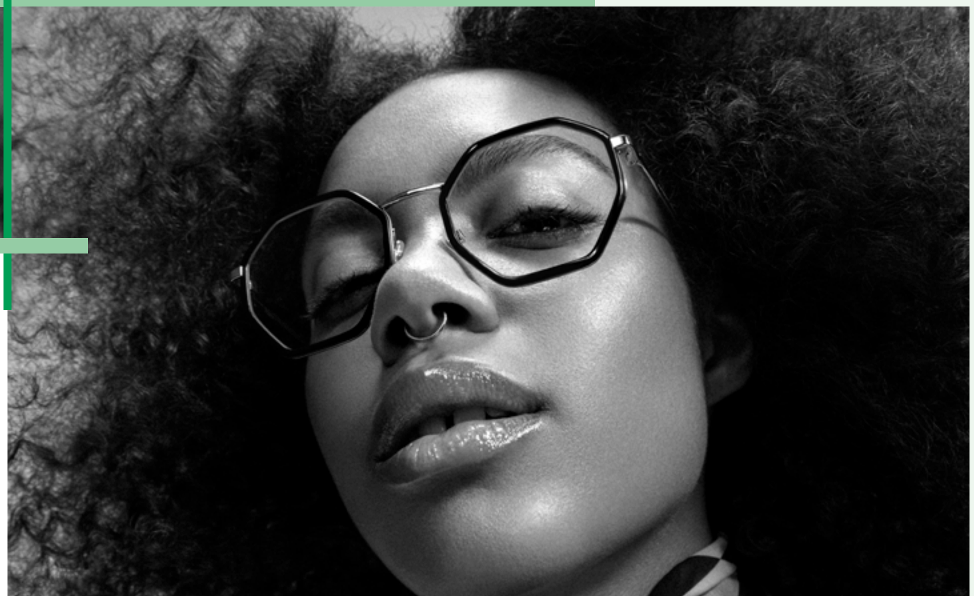

Quarterly Statement

# Q3 2021

MISTER SPEX

# MISTER SPEX – At a glance



### #Interactive

**Click**
This table of contents is interactive — as is the menu on the right-hand side.

## Key figures

| in EUR k | Q3 2021 (01.07.–30.09.) | Q3 2020 (01.07.–30.09.) | Change |
|---|---|---|---|
| **Results of operation** | | | |
| **Revenues** | **49,399** | **44,430** | **11%** |
| Revenues by segment | | | |
| Germany | 35,202 | 32,005 | 10% |
| International | 14,197 | 12,425 | 14% |
| Revenues by product category | | | |
| Prescription glasses | 17,847 | 16,627 | 7% |
| Sunglasses | 14,754 | 13,031 | 13% |
| Contact lenses | 16,000 | 14,303 | 12% |
| Miscellaneous services | 798 | 469 | 70% |
| Gross profit margin (in % of revenues)[1] | 46.0% | 49.4 % | –340bp[2] |
| EBITDA | –2,416 | 2,155 | – |
| **Adjusted EBITDA** | **268** | **2,158** | **–88%** |
| **Other key figures** | | | |
| Active customers (LTM)[3] (in k) | 1,690 | 1,498 | 14% |
| Number of orders[4] (in k) | 592 | 526 | 13% |
| Average order value[5] (LTM) (in EUR) | 85.90 | 80.10 | 7% |

1 Management defines gross profit margin as the ratio of gross profit to revenue
2 bp = basis points
3 Excluding cancellations
4 Orders after cancellations and after returns
5 Calculated as revenues for all product categories divided by the number of orders after cancellations and after returns

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# Interim Group management report

**+11%**

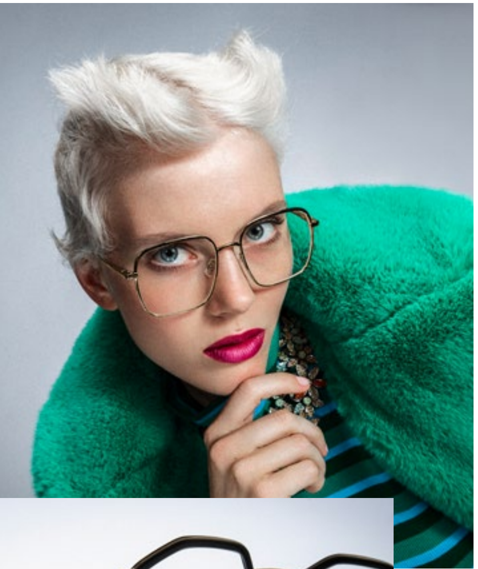
**INCREASE IN REVENUES IN Q3 2021**

## Financial performance

### Group income statement

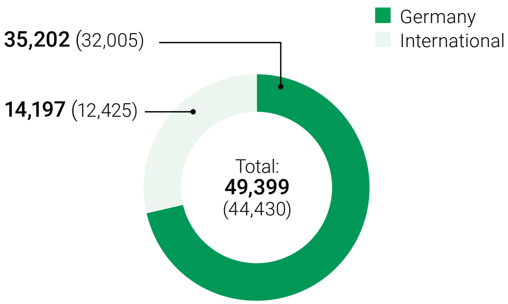
| in EUR k | 01.07.–30.09. Q3 2021 | Q3 2020 | Change |
|---|---|---|---|
| **Revenues** | **49,399** | **44,430** | **11%** |
| Own work capitalised | 1,764 | 1,083 | 63% |
| Other operating income | 1,812 | 119 | > 100% |
| Cost of materials | –26,692 | –22,497 | 19% |
| **Gross profit [1]** | **22,707** | **21,933** | **4%** |
| **Gross profit margin [1]** | **46.0%** | **49.4%** | **–340bp [2]** |
| Personnel expenses | –11,548 | –9,504 | 22% |
| Other operating expenses | –17,151 | –11,476 | 49% |
| **EBITDA** | **–2,416** | **2,155** | |
| Adjustments | 2,684 | 3 | >100% |
| **Adjusted EBITDA** | **268** | **2,158** | **–88%** |
| Depreciation and amortisation | –3,816 | –2,959 | 29% |
| **EBIT** | **–6,232** | **–804** | **>100%** |
| Financial result | –862 | –1,213 | –29% |
| Share in loss of associates | –96 | – | |
| Income taxes | –1,002 | –48 | >100% |
| **Loss for the period** | **–8,192** | **–2,065** | **> 100%** |

1 Management defines gross profit as revenue less cost of materials and gross profit margin as the ratio of gross profit to revenue
2 bp = basis points



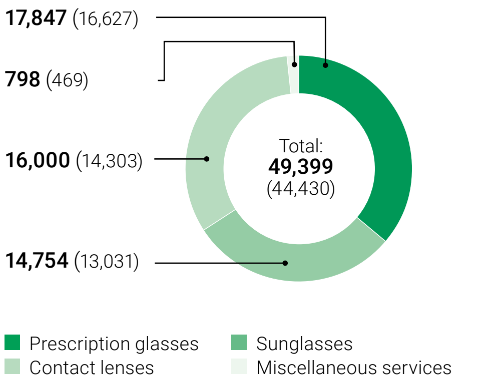
In Q3 2021, revenues were up 11% driven by double-digit growth in the sunglasses and contact lenses product categories. Sunglasses were the fastest-growing product category during this quarter, with revenues up by 13%. The growth benefited from increased travel activity and higher demand for sunglasses. Contact lens revenues increased 12% and benefitted from a leading price-value proposition in many markets. The revenue from prescription glasses increased 7%, thus falling short of company expectations. This is primarily related to a slower than expected revenue recovery in the stores, and, in particular, in the newer store cohorts. While the pre-Covid cohorts are trading above the level of 2019, the younger store cohorts are suffering from a lack of traffic and therefore a lower repeat customer build-up while the COVID restrictions were in place. Prescription glasses account for around 80% of revenues in the stores and are therefore a key driver for the development of revenues in the stores. Furthermore, online revenues of prescription glasses also fell short of expectations during the low-turnover summer months, a trend that was largely reflected in the online retail sector overall.

**Revenue by segment Q3 2021** (in EUR k)*




* Prior-year figures are in brackets

**Revenue by product category Q3 2021** (in EUR k)*




* Prior-year figures are in brackets

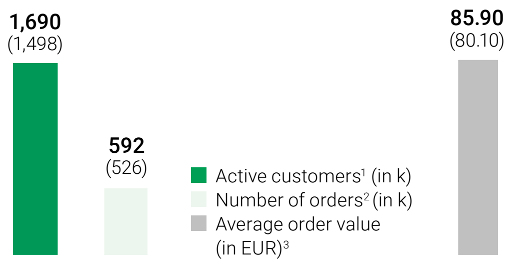
Compared to Q3 2019, Mister Spex was able to grow by 35% overall, which was, again, significantly above the general development in the market.

The good revenue trend relative to the market in all product categories in Q3 2021 can be seen in Germany from the 10% growth in revenues, although the revenue trend for prescription glasses fell short of expectations. The recovery of brick-and-mortar retail in Germany continued to be adversely affected by the negative impact of the social distancing measures related to Covid-19 and footfall on the high street and in shopping malls below the level of Q3 2019. Revenues in international markets grew 14%, driven, in particular, by solid double-digit growth rates in sunglasses.

The number of active customers rose by 14% to 1,690 k in Q3 2021. This result reflects the customer-centric omnichannel business model of Mister Spex, which is marked by a high level of customer satisfaction and a repurchase intention that is well above that of traditional incumbents. The number of orders thus also increased by 13% to 592 k. Due to a favourable product mix in the past twelve months, with an increased proportion of prescription glasses, the average order value in this period increased by 7% to EUR 85.90.

The gross margin decreased by 340 basis points to 46.0%, which is mainly due to a lower share of prescription glasses in the product mix in Q3 2021. In addition, discounts were above the same quarter of the previous year, as the basis for comparison from last year was particularly low due to the pandemic.

**Non-financial KPIs Q3 2021***




1 Customers who ordered in the last twelve months excluding cancellations
2 Orders after cancellations and after returns
3 Calculated as revenues divided by the number of orders after cancellations and after returns over the last twelve months
* Prior-year figures are in brackets

Personnel costs increased by 22% in Q3 2021. The main reasons for this development are the opening of new stores and the hiring of additional employees to support future growth of the company. Other operating expenses increased by 49% in Q3 2021. This was mainly due to the increase in legal and consulting fees in connection with the IPO, as well as the increase in marketing costs in the area of performance and brand marketing to drive revenue growth and further increase brand awareness. In addition, last year's basis for comparison was particularly low due to the pandemic. In addition to higher depreciation of intangible assets in line with increased efforts for own software development, the main reason for the 29% increase in depreciation in the third quarter of 2021 was the increase in depreciation of right-of-use assets in accordance with IFRS 16 in connection with the rental of new stores.

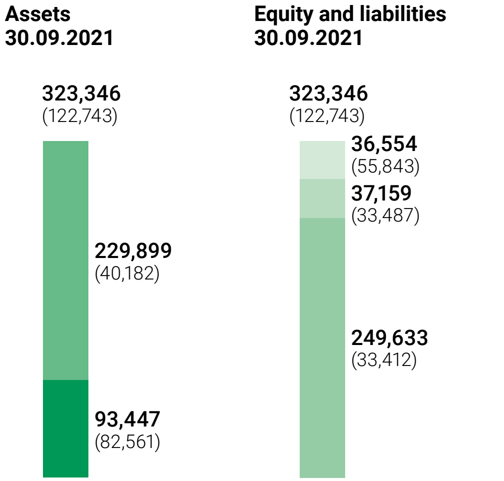
Management assesses the Group's operating performance based on adjusted EBITDA defined as earnings before interest, taxes, depreciation and amortisation, adjusted for share-based compensation expenses pursuant to IFRS 2, one-time transformation costs and other special effects that are not part of the regular course of business. The transformation costs in Q3 2021 essentially comprise one-off legal and consulting costs in connection with the IPO in July 2021.

In Q3 2021, adjusted EBITDA was down compared to the previous year. This deviation is mainly due to the decline in the gross margin due to an unfavourable product mix as a result of weaker growth in prescription glasses as well as higher operating expenses.

## Reconciliation from EBITDA to Adjusted EBITDA

| | 01.07.–30.09. | | |
|---|---|---|---|
| in EUR k | **Q3 2021** | Q3 2020 | Change |
| **EBITDA** | **–2,416** | **2,155** | |
| Adjustments | 2,684 | 3 | > 100% |
| Thereof effects arising from the application of IFRS 2 | 306 | 164 | 87% |
| Thereof transformation costs | 2,176 | 45 | > 100% |
| Thereof other special effects | 202 | –206 | |
| **Adjusted EBITDA** | **268** | **2,158** | **–88%** |

**Assets, liabilities and financial position 2021**
(in EUR k)*




* Figures in brackets as of 31.12.2020

Non-current assets
Current assets
Equity
Non-current liabilities
Current liabilities

As of 30 September 2021, total assets have increased by EUR 200,603 k. The increase in long-term assets by EUR 10,886 k is mainly due to the opening of new stores and the associated accounting for right-of-use assets in accordance with the provisions of IFRS 16.

The increase in current assets is mainly due to the proceeds from issues of shares from the IPO in the amount of EUR 244,565 k. Furthermore, the increase in inventory

value by EUR 3,289 k to EUR 20,895 k, in particular, for goods for the trade business, and the EUR 4,116 k increase in other financial assets to EUR 5,720 k, mainly due to a receivable from the shareholders involved in the IPO, caused the increase in current assets as of 30 September 2021. The other non-financial assets grew by EUR 6,720 k to EUR 11,140 k mainly due to the increase in VAT receivables and the advance payments made.

In the first nine months of 2021, Mister Spex generated a negative cash flow from operating activities of EUR 17,592 k (prior-year period: EUR −5,163 k). The cash outflow is due to a lower net income (also reasoned by expenses related to the IPO), payment of interest, and an increase in the inventory value and other assets. This is offset by an increase in trade payables and other liabilities.

The cash outflow from investing activities of EUR 11,129 k in the first nine months of 2021 (prior-year period: EUR −10,826 k) mainly resulted from investments in equipment for stores, in logistics, software developed in-house, and other equipment.

The cash flow from financing activities led to an inflow of funds of EUR 204,560 k in the first nine months of 2021 (prior-year period: EUR 11,170 k). The cash inflow is mainly due to the proceeds from the IPO. This is offset by the repayment of loans and the repayment of lease liabilities.

As a result, as of 30 September 2021, cash and cash equivalents increased by EUR 175,839 k to EUR 190,375 k.

The change in equity is mainly due to the capital increase carried out in the course of the IPO, the contributions resulting from the share-based payment transactions, and the result for the period. The equity ratio as of 30 September 2021 was 77.2% and was thus above the previous year's ratio of 27.2%. Business activities will be financed by means of equity.

As of 30 September 2021, the total of current and non-current liabilities was EUR 15,617 k below the value as of 31 December 2020. The increase in non-current liabilities to EUR 37,159 k is mainly due to the increase in lease liabilities in connection with the opening of new stores. This is related to the recognition of leases in accordance with IFRS 16. The decrease in current liabilities by EUR 19,289 k to EUR 36,554 k is mainly due to the repayment of liabilities to banks.

## Outlook

Against the background of the weaker than expected development for prescription glasses, the Management Board adjusted its forecast on 1 November 2021. While overall revenue growth was in line with the Management Board's expectations in the third quarter 2021, revenue growth with prescription glasses slowed down recently. The acceleration in revenue growth in the high margin prescription glasses business expected as from October 2021 did not materialise in the anticipated magnitude, and will not be compensated in the remaining course of the year.

For the full year 2021, the Management Board now expects an adjusted EBITDA of EUR 4 million to EUR 5 million (prior: improvement in adjusted EBITDA versus EUR 6.8 million in 2020). Furthermore, the Management Board specifies its revenue guidance and expects an increase of 17%–19% in the financial year 2021 (prior: increase of around 20% versus last year). The adjusted guidance corresponds to a revenue increase of 38%–40% versus the financial year 2019, and has no impact on the mid-term strategy of the company to accelerate revenue growth and increase profitability.

Berlin, 23 November 2021

The Management Board

**Dirk Graber**
Founder and Co-CEO

**Dr Mirko Caspar**
Co-CEO

**Maren Kroll**
CHRO

**Dr Sebastian Dehnen**
CFO

# Consolidated statement of comprehensive loss

## Consolidated statement of profit or loss

| in EUR k | 01.07.–30.09. 2021 | 01.07.–30.09. 2020 | 01.01.–30.09. 2021 | 01.01.–30.09. 2020 |
|---|---|---|---|---|
| Revenues | 49,399 | 44,430 | 149,907 | 124,864 |
| Own work capitalised | 1,764 | 1,083 | 4,830 | 3,088 |
| Other operating income | 1,812 | 119 | 2,606 | 626 |
| **Total operating performance** | **52,975** | **45,632** | **157,343** | **128,578** |
| Cost of materials | −26,692 | −22,497 | −77,581 | −64,871 |
| Personnel expenses | −11,548 | −9,504 | −38,108 | −26,673 |
| Other operating expenses | −17,151 | −11,476 | −50,048 | −32,863 |
| **Earnings before interest, taxes, depreciation and amortisation (EBITDA)** | **−2,416** | **2,155** | **−8,394** | **4,171** |
| Depreciation and amortisation | −3,816 | −2,959 | −10,784 | −7,790 |
| **Earnings before interest and taxes (EBIT)** | **−6,232** | **−804** | **−19,178** | **−3,619** |
| Financial result | −862 | −1,213 | −3,971 | −3,507 |
| Share in loss of associates | −96 | – | −232 | – |
| **Earnings before taxes (EBT)** | **−7,190** | **−2,017** | **−23,381** | **−7,126** |
| Income taxes | −1,002 | −48 | −2,836 | −322 |
| **Loss for the period** | **−8,192** | **−2,065** | **−26,217** | **−7,448** |
| Thereof loss attributable to the shareholders of Mister Spex SE | −8,192 | −2,065 | −26,217 | −7,448 |
| **Basic and diluted earnings per share (in EUR)** | **−0.21** | **−0.09** | **−0.99** | **−0.32** |

## Consolidated statement of other comprehensive loss

| in EUR k | 01.07.–30.09. 2021 | 01.07.–30.09. 2020 | 01.01.–30.09. 2021 | 01.01.–30.09. 2020 |
|---|---|---|---|---|
| **Loss for the period** | **−8,192** | **−2,065** | **−26,217** | **−7,448** |
| **Other comprehensive income to be reclassified to profit or loss in subsequent periods** | | | | |
| Exchange differences on translation of foreign financial statements | 15 | −35 | 7 | −146 |
| **Other comprehensive income / loss** | **15** | **−35** | **7** | **−146** |
| **Total comprehensive loss** | **−8,177** | **−2,100** | **−26,210** | **−7,594** |
| Thereof loss attributable to the shareholders of Mister Spex SE | −8,177 | −2,100 | −26,210 | −7,594 |

# Consolidated statement of financial position

**Consolidated statement of financial position**

**Assets**

| in EUR k | 30 Sep 2021 | 31 Dec 2020 |
|---|---|---|
| **Non-current assets** | **93,447** | **82,561** |
| Goodwill | 12,113 | 12,113 |
| Intangible assets | 16,751 | 13,947 |
| Property, plant and equipment | 18,368 | 15,311 |
| Right-of-use assets | 40,072 | 35,783 |
| Investments in associates | 2,186 | 2,418 |
| Other financial assets | 3,957 | 2,988 |
| **Current assets** | **229,899** | **40,182** |
| Inventories | 20,895 | 17,606 |
| Right of return assets | 978 | 695 |
| Trade receivables | 791 | 1,322 |
| Other financial assets | 5,720 | 1,604 |
| Other non-financial assets | 11,140 | 4,420 |
| Cash and cash equivalents | 190,375 | 14,536 |
| **Total assets** | **323,346** | **122,743** |

**Consolidated statement of financial position**

**Equity & liabilities**

| in EUR k | 30 Sep 2021 | 31 Dec 2020 |
|---|---|---|
| **Equity** | **249,633** | **33,412** |
| Subscribed capital | 33,742 | 1,193 |
| Capital reserves | 325,929 | 116,048 |
| Other reserves | –828 | –835 |
| Accumulated loss | –109,210 | –82,993 |
| **Non-current liabilities** | **37,159** | **33,487** |
| Provisions | 406 | 259 |
| Lease liabilities | 35,233 | 31,698 |
| Other financial liabilities | 320 | 320 |
| Other non-financial liabilities | 156 | 327 |
| Deferred tax liabilities | 1,044 | 882 |
| **Current liabilities** | **36,554** | **55,843** |
| Provisions | 848 | 728 |
| Trade payables | 16,258 | 10,028 |
| Refund liabilities | 2,206 | 1,993 |
| Lease liabilities | 7,295 | 5,741 |
| Liabilities to banks | – | 30,255 |
| Other financial liabilities | 676 | 467 |
| Contract liabilities | 949 | 698 |
| Other non-financial liabilities | 8,322 | 5,933 |
| **Total equity and liabilities** | **323,346** | **122,743** |

# Consolidated statement of cash flows

**Consolidated statement of cash flows (For the nine months ended 30 September)**

| in EUR k | 2021 | 2020 |
|---|---|---|
| **Operating activities** | | |
| **Loss for the period** | **−26,217** | **−7,448** |
| Adjustments for: | | |
| Finance income | −602 | −311 |
| Finance costs | 4,573 | 3,818 |
| Income tax expense | 2,836 | 322 |
| Amortisation of intangible assets | 3,387 | 2,195 |
| Depreciation of property, plant and equipment | 1,881 | 1,435 |
| Depreciation of right-of-use assets | 5,516 | 4,160 |
| Non-cash expenses for share-based payments | 989 | 493 |
| Increase (+) / decrease (−) in non-current provisions | 147 | 75 |
| Increase (−) / decrease (+) in inventories | −3,289 | −2,675 |
| Increase (−) / decrease (+) in other assets | −10,268 | 12,545 |
| Increase (+) / decrease (−) in trade payables and other liabilities | 6,444 | −17,576 |
| Share in loss of associates | 232 | – |
| Interest paid | −3,222 | −2,196 |
| Interest received | 1 | 0 |
| **Cash flow from operating activities** | **−17,592** | **−5,163** |
| **Investing activities** | | |
| Investments in property, plant and equipment | −4,939 | −6,697 |
| Investments in intangible assets | −6,190 | −4,129 |
| **Cash flow from investing activities** | **−11,129** | **−10,826** |
| **Financing activities** | | |
| Cash received from capital increases, net of transaction costs | 240,096 | 14,581 |
| Proceeds from loans | 35,000 | – |
| Repayments of liabilities to banks | −65,882 | −290 |
| Payment of principal portion of lease liabilities | −4,654 | −3,121 |
| **Cash flow from financing activities** | **204,560** | **11,170** |
| **Net increase (+) / decrease (−) in cash and cash equivalents** | **175,839** | **−4,819** |
| Cash and cash equivalents at the beginning of the period | 14,536 | 23,295 |
| **Cash and cash equivalents at the end of the period** | **190,375** | **18,476** |

## Financial calendar

| Date | |
|---|---|
| 24 November 2021 | Publication of Q3 2021 (quarterly statement) |
| 30 March 2022 | Publication of FY 2021 results |

# Imprint



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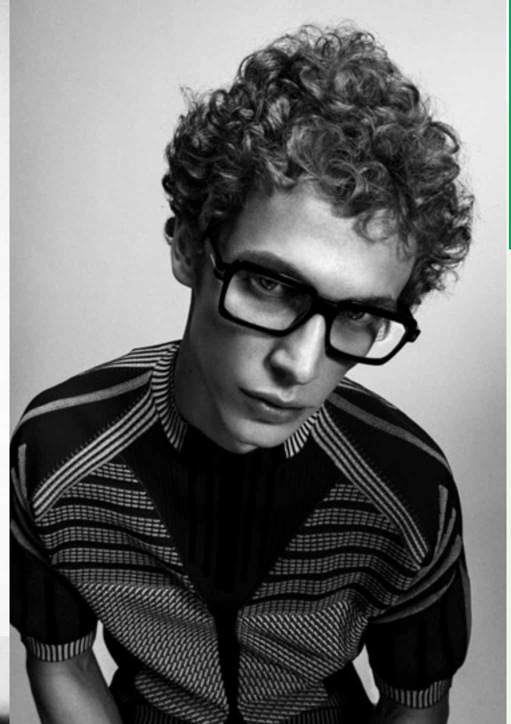

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