



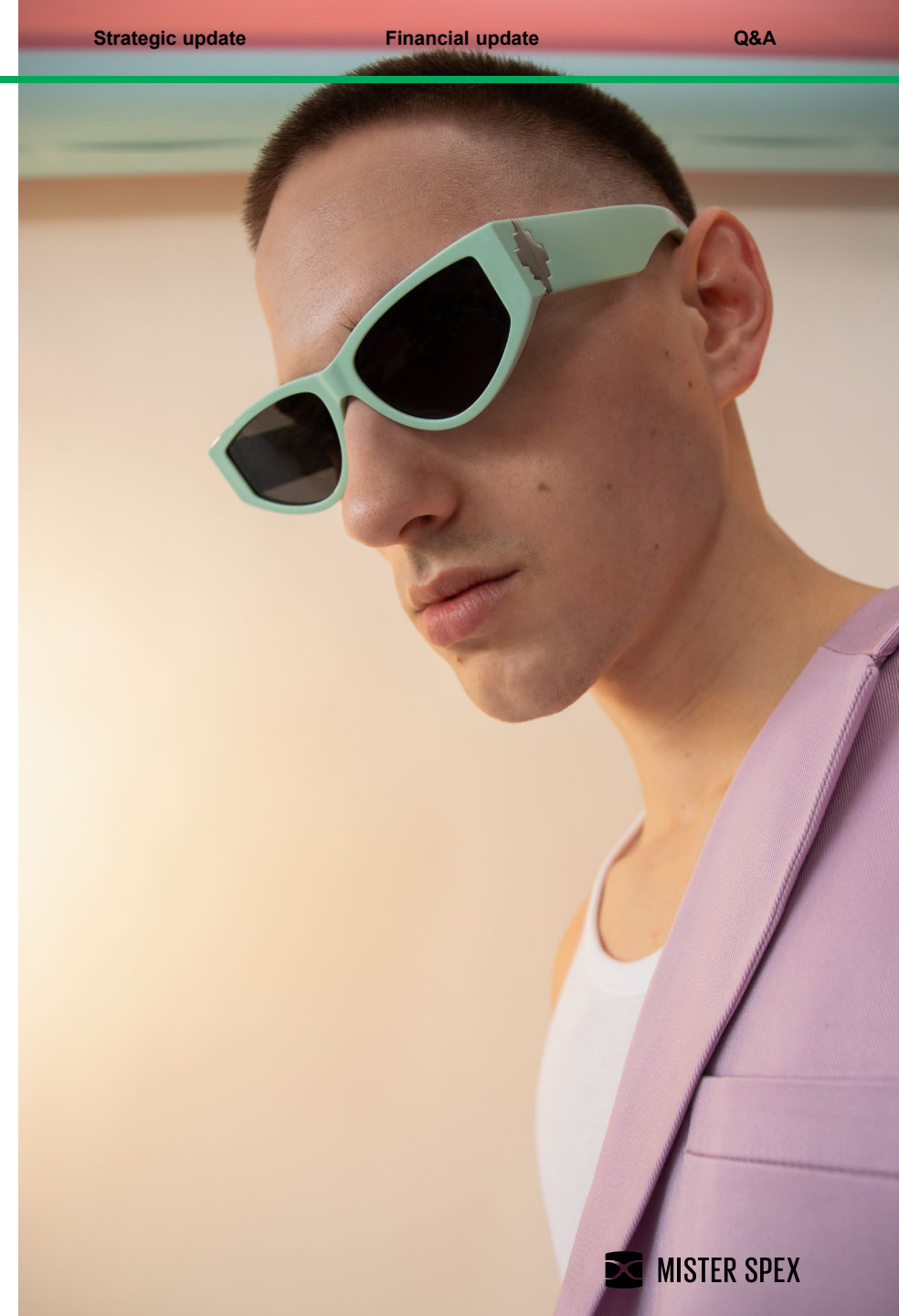
# Q2 2023 Results Presentation

31 August 2023



# Executive summary

- ① Continuous **market outperformance** supported by an improving consumer sentiment vs. last two quarters and execution of L4L measures
  - ▶ Strategic update
  
- ② Progress made in fulfilling our **brand promise** of providing the “perfect frame for every face and the perfect lens for every eye”
  - ▶ Strategic update
  
- ③ Strong **revenue growth** of +10% in Q2 and +8% in H1 and returning back to **profitability** with adj. EBITDA of € 0.7m (+€ 4.7m yoy)
  - ▶ Financial update



# Strategic update



## Seizing opportunity in a growing online eyewear market

Consistently outperforming the market and improving profitability with Lean 4 Leverage



## Developing our brand strength

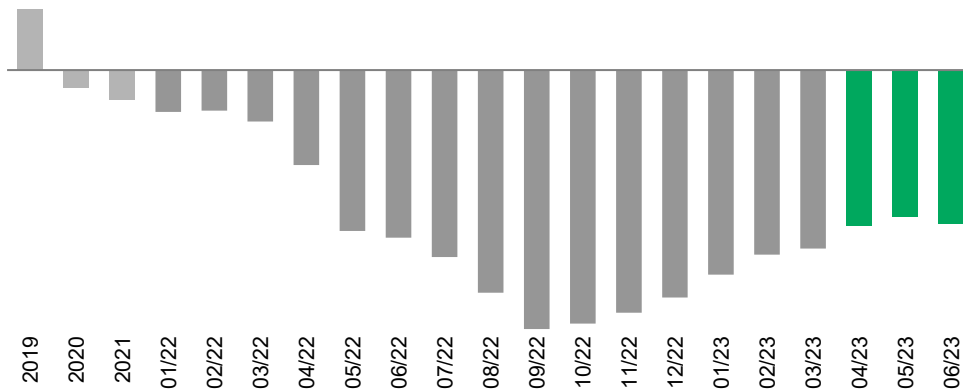
by delivering on our Brand Promise  
*Perfect frame for every face and perfect lens for every eye*



# H1 2023: market outperformance continues

The **consumer sentiment** improves from its low levels however remains negative...

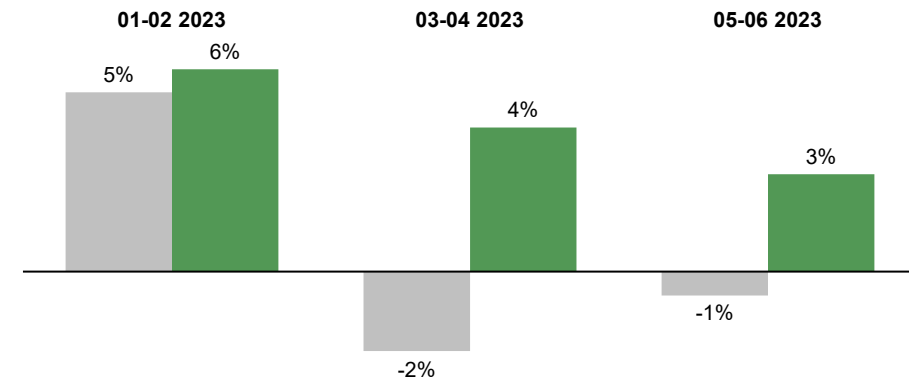
■ GfK Consumer Confidence (index points)



...and Mister Spex continues to **outperform** the market

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

H1 2023  
Germany - unit growth in PG and SG



Market outperformance:



1. Market data for independent optical retail of prescription glasses (PG) and sunglasses (SG)  
Source: GfK Panel Report Optics Total DE (Last update: July 2023)

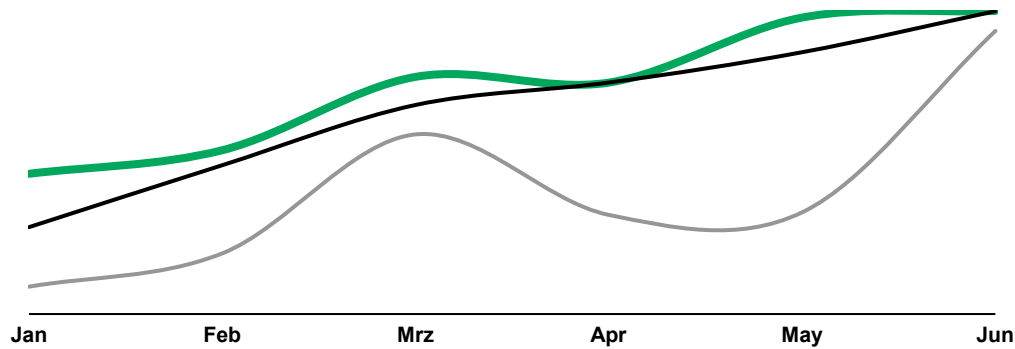


# Significant improvement in store performance

## Significant improvement in store sales...

Average sales per store<sup>1</sup> (€)

— 2023 — 2022 — 2021

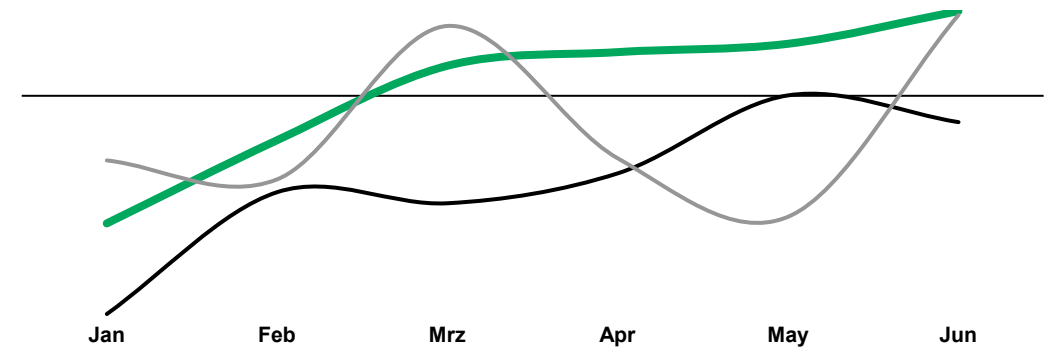


- Growth in **all store** cohorts in Q2 and H1
- Store sales account for **~30%oS** in H1 2023 (H1'22: ~20%)

## ... coupled with step-up in store profitability

Average EBITDA per store<sup>1</sup> incl. rent and excl. HQ costs (€)

— 2023 — 2022 — 2021



- Price optimization, selective campaigns
- Tighter grip on costs including labor cost reduction coupled with better distribution of work force

1. All opened stores



# Lean 4 Leverage: Q2

## Areas of focus for 2023

### Concentrate on the core



6% **LFL growth**<sup>1</sup> in Q2, growth in every store cohort.

Q2'22 was the first quarter not affected by COVID-19 restrictions



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

>40% of store employees are part time

### Optimise price, mix and product margin



+189bps improvement in **Gross Margin** YoY

 *Next slide*



**Refined pricing** proposition: €19.95 for previously free 1.5<sup>2</sup> single vision lens

### Lean for operational leverage



Large-scale lean management training program rolled out with ~20% of employees<sup>3</sup> trained

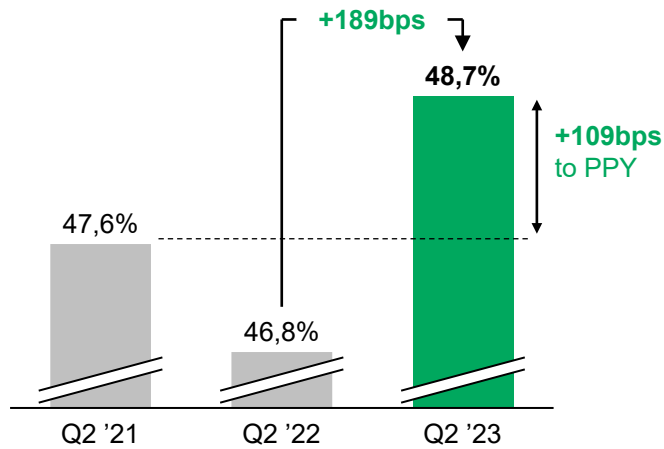


After the CHRO's departure, the company **streamlined HQ functions** and actively made FTE adjustments

# Lean 4 Leverage: optimizing margin

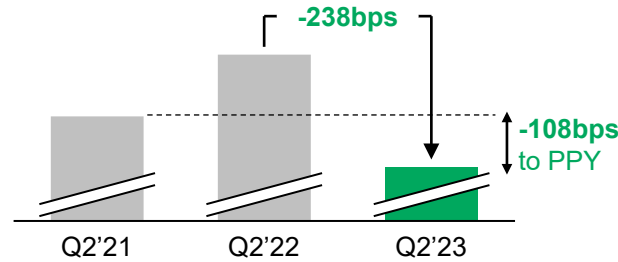
Solid improvement in Q2 **gross margin** was supported by ...

Gross margin (%)



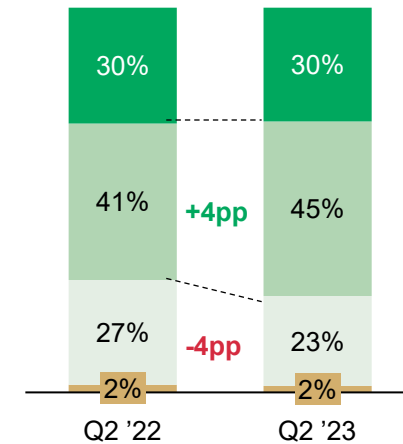
... reduced **discount rates** as a result of lower voucher discounts and higher targeted campaigns

Discount rates (%)

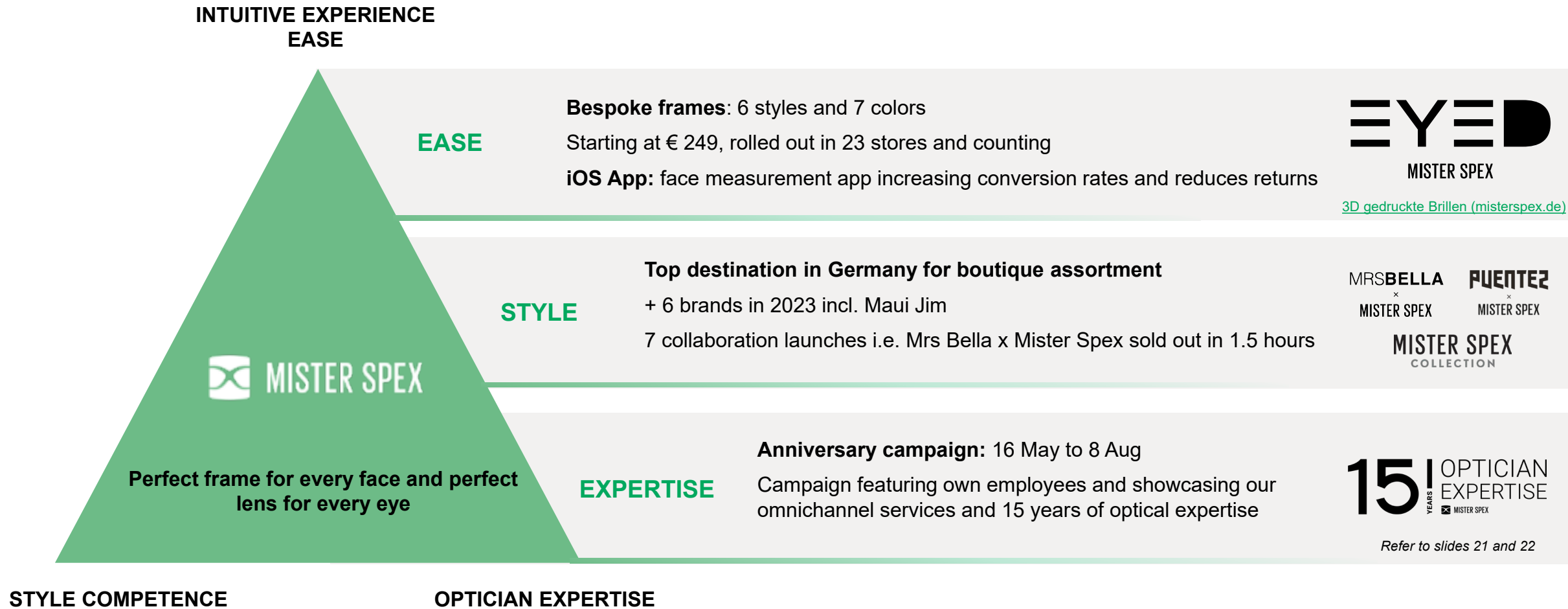


... as well as margin accretive **product mix**

- Prescription glasses (PG)
- Contact lenses (CL)
- Sunglasses (SG)
- Miscellaneous services



# Delivering on our long-term strategy





# Financial update



**Accelerated growth of 10% in Q2,  
bringing H1 to 8%**

Fully on track to meet revenue guidance



**Returning back to profitability of  
€ 0.7m in H1 (+4.7m vs. H1 '22)**

Fully on track to meet profitability guidance



**Strong cash flow development  
of +€ 13m in Q2**

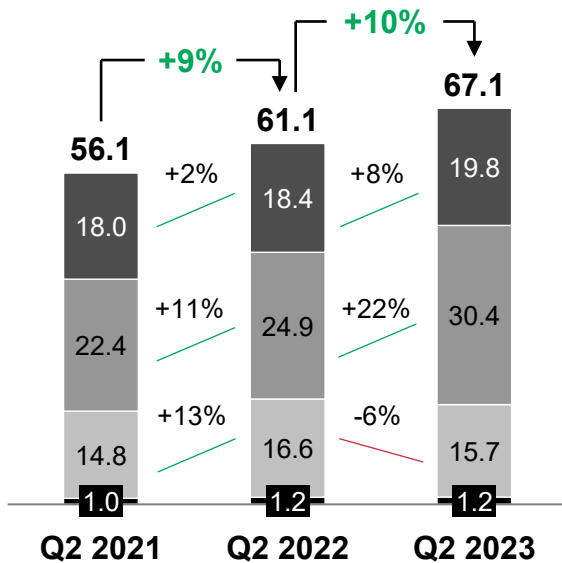
with € 124m in cash and cash equivalents



# Revenue – category development

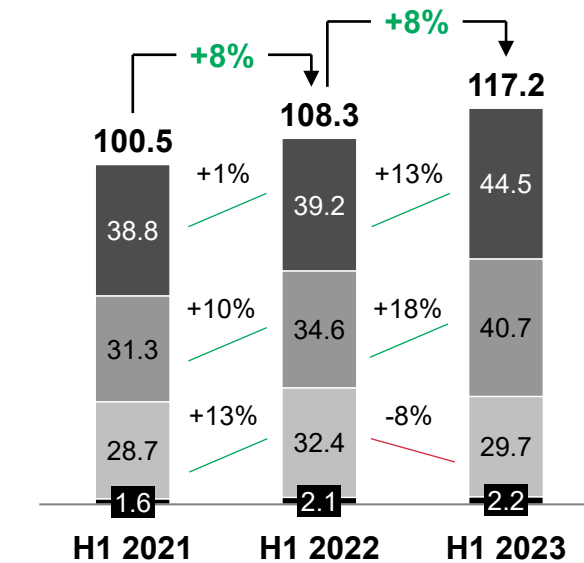
## Q2 Revenue

€m



## H1 Revenue

€m



■ Prescription glasses (PG) ■ Sunglasses (SG) ■ Contact lenses (CL) ■ Miscellaneous services

## Q2 2023

**Prescription glasses:** acceleration from 2022 due to improved consumer sentiment as well as opening of new stores (+14 YoY)

**Sunglasses:** supporting weather conditions coupled with dedicated marketing campaign

**Contact lenses:** deliberate decision to focus on margin accretive categories. Performance impacted by negative currency development in the Nordics

Continuously strong growth in **Boutique** and **Own Brand**, over proportionally contributing to the overall development

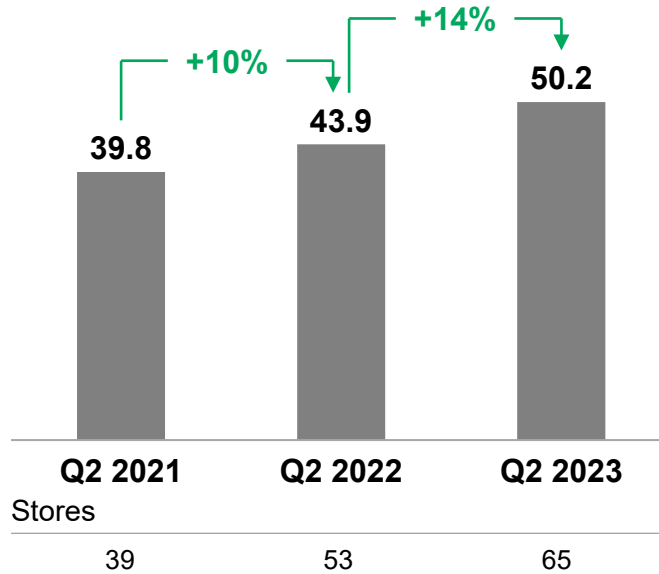
+3 stores in Q2, ending the quarter with 74 stores



# Revenue – segments development

## Net Revenue – Germany

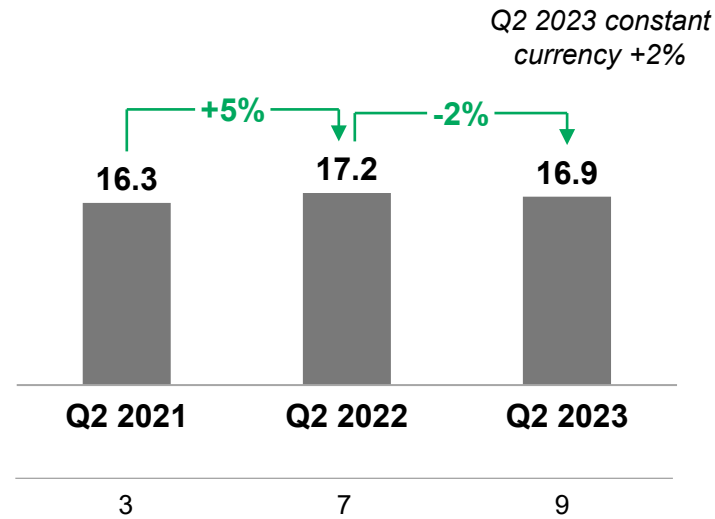
€m



+2 new stores in Germany in Q2. All new store openings are in new cities

## Net Revenue – International

€m



+1 new store in Austria (Graz) in Q2  
The marketing budget has been reallocated towards Germany, as part of Lean 4 Leverage efficiency program.



# Financial performance in Q2/H1 2023

% of Revenue	Q2 2022	Q2 2023	Δ	H1 2022	H1 2023	Δ
<b>Gross Profit Margin</b>	46.8%	48.7%	1.9pp	47.9%	50.8%	2.9pp
Personnel expense	(23.3)%	(24.7)%	(1.3)pp	(26.2)%	(27.1)%	(0.9)pp
Marketing expense	(12.1)%	(11.8)%	0.3pp	(13.9)%	(12.3)%	1.6pp
Other operating expense	(16.9)%*	(14.1)%	2.8pp	(17.3)%	(15.8)%	1.5pp
EBITDA	(1.9)%	0.8%	2.7pp	(5.8)%	(1.2)%	4.6pp
<b>Adjusted EBITDA</b>	<b>1.0%</b>	<b>3.4%</b>	<b>2.5pp</b>	<b>(3.7)%</b>	<b>0.6%</b>	<b>4.3pp</b>

## Q2

**Gross profit margin:** improved unit economics driven by higher AOV

**Personnel expense:** increased due to 14 new stores YoY, as well as severance payment and garden leave

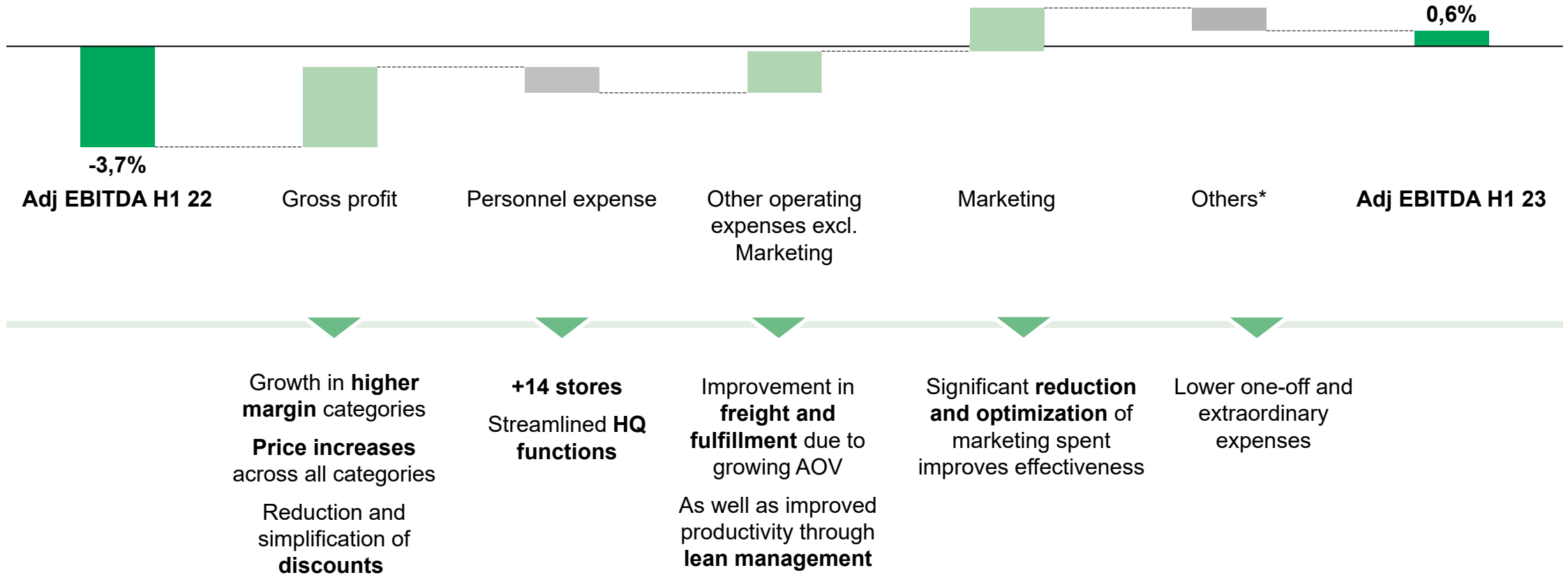
**Marketing expense:** roughly flat due to 15-years anniversary campaign and dedicated marketing activities

\* Other operating expenses adjusted for derecognition of shares in Tribe GmbH is 15.8%, therefore 1.7pp improvement year-on-year



# Operational excellence drives improvement in H1'23

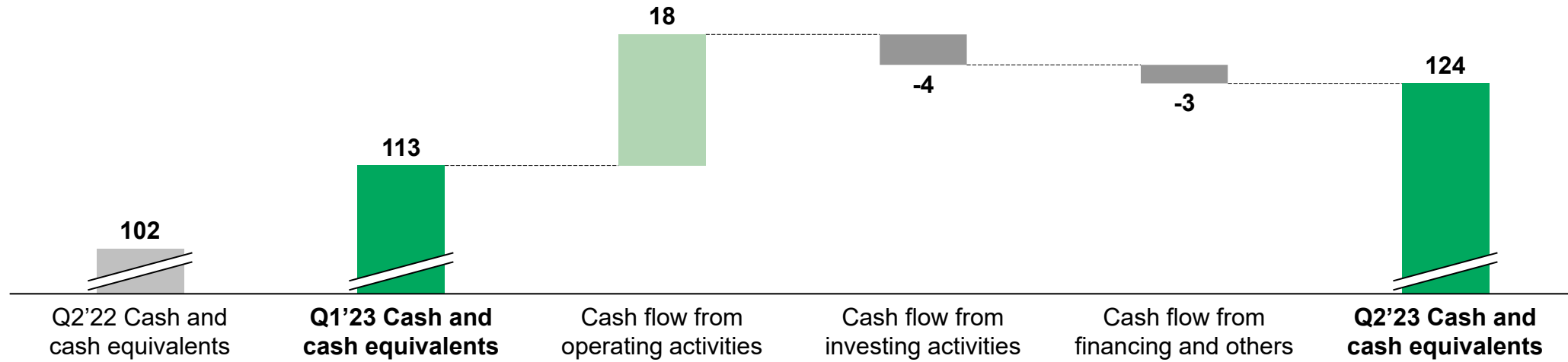
Adjusted EBITDA margin (%)



\* Others - includes EBITDA adjustments as well as other operating income and other own work capitalized

# Strong cash flow from operations & cash balance at the end of H1'23

in € m

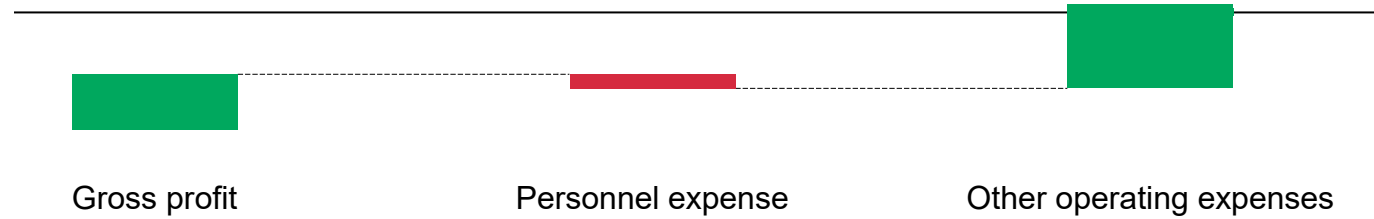


Mainly driven by **strong trading** which is reflected in 10% revenue growth in Q2 & working capital management

Includes **store expansion** and investment into intangible assets

Lease payments

# Financial outlook for H2'23



Optimization initiatives  
(L4L)



Reduction and simplification of <b>discounts</b> supporting Q3 Continuously growing <b>prescription glasses share</b>	Streamlined <b>HQ functions</b> and <b>labor flexibilization</b> started in 2023	Lean management Continuous <b>marketing effectiveness</b>
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Headwinds



Increased <b>promotional activity</b> on the market <b>Mixed weather</b> patterns in Q3	Up to <b>3 new stores</b> <b>Labor cost inflation</b>	<b>Operating deleverage</b>
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# Guidance 2023

Net revenue (€ m)

Mid to high single digit growth



Adjusted EBITDA margin (%)

Low single digit percentage margin



»» Q3

- **Mixed weather** patterns impacting sunglasses business
- Based on GfK, consumer climate currently remains **at very low level** overall. Sustained recovery before the year end is not very likely







# Looking ahead

## Reporting

<b>9 November</b>	Q3 2023 financial results
<b>27 March</b>	FY 2023 financial results

## Conferences and roadshows

<b>31 Aug</b>	Company sponsored roadshow (Virtual)
<b>5 Sept</b>	Alster Research – Round table (Virtual)
<b>18 Sept</b>	Baader Investment Conference 2023 (Munich)
<b>19 Sept</b>	Twelfth German Corporate Conference 2023 (Munich)
<b>9 Oct</b>	SME Conference - Quirin Privatbank (Paris) – IR only
<b>27-29 Nov</b>	Deutsches Eigenkapitalforum (Frankfurt)



# Q&A



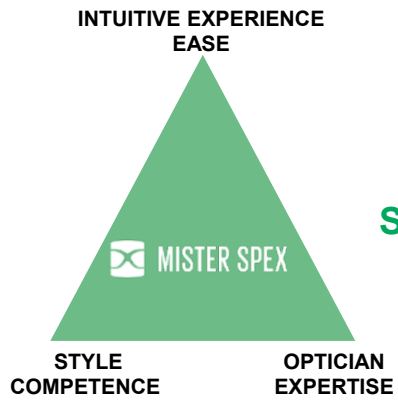


# Appendix |



**Graz - Seiersberg 1/9**

# Delivering on our long-term strategy



STYLE

We reached ~ 2 millions people on social media with our collaborations

► January 2023

MARCEL OSTERTAG

Styles presented on Berlin Fashion Week show

► February 2023

dagibee  
×  
MISTER SPEX

~4,000 people sang for a community event in Köln ->

► April 2023

MRSBELLA  
×  
MISTER SPEX

Collections was fully sold out within first 1.5 hours after launch



# 15-year campaign

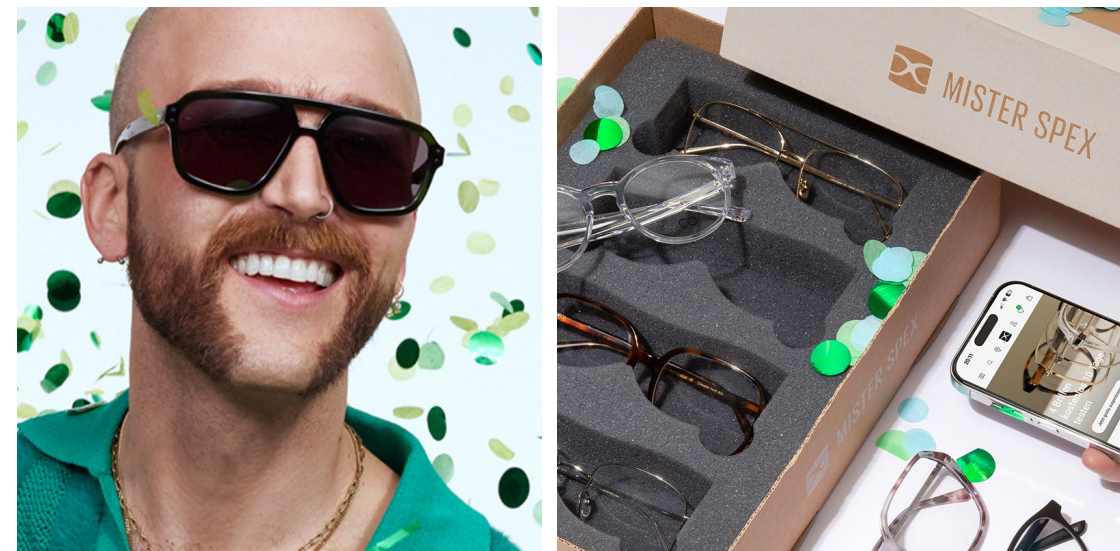
- Curated **Birthday Collection** with 60 SKUs
- **Giveaways** for customers
- Anniversary **raffle**
- Birthday **sale**

## Campaign messages




- 15 years and **more eyeglass** matches than your dating app
- 15 years and your **sharp eye** is our biggest mission
- 15 years and **more style expertise** than Fashion Week
- 15 years and always the **latest brands** in our assortment for you
- 15 years and the **smartest services** cleverly linked both online and offline

## Customer quote:

*"The scratch-off lottery at Mister Spex is a great promotion that I can only recommend to everyone. The prizes are really great! I was lucky enough to win a travel voucher from DERTOUR and could hardly believe it. With the voucher, I could finally treat myself to the dream vacation I had been planning for a long time. The choice of destinations was great, and I'm thrilled with the flexibility the voucher gives me. Thank you, Mister Spex, for this unforgettable win!"*

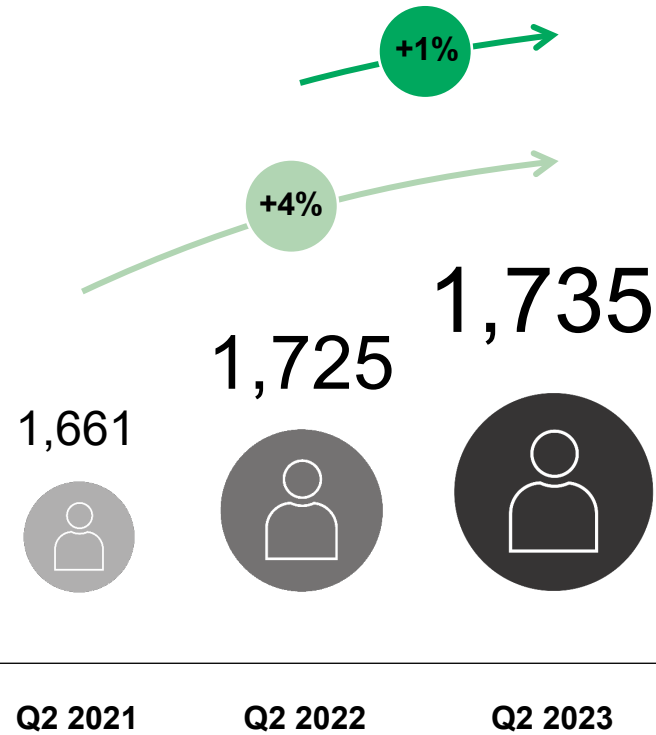


# Guidance 2023

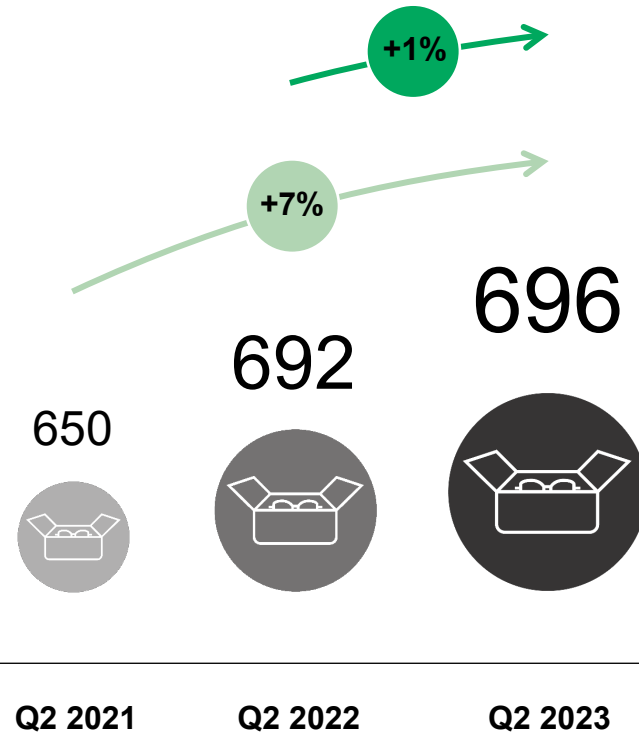
	2022	Guidance 2023	Comments
<b>Net revenue (€ m)</b>	<b>210</b>	<b>Mid to high single digit growth</b>	Supported by price increases and volume growth
Prescription share (%)	39%		Increasing due to further store roll out and maturing store portfolio
Gross profit margin (%)	48.5%		Increases due to reduced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

# Resilient unit economics

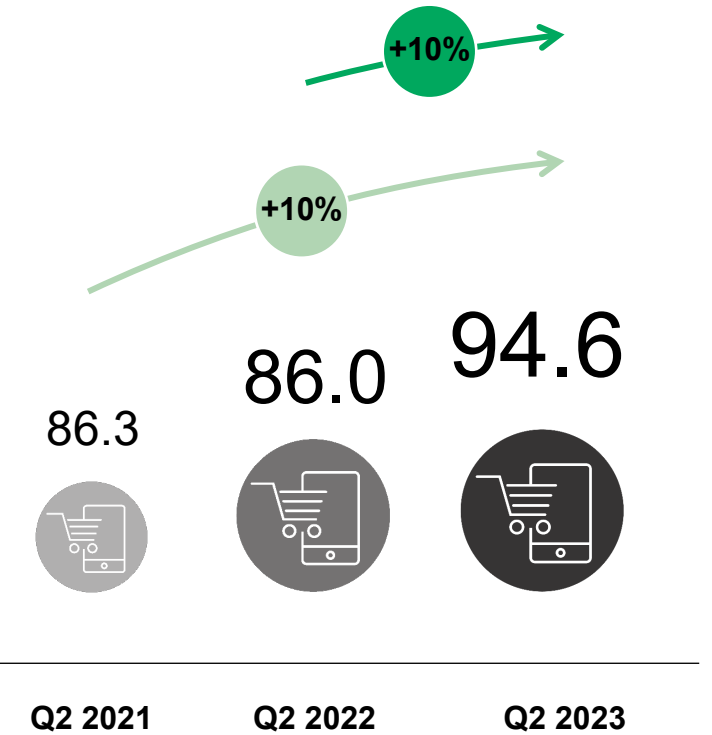
## Active customers LTM<sup>1</sup> thousand



## Number of orders<sup>2</sup> thousand



## Average order value LTM<sup>3</sup> €



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



# Consolidated statement of profit or loss

## Consolidated statement of profit and loss

in € k	Note	Q2 (1 Apr – 30 Jun)		H1 (1 Jan – 30 Jun)	
		2023	2022	2023	2022
Revenue	1	67,059	61,105	117,159	108,291
Other own work capitalized		1,590	2,074	3,085	3,675
Other operating income		223	159	689	330
<b>Total operating performance</b>		<b>68,873</b>	<b>63,338</b>	<b>120,932</b>	<b>112,296</b>
Cost of materials		-34,407	-32,506	-57,647	-56,461
Personnel expenses	2	-16,537	-14,251	-31,807	-28,375
Other operating expenses	3	-17,396	-17,755	-32,904	-33,787
<b>Earnings before interest, taxes, depreciation and amortization (EBITDA)</b>		<b>532</b>	<b>-1,174</b>	<b>-1,426</b>	<b>-6,326</b>
Depreciation, amortization and impairment	13	-8,340	-4,752	-14,061	-8,815
<b>Earnings before interest and taxes (EBIT)</b>		<b>-7,808</b>	<b>-5,926</b>	<b>-15,487</b>	<b>-15,141</b>
Financial result	4	-254	-1,146	-440	-1,928
Share of results of associates		0	-307	0	-302
<b>Earnings before taxes (EBT)</b>		<b>-8,062</b>	<b>-7,378</b>	<b>-15,926</b>	<b>-17,371</b>
Income taxes	5	-317	-160	-623	-454
<b>Loss for the period</b>		<b>-8,379</b>	<b>-7,538</b>	<b>-16,549</b>	<b>-17,824</b>
Thereof loss attributable to the shareholders of Mister Spex SE					
<b>Basic and diluted earnings per share (in EUR)</b>		<b>-0.25</b>	<b>-0.23</b>	<b>-0.49</b>	<b>-0.53</b>

## Consolidated statement of other comprehensive income and loss

in € k	Q2 (1 Apr – 30 Jun)		H1 (1 Jan – 30 Jun)	
	2023	2022	2023	2022
<b>Loss for the period</b>	<b>-8,379</b>	<b>-7,538</b>	<b>-16,549</b>	<b>-17,824</b>
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods</b>				
Exchange differences on translation of foreign financial statements	-110	43	-295	125
Other comprehensive income / loss	-110	43	-295	125
<b>Total comprehensive loss</b>	<b>-8,489</b>	<b>-7,495</b>	<b>-16,844</b>	<b>-17,699</b>
Thereof loss attributable to the shareholders of Mister Spex SE	-8,489	-7,495	-16,844	-17,699



# Consolidated statement of cash flows



## Consolidated statement of cash flows (for the six months ended 30 June)

Consolidated statement of cash flows (for the six months ended 30 June)				Consolidated statement of cash flows (for the six months ended 30 June)			
		H1 (1 Jan – 30 Jun)				H1 (1 Jan – 30 Jun)	
in € k	Note	2023	2022	in € k	Note	2023	2022
<b>Operating activities</b>				<b>Investing activities</b>			
Loss for the period		-16,549	-17,824	Acquisition of subsidiaries, net of cash acquisition		0	-1,000
Adjustments for:				Purchase of other financial assets		0	-30,000
Finance income	4	-1,565	-367	Investments in property, plant and equipment		-4,720	-4,737
Finance cost	4	2,005	2,294	Investments in intangible assets		-4,034	-4,992
Income tax expense	5	623	454	<b>Cash flow from investing activities</b>		<b>-8,754</b>	<b>-40,728</b>
Amortization and impairment of intangible assets		3,173	2,862	<b>Financing activities</b>			
Depreciation and impairment of property, plant and equipment		4,001	1,627	Cash received from capital increases, net of transaction costs		93	429
Depreciation of right-of-use assets		6,887	4,324	Cash from resolved capital increase		184	0
Non-cash expenses for share-based payments	10	426	865	Borrowing of other financial liabilities		1,941	0
Increase (+)/decrease (-) in non-current provisions		139	106	Repayments of liabilities to banks		-438	0
Increase (-)/decrease (+) in inventories		-8,997	-6,734	Payment of principal portion of lease liabilities		-5,054	-3,909
Increase (-)/decrease (+) in other assets		4,010	-2,355	<b>Cash flow from financing activities</b>		<b>-3,274</b>	<b>-3,480</b>
Increase (+)/decrease (-) in trade payables and other liabilities		15,028	11,619	<b>Net increase (+)/decrease (-) in cash and cash equivalents</b>			
Share of results of associates		0	302			<b>-3,470</b>	<b>-47,364</b>
Income taxes paid		-491	0	Cash and cash equivalents at the beginning of the period		127,792	149,644
Loss from the derecognition of shares in associates		0	674	<b>Cash and cash equivalents at the end of the period</b>		<b>124,322</b>	<b>102,280</b>
Interest paid		-1,379	-1,005				
Interest received		1,247	3				
<b>Cash flows from operating activities</b>		<b>8,558</b>	<b>-3,155</b>				

# Consolidated statement of financial position

## Consolidated statement of financial position

Assets				Equity and liabilities			
in € k	Note	30.06.2023	31.12.2022	in € k	Note	30.06.2023	31.12.2022
<b>Non-current assets</b>		<b>143,210</b>	<b>120,411</b>	<b>Equity</b>		<b>184,680</b>	<b>201,005</b>
Goodwill		12,829	12,829	Subscribed capital	10	33,891	33,866
Intangible assets		22,598	21,738	Capital reserves	10	328,162	327,668
Property, plant and equipment	6	24,601	23,922	Other reserves		-1,388	-1,094
Right-of-use assets	7	78,418	53,193	Accumulated loss		-175,984	-159,435
Other financial assets	8	4,764	8,729	<b>Non-current liabilities</b>		<b>83,835</b>	<b>56,736</b>
<b>Current assets</b>		<b>178,043</b>	<b>172,821</b>	Provisions		1,703	1,563
Inventories	10	39,039	30,041	Lease liabilities	7	75,919	50,376
Right of return assets	1	3,186	759	Liabilities to banks		1,120	1,120
Trade receivables		701	2,742	Other financial liabilities	10	3,602	2,462
Other financial assets	8	2,673	868	Other non-financial liabilities		23	42
Other non-financial assets		8,122	10,619	Deferred tax liabilities		1,467	1,173
Cash and cash equivalents		124,322	127,792	<b>Current liabilities</b>		<b>52,738</b>	<b>35,491</b>
				Provisions	1	1,088	1,054
				Trade payables		18,699	12,857
				Refund liabilities	1	6,105	2,166
				Lease liabilities	7	11,667	10,159
				Other financial liabilities	1	2,052	1,433
				Contract liabilities	1	1,628	1,121
				Other non-financial liabilities	12	11,499	6,700
<b>Total assets</b>		<b>321,253</b>	<b>293,232</b>	<b>Total equity and liabilities</b>		<b>321,253</b>	<b>293,232</b>



