of the cooperation, we regularly update our financial institutions on the impact of the program, ensuring the necessary transparency of the business development.

Currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from currency positions, primarily with respect to the Swedish krona (SEK), the Norwegian krona (NOK), the Swiss franc (CHF), the British pound (GBP) and also the US-Dollar (USD). Currency risk arises from future commercial transactions as well as asset and liability positions. As part of its foreign currency management, Mister Spex uses derivative financial instruments – primarily denominated in USD, GBP, CHF, NOK and SEK – to mitigate currency risks. For this purpose, Mister Spex has banking partners of international repute.

There are two kinds of currency risk. While translation risk describes the risk of exchange differences leading to changes in the items of the statement of financial position and statement of profit and loss of a subsidiary when the local separate financial statements are translated into the group currency, transaction risk represents exchange differences at transaction level. Exchange differences resulting from translation risk are presented in equity.

The sensitivities of transaction risk are as follows: If the euro had appreciated by 5% as of December 31, 2024 against the foreign currencies presented above, earnings before interest and taxes would have been kEUR 132 (prior year: kEUR 232) lower. If it had depreciated by 5%, earnings before interest and taxes would have been kEUR 139 (prior year: kEUR 244) higher.

Interest rate risk

The interest rates of the loans and the sale and leaseback agreements are contractually agreed. The interest rate of each loan arises from the sum of several fixed components. Consequently, no interest rate risk is expected. Bank balances are invested with institutions with first-class credit standing at variable interest rates.

20. Capital management

The financial ratios used for corporate management are largely performance-oriented. The capital management objectives, methods and processes are geared to achieving the performance-based financial ratios with the overarching goal to support business growth and secure the Company's continued existence in the long term. The flexibility needed in the provision of funds requires a healthy financial structure with a focus on equity. As debt instruments are already being used, capital management comprises equity and debt capital.

A performance indicator for active capital management is the free cash flow comprising the sum of cash flows from operating activities and investing activities as well as cash repayments of lease liabilities. Free cash flow is also an indicator for changes in the liquidity situation. In the reporting period, it came to kEUR -37,086 (prior year: kEUR -18,428).

21. Related parties

In accordance with IAS 24, parties are considered to be related if the parties are under common control or if one party has the ability to control the other party or can exercise significant influence or joint control over the other party's financial and operating policies.

In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

For the purposes of related party disclosures, the Mister Spex Group defines all shareholders exercising significant influence, the members of the management board and the supervisory board of Mister Spex SE, including any of their immediate family members, and any entity owned or controlled by such persons as a related party.

Remuneration of employees holding key positions

The management board comprises Dirk Graber (appointed until July 31, 2024) and Stephan Schulz-Gohritz (appointed since January 1, 2024). The members of the management board and of the supervisory board have received the following remuneration during the financial year:

In € k	2024	2023
Short-term benefits to members of the management board and supervisory board	923	1.155
Post-employment benefits	0	0
Other long-term benefits	0	0
Termination benefits	660	998
Share-based compensation	633	900
Total	**2,216**	**3,053**

The total remuneration paid to the members of the management board of Mister Spex SE amounted to kEUR 1,798 (prior year: kEUR 2,641) in the financial year 2024. In the financial year 2024, the members of the management board were granted a total of 425,567 stock options as other share-based compensation. The fair value of these stock options at the grant date was kEUR 633.

Stephan Schulz-Gohritz was appointed as a new member of the management board with effect from January 1, 2024. He will take over from interim Chief Financial Officer (CFO) Dirk Graber.

Expenses for supervisory board remuneration came to kEUR 418 in 2024 (prior year: kEUR 412).

The members of the management board and the supervisory board did not receive any advance payments or loans in the financial year 2024 or in the previous year from the companies included in these consolidated financial statements.

In addition, no contingent liabilities were taken on in favor of theses persons in the financial year 2024 or in the previous year.

22. Other financial obligations

The Group rents office space under non-cancelable leases with contractual terms of up to 10 years.

The following table essentially shows the total amount of future variable minimum lease payments under non-cancelable leases classified as non-lease components as well as other financial obligations from various service agreements, particularly in the Marketing and Operations areas.

In € k	2024	2023
Up to one year	6,655	7,425
Between one and five years	4,060	972
More than five years	4,919	112
Total commitments	**10,715**	**8,509**

The obligations from lease payments are shown in section 16 “Leases”.

23. Supplementary disclosures on financial instruments

The tables below show the carrying amounts and fair values of the individual financial assets and liabilities pursuant to IFRS 7 as per December 31, 2024:

in € k	Category	Carrying amount	Market value	Carrying amount	Market value
Assets		**31 Dec 2024**	**31 Dec 2024**	31 Dec 2023	31 Dec 2023
Trade receivables	AC	1,188	1,188	2,213	2,213
Trade receivables within the scope of factoring agreements that were not derecognized	FVtPL	338	338	447	447
Right of use assets	n/a	36,254	n/a	69,126	n/a
Other current and non-current financial assets	AC	5,894	5,894	5,595	5,595
Right of return assets	AC	807	807	783	783
Cash and cash equivalents	AC	72,133	72,133	110,654	110,654
Equity and liabilities					
Current and non-current liabilities to banks	AC	880	880	5,789	5,789
Current and non-current lease liabilities	n/a	65,471	n/a	70,161	n/a
Trade payables	AC	9,957	9,957	17,935	17,935
Other current and non-current financial liabilities	AC	5,170	5,170	5,216	5,216
Refund liabilities	AC	2,187	2,187	1,974	1,974
Contract liabilities	AC	2,456	2,456	1,821	1,821

AC= at cost
FVtPL = fair value through profit and loss

Cash and cash equivalents, trade receivables, other assets, accrued liabilities and trade payables have for the most part short residual terms.

Consequently, their carrying amounts at the end of the reporting period generally correspond to their fair values.

Derivative financial instruments outside of hedging relationships result in valuation effects from open forward exchange contracts.

24. Significant subsidiaries

Mister Spex SE, as the group parent, held direct and indirect equity investments in the following subsidiaries as of December 31, 2024:

	Registered office	Share in equity (in %)	
Subsidiaries		**2024**	2023
International Eyewear GmbH	Berlin/ Germany	100	100
Mister Spex France SAS	Rouen/ France	100	100
Nordic Eyewear Holdings AB	Stockholm/ Sweden	100	100
Nordic Eyewear AB	Stockholm/ Sweden	100	100
Lensit.no AS	Karmsund/ Norway	100	100
Mister Spex Switzerland AG	Zurich/ Switzerland	100	100

The voting interests in the subsidiaries are the same as the ownership interests presented in the table.

25. Number of employees

	(1 Jan to 31 Dec)	
Employees by function	**2024**	2023
Total number of employees	**1,212**	**1,293**
Operational employees	981	1,051
Commercial employees	138	139
Technical employees	93	103

The average number of employees in the Group during the financial year was 1,212 (prior year: 1,293); there were 1,022 full-time equivalents (prior year: 1,079).

26. Auditor's fees

The auditor's fee recognized as an expense for the audit of the financial statements comprises the expenses of Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Berlin/Germany. Deloitte GmbH Wirtschaftsprüfungsgesellschaft was engaged to carry out the audit of the financial statements for the first time in 2024.

	Deloitte	thereof Deloitte GmbH WPG
in € k	**2024**	2023
Audit services	486	425
Other audit-related services	31	31
Tax advisor services	–	–
Other services	98	98
Total	**615**	**554**

The fee for audit services of Deloitte GmbH, Wirtschaftsprüfungsgesellschaft relates primarily to the audit of the consolidated financial statements and the annual financial statements of Mister Spex SE.

Other audit-related services relate to statutory or contractual audit-related services such as the review of the letter of representation according to Sec. 11 German Packaging Act (VerpackG).

Other services include advisory services related to sustainability reporting and EU taxonomy.

The auditor's fees paid to EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft recognized as an expense in the same period of the prior year come to kEUR 572 for the financial statement audit (separate and consolidated financial statements), kEUR 38 for other audit-related services and kEUR 61 for other services. The auditor did not provide any other services.

27. Earnings per share

Basic earnings per share are calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

The following table reflects the income and share data used in the basic earnings per share calculation:

Weighted average number of ordinary shares

In thousands of shares	**2024**	2023
Issued ordinary shares as of 1 January	34,075	33,891
Effect of treasury shares held	–872	–973
Effect of capital change	–37	61
Weighted average number of ordinary shares as of 31 December	**33,166**	**32,980**

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorization of these consolidated financial statements.

The following table provides the profit/(loss) amount used:

Basic earnings per share

	2024	2023
Loss (in € k)	–84,859	–47,884
Weighted average number of ordinary shares as of 31 December (in thousands of shares)	33,166	32,980
Earnings per share (in €)	**–2.56**	**–1.45**

The equity instruments of the share-based payment plans were excluded from the calculation of basic earnings per share as their effect would have been anti-dilutive. The number of ordinary shares potentially outstanding during financial year 2024 would have been 2,494 thousand shares (prior year: 2,135 thousand shares).

28. Note on the declaration on corporate governance

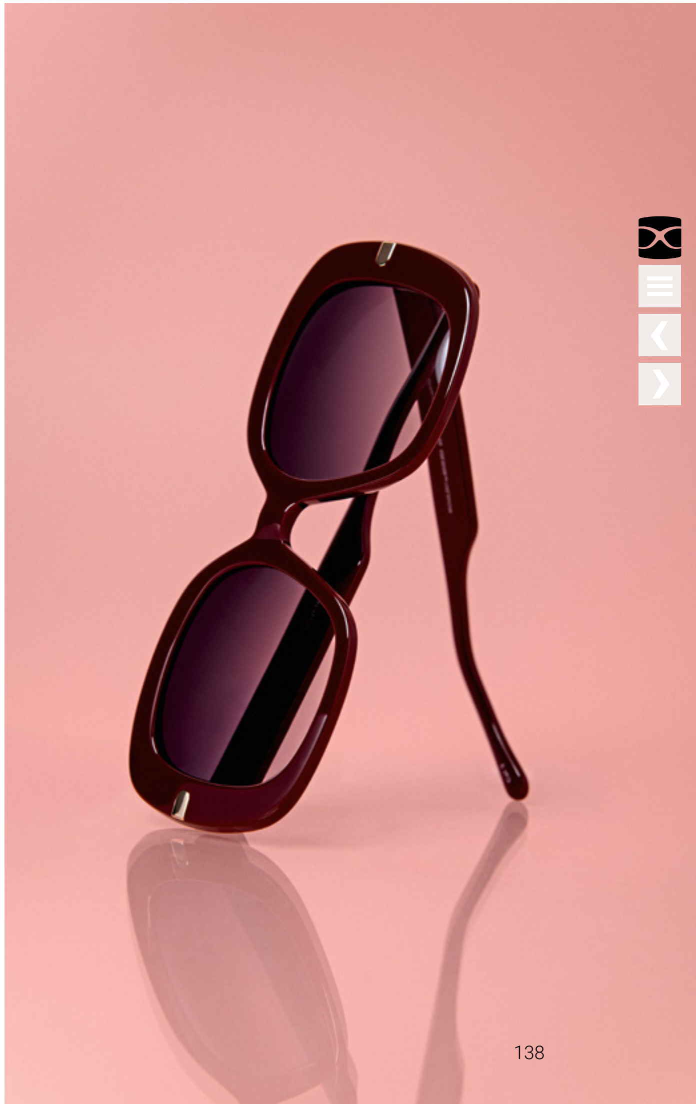
The declaration of conformity with the German Corporate Governance Code required under Sec. 161 German Stock Corporation Act (AktG) was issued in December 2024 and made available to the shareholders on a permanent basis on the internet (see **https://ir.misterspex.com/websites/misterspex/English/6000/corporate-governance.html**).

29. Events after the reporting date

At the supervisory board meeting on March 17, 2025 it was resolved to appoint Tobias Krauss as the new CEO of Mister Spex as of April 1, 2025. The chair of the supervisory board will be Nicola Brandolese, the current deputy chair of the supervisory board.

Berlin/Germany, March 26, 2025

Stephan Schulz-Gohritz
Chairman of the Management Board



Other information and services

5

Responsibility statement by the Management Board

I assure to the best of my knowledge and in accordance with the applicable reporting principles that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and that the group management report, which is combined with the management report of Mister Spex SE, includes a fair review of the development and performance of the business and the position of the group, together with a description of the material opportunities and risks associated with the expected development of the group.

Berlin, on 26 March 2025

The Management Board

Stephan Schulz-Gohritz
Chairman of the Management Board

Independent auditor's report

Independent auditor's report

To Mister Spex SE, Berlin/Germany

Report on the audit of the consolidated financial statements and of the group management report

Audit Opinions

We have audited the consolidated financial statements of Mister Spex SE, Berlin,/Germany, and its subsidiaries (the Group) which comprise the consolidated balance sheet as at December 31, 2024, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the con-solidated statement of cash flows for the financial year from January 1 to December 31, 2024, and the notes to the consolidated financial statements, including material accounting policy information. In addition, we have au-dited the combined management report for the parent and the group of Mister Spex SE, Berlin/Germany, for the financial year from January 1 to December 31, 2024. In accordance with the German legal requirements, we have not audited the content of those parts of the combined management report set out in the appendix to the auditor's report, as detailed in the appendix.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS® Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter "IFRS Accounting Standards") as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) German Commercial Code (HGB) and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at December 31, 2024 and of its financial performance for the financial year from January 1 to December 31, 2024, and
- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of those parts of the combined management report set out in the appendix to the auditor's report.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1 to December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following we present the key audit matters we have determined in the course of our audit:

1. Realization of revenue from the sale and shipment of merchandise taking into account expected returns

2. Recoverability of non-current non-financial assets.

Our presentation of these key audit matters has been structured as follows:

a) description (including reference to corresponding information in the consolidated financial statements)

b) auditor's response.

1. **Realization of Revenue from the Sale and Shipment of Merchandise taking into account Expected Returns**

a) The consolidated financial statements of Mister Spex SE show a revenue of kEUR 212,695 (prior year: kEUR 218,905) from the sale and shipment of merchandise for the financial year from January 1 to December 31, 2024.

In the context of the sale of merchandise to customers, the Group generally provides service only upon delivery of the merchandise, i.e., at the time when the customer gains control of the merchandise. The customers of the Group have the option of returning merchandise free of charge within the statutory cancellation periods and the return periods granted by the Group. The expected returns, which are not to be recognized as sales, are calculated by the executive directors on the basis of estimates. This calculation is based on assumptions and judgments made by the executive directors, in particular with respect to expected return rates by country, month and product.

Revenues have a significant impact on the Group's profit for the period and are one of the most significant financial performance indicators for Mister Spex SE. Due to the large volume of transactions involved in the sale and shipment of merchandise and the uncertainty associated with estimating expected returns, we consider the recognition of revenues from the sale and shipment of merchandise taking into account the expected returns to be a key audit matter.

The disclosures provided by the executive directors on the revenues from the sale and shipment of merchandise can be found in the sections "Accounting policies" and "1. Revenue" of the notes to the financial statements.

b) As part of our audit, we traced the process of revenue recognition set up by the executive directors of Mister Spex SE, including the determination of the expected returns based on the basis of the process documentation provided to us. In this context, we assessed the compliance with the requirements for revenue recognition laid down in IFRS 15. As part of our audit procedures, we evaluated the design of the identified controls relevant to the audit, determined whether they were implemented and also tested their effectiveness. This approach includes, in particular, the verification of the functionality of the IT-based controls. In order to identify any anomalies in the revenue trend or revenue development, we have developed expectations for revenues from the sale of merchandise, taking into account historical monthly and annual figures for financial and non-financial data points, and compared them with the realized revenue for the reporting year. In addition, we examined the booking journal for manually entered revenue postings and carried out counterpart account analyses.

We also traced the mathematical correctness of the calculation of the expected returns carried out by the executive directors of Mister Spex SE. We compared and analyzed the assumed return rates by country, month and product with historical return rates taking into account seasonal factors. To further assess the assumed return rates by country, month and product, we also made a comparison with the returned merchandise recorded in financial accounting up to the end of our audit. With regard to the calculations made by the executive directors on the basis of estimates, we have assessed the assumptions made, the methods applied and the data used by the executive directors as regard to their reasonableness

2. **Recoverability of Non-Current Non-Financial Assets**

a) The consolidated financial statements of Mister Spex SE show non-current non-financial assets of kEUR 55,902 for the financial year from January 1 to December 31, 2024. This corresponds to 32.6% of the balance sheet total. In the financial year 2024, impairment losses of kEUR 29,214 had been recognized on these assets.

The executive directors of Mister Spex Group assess at each reporting date whether there is an indication that a non-current non-financial asset may be impaired. If any indication exists, or when annual impairment testing for a non-current non-financial asset is required, the executive directors calculate the recoverable amount of the respective non-financial asset. To this end, they use a cash flow valuation model that incorporates estimated cash flows derived from detailed planning for the cash-generating units of the executive directors. The executive directors consulted external consultants to determine the discount rates applied.

The outcome of determining the need for impairment of non-current non-financial assets in the course of impairment testing is highly dependent on how the executive directors assess future cash flows of the cash-generating units, determine the growth rates and the discount rates used in each case. In light of the indication of impairment as at the reporting date resulting from the declining market capitalization of the shares of Mister Spex SE compared to the book value of net assets of the Mister Spex Group and in light of the ongoing transformation program, the materiality of the non-current non-financial assets, the underlying complexity of the valuation and the discretionary scope of the valuation the recoverability of the non-current non-financial assets was of special significance.

The disclosures provided by the executive directors on the non-current non-financial assets, on the impairment losses and on the impairment tests carried out can be found in the sections "Accounting policies", "Significant accounting estimates and judgments in applying accounting policies" and "6 Goodwill and intangible assets," "7 Property, plant and equipment," "8 Impairment tests for non-current non-financial assets (impairment test)" and "16 Leases" of the notes to consolidated financial statements.

b) As part of our audit, we gained an understanding of the impairment testing process and the business planning process and we assessed the design of the audit-relevant controls identified and verified whether they had been implemented. In doing so, we specifically traced the methodology for conducting impairment tests. We examined the methodology and the determination of the recoverable amounts and the allocation of the carrying amounts to the cash-generating units applying the criteria laid down in IAS 36. For risk assessment purposes, we gained an insight into the adherence to planning in the past. For estimates made by the executive directors, we assessed the reasonableness of the methods applied, the assumptions made and the data used.

   We compared the expected future cash flows included in the valuation with the corresponding detailed planning and with the Group planning approved by the supervisory board. In order to assess the appropriateness of the assumptions and presumptions, procedures and measurement models, we consulted with our internal valuation experts, who assisted us in evaluating the methodology used to perform the impairment tests and the parameters used to determine the applied discount rates, including the weighted average cost of capital. In this context, we assessed the consultant, who was involved by the executive directors in the determination of the discount rates, in terms of his competence, skills and objectivity. In our assessment of the appropriateness of the planning calculations, we relied on comprehensive explanations from management regarding the impairment tests. In addition, we assessed the sensitivity analyses performed by the executive directors in order to be able to assess the potential risk of impairment if any of the key assumptions underlying the valuations were to change.

Other Information

The executive directors and/or the supervisory board are responsible for the other information. The other information comprises:

- the report of the supervisory board,
- the remuneration report pursuant to Section 162 German Stock Corporation Act (AktG),
- the unaudited content of the combined management report specified in the appendix to the auditor's report,
- the executive directors' confirmations pursuant to Section 297 (2) sentence 4 and Section 315 (1) sentence 5 HGB regarding the consolidated financial statements and the combined management report, and
- all other parts of the annual report,
- but not the consolidated financial statements, not the audited content of the disclosures in the combined management report and not our auditor's report thereon.

The supervisory board is responsible for the report of the supervisory board. The executive directors and the supervisory board are responsible for the statement according to Section 161 AktG concerning the German Corporate Governance Code, which is part of the combined corporate governance statement. Otherwise, the executive directors are responsible for the other information.

Our audit opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the audited content of the disclosures in the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB, and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of internal control or these arrangements and measures of the Group.

- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and with the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- plan and perform the audit of the consolidated financial statements in order to obtain sufficient appropriate audit evidence regarding the financial information of the entities or of the business activities within the Group, which serves as a basis for forming audit opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and inspection of the audit procedures performed for the purposes of the group audit. We remain solely responsible for our audit opinions.

- evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.

- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken, or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Report on the Audit of the Electronic Reproductions of the Consolidated Financial Statements and of the Combined Management Report Prepared for Publication Pursuant to Section 317 (3a) HGB

Audit Opinion

We have performed an audit in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the consolidated financial statements and of the combined management report (hereinafter referred to as "ESEF documents") prepared for publication, contained in the file, which has the SHA-256 value 0fa691ef66c9e4c66945eb2c2f6ff10c884adb29e48f44138f113af0b91c1efa, meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB ("ESEF format"). In accordance with the German legal requirements, this audit only covers the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions, nor any other information contained in the file identified above.

In our opinion, the electronic reproductions of the consolidated financial statements and of the combined management report prepared for publication contained in the file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB. Beyond this audit opinion and our audit opinions on the accompanying consolidated financial statements and on the accompanying combined management report for the financial year from January 1 to December 31, 2024 contained in the "Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report" above, we do not express any assurance opinion on the information contained within these electronic reproductions or on any other information contained in the file identified above.

Basis for the Audit Opinion

We conducted our audit of the electronic reproductions of the consolidated financial statements and of the combined management report contained in the file identified above in accordance with Section 317 (3a) HGB and on the basis of the IDW Auditing Standard: Audit of the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 (3a) HGB (IDW AuS 410 (06.2022)). Our responsibilities in this context are further described in the "Group Auditor's Responsibilities for the Audit of the ESEF Documents" section. Our audit firm has applied the requirements of the IDW Quality Management Standards.

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Parent are responsible for the preparation of the ESEF documents based on the electronic files of the consolidated financial statements and of the combined management report according to Section 328 (1) sentence 4 no. 1 HGB and for the tagging of the consolidated financial statements according to Section 328 (1) sentence 4 no. 2 HGB.

In addition, the executive directors of the Parent are responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to Section 328 (1) HGB.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group Auditor's Responsibilities for the Audit of the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.

- obtain an understanding of internal control relevant to the audit on the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, on the technical specification for this electronic file.

- evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited consolidated financial statements and to the audited combined management report.

- evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, enables an appropriate and complete machine-readable XBRL copy of the XHTML reproduction.

Further Information Pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the general meeting on June 7, 2024. We were engaged by the supervisory board on June 7, 2024. We have been the group auditor of Mister Spex SE, Berlin/Germany, without interruption since the financial year 2024.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other matter – use of the auditor's report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as with the audited ESEF documents. The consolidated financial statements and the combined management report converted into the ESEF format – including the versions to be submitted for inclusion in the Company Register – are merely electronic reproductions of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our audit opinion contained therein are to be used solely together with the audited ESEF documents made available in electronic form.

German Public Auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Patrick Wendlandt.

Berlin/Germany, March 26, 2025

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Signed:	Signed:
Gerald Reiher	Patrick Wendlandt
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Financial calendar

Datum	
March 27, 2025	Publication annual financial report
May 8, 2025	Publication quarterly statement (call-date Q1)
June 5, 2025	Annual General Meeting
August 28, 2025	Publication half-yearly financial report

Imprint

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This report is also published in German. In the event of any discrepancies, the German version of the report shall prevail over the English translation.

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