



Results presentation Q1 2023



SYNSAM GROUP

The background image shows an eyeglass store. Shelves are filled with various styles of eyeglasses. Promotional signs are visible, including "OUTLET COLLECTION" with a large percentage symbol, "VÄLJ GLAS", and "300kr" and "100kr" price tags. A sign on the left says "Linsar direkt hem från 100kr". A sign on the right says "UPPTILL".

Synsam Group Q1 2023 in summary

Q1 Overview

- Net sales amounted to **1,411 MSEK** (1,186), an increase of **19.0%**
- Gross margin amounted to **76.6%** (Q4 2022: 76.7; Q3: 73.8; Q2: 73.7; Q1: 79.3)
- Organic growth during Q1 was **17.5%** and growth like-for-like was **14.0%**
- EBITDA margin for the quarter amounted to **22.3%** (24.4)*
- Earnings per share, before and after dilution, totalled **0.13 SEK (0.66)** in Q1



Q1

**Net Sales
MSEK**

1,411



Q1

Gross margin

76.6%



Q1

Organic growth

+17.5%



Q1

EBITDA margin

+22.3%

Growth and result per segment



1
SWEDEN

Organic growth Q1
+19.4%

Like for like Q1
+16.2%

EBITDA Q1
196 MSEK (152)



2
DENMARK

Organisk growth Q1
+8.6%

Like for like Q1
+8.3%

EBITDA Q1
79 MSEK (61)



2
NORWAY

Organic growth Q1
+14.1%

Like for like Q1
+10.4%

EBITDA Q1
45 MSEK (52)

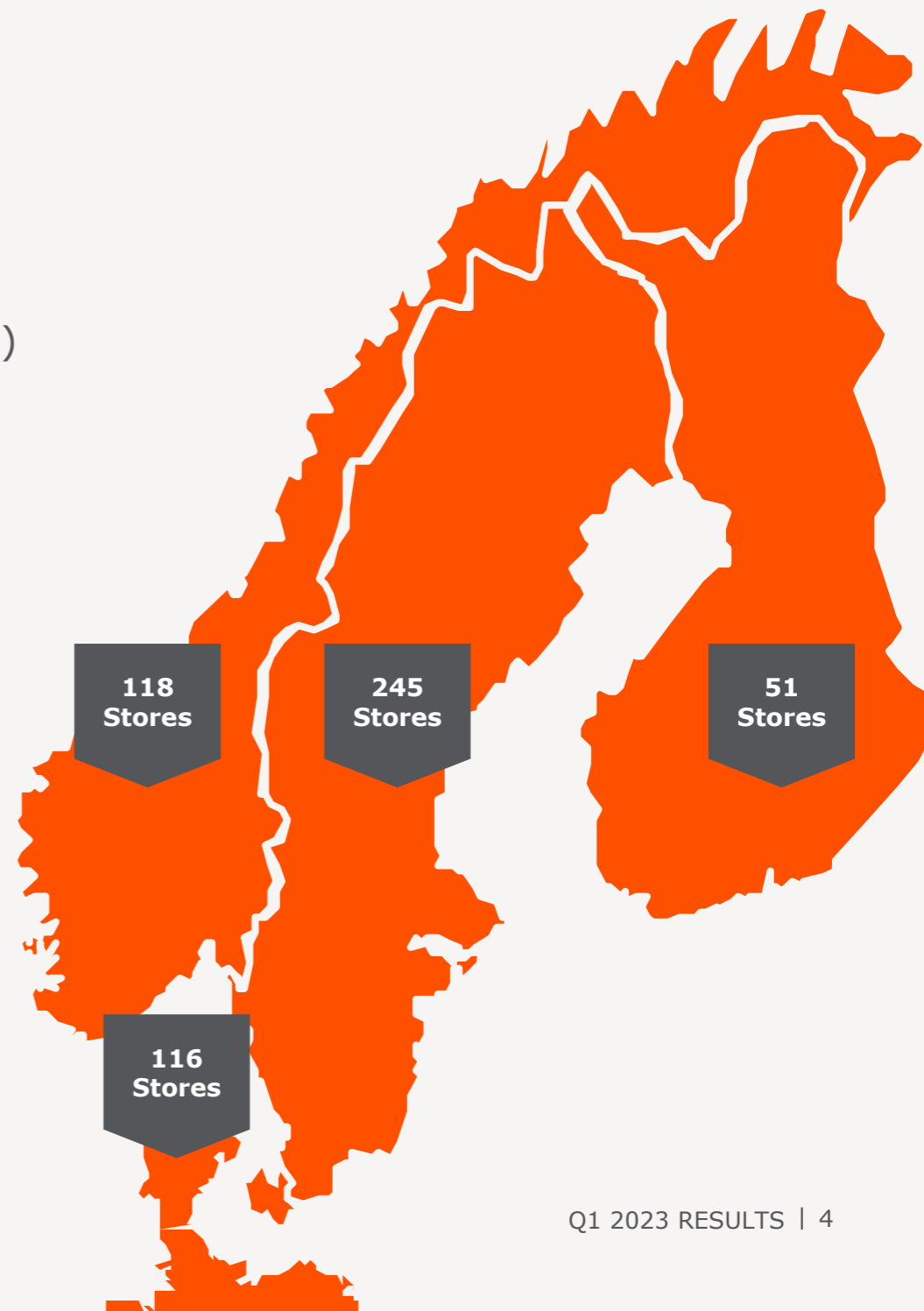


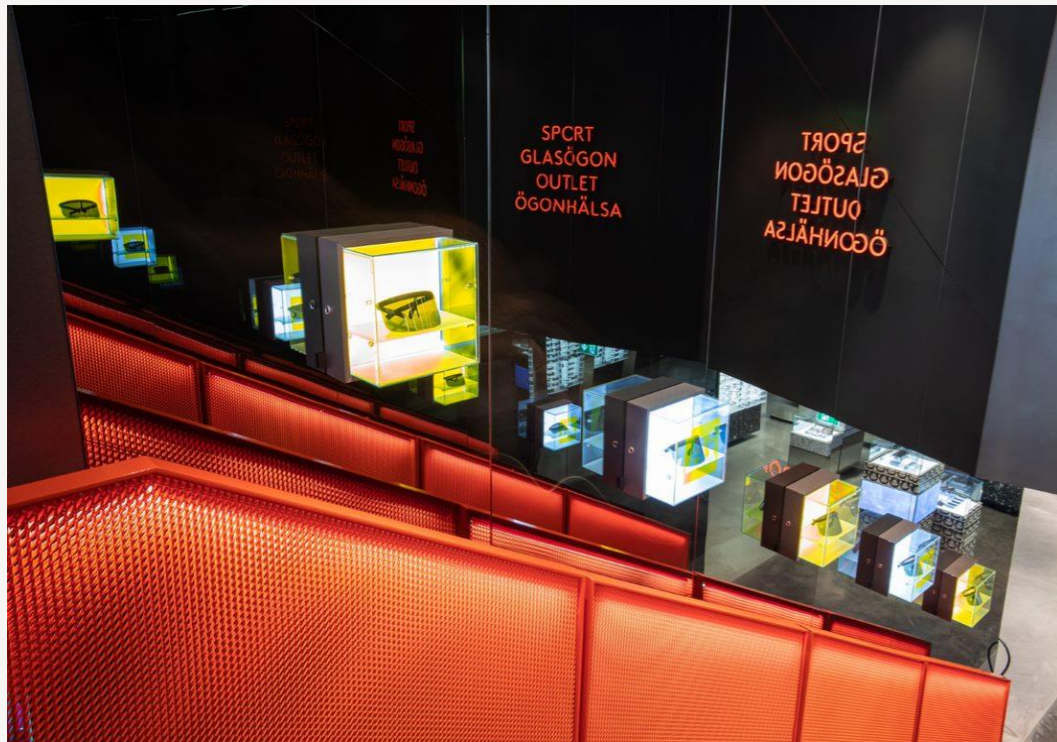
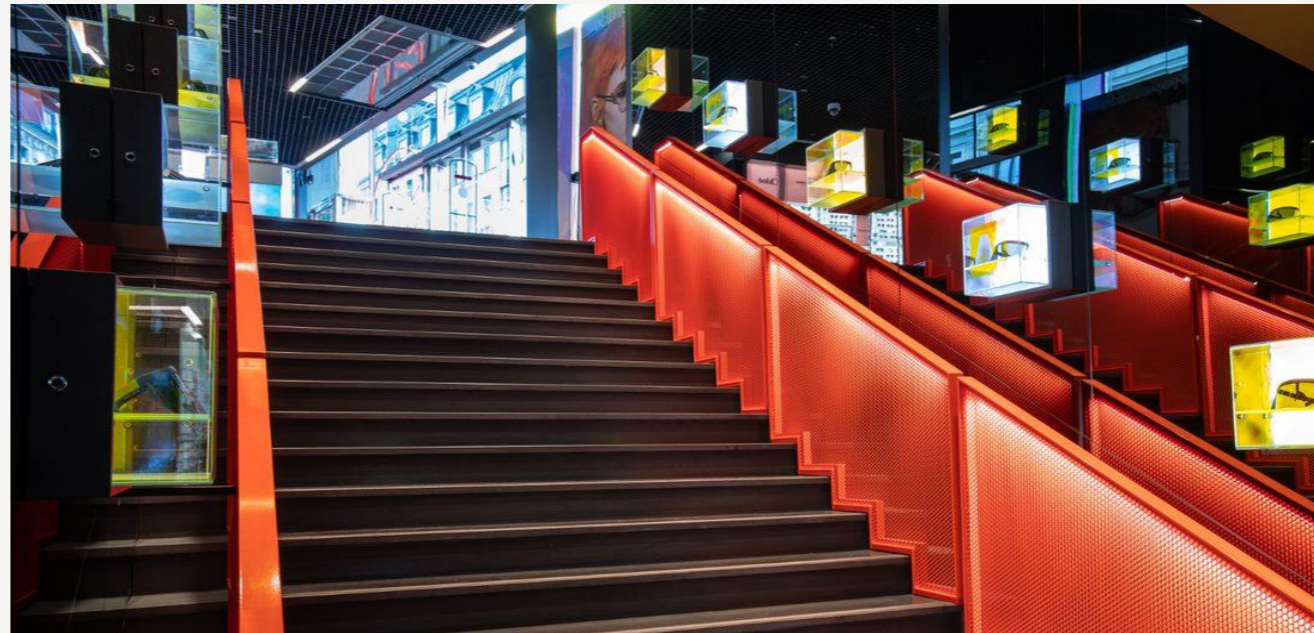
4
FINLAND

Organic growth Q1
+44.5%

Like for like Q1
+28.0%

EBITDA Q1
13 MSEK (8)







Roskilde, Denmark



Säffle, Sweden



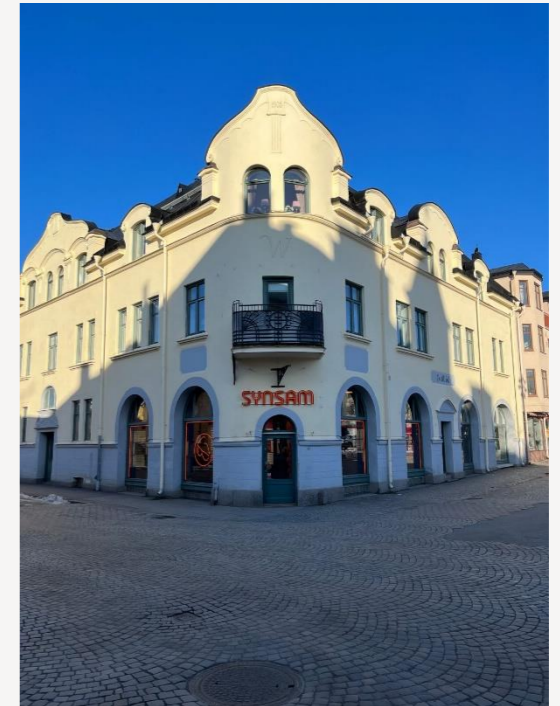
Kramfors, Sweden



Leksand, Sweden



Lohja, Finland



Söderköping, Sweden

Rolling 12-months actuals – selected stores

				Last twelve months (MSEK)		
	Store	Opening/Upgrade month		Sales	EBITDA*	Comment
B I G C I T Y	Synsam Norrmalmstorg	 2019-03		57	17	
	Synsam Hötorget	 2021-12		28	6	
	Profil Optik Odense	 2021-04		17	3	
	Synsam Alekski	 2021-08		17	3	
	Synsam Täby	 2021-04		43	19	
S M A L L C I T Y	Profil Optik Roskilde	 2022-12		5	1	4 months
	Synsam Söderköping	 2023-03		0	0	1 month
	Synsam Östersund	 2021-04		21	10	
	Synsam Tierp	 2020-12		11	4	
	Synsam Säffle	 2022-12		3	1	4 months
	Synsam Kalix	 2022-12		1	0	4 months
	Synsam Lycksele	 2022-12		1	0	4 months
	Synsam Molde	 2023-02		1	0	2 months

* EBITDA measured including the effect of the IFRS16 standard. Includes a degree of estimates.

FINANCIAL DEVELOPMENT

Q1 Financial Overview – Continued strong turnover growth

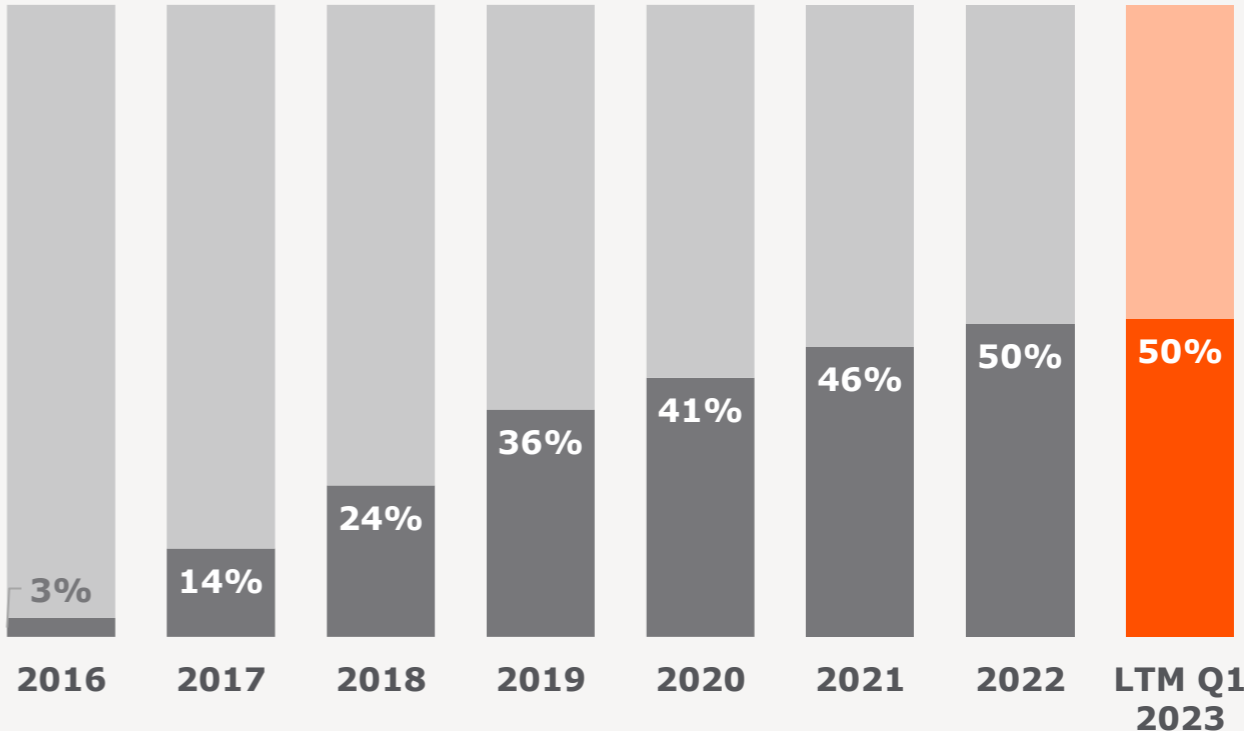
MSEK	Q1		
	2023	2022	Δ%
Net sales	1,411	1,186	19.0
Organic growth, % ¹	17.5	12.3	
Gross margin, % ¹	76.6	79.3	
Result (EBITDA) ¹	318	293	8.3
Adjusted EBITDA ¹	318	293	8.3
EBITDA margin, % ¹	22.3	24.4	
Adjusted EBITDA margin, % ¹	22.3	24.4	
Result (EBITA) ¹	171	178	-3.8
Adjusted EBITA ¹	171	178	-3.8
EBITA margin, % ¹	12.0	14.7	
Adjusted EBITA margin, % ¹	12.0	14.7	

- **Organic growth: 17.5%**
- **Like-for-like growth: 14.0%**
- The result has been affected by higher operating costs such as expansion of new stores in 2022. The continued run-in and ramp-up phase in Synsam Group's production and innovation center in Östersund has had a negative effect on EBITDA in the first quarter of 6 MSEK (2). The result has been positively affected by the ongoing cost and restructuring program
- Despite the high inflation, Synsam Group has shown a stable gross margin in the first quarter
- **EBITDA 318 MSEK and EBITDA margin 22.3%**

Continued strong development of Synsam Lifestyle subscription

- Net sales for the Lifestyle subscription in Q1 2023 amounted to **739 MSEK** (580), an increase of 27%. All segments contributed to the development.
- **Lifestyle subscription increased in all segments during the quarter:**
 - Sweden 378 MSEK (298), +27%
 - Denmark 152 MSEK (118), +29%
 - Norway 135 MSEK (111), +22%
 - Finland 62 MSEK (37), +66%
- **The subscription is even more attractive and adds extra value for the customer in times of larger economic uncertainty, where consumers distributes their costs over time**

Lifestyle represents 50% of total Net Sales

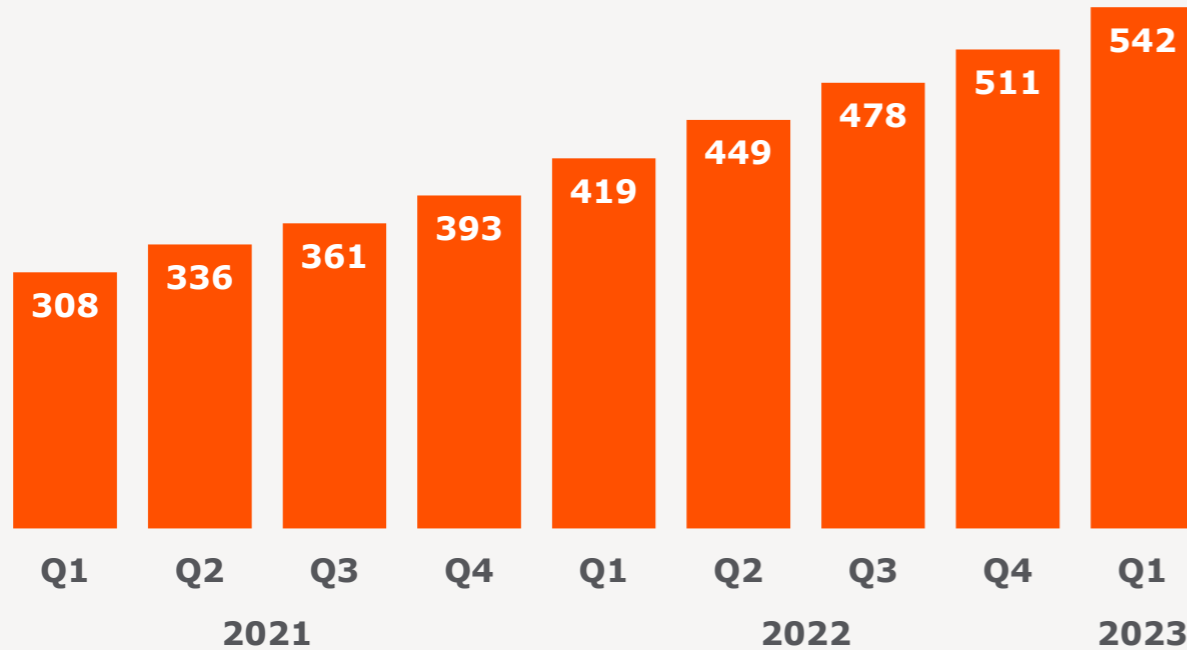


* LTM growth corresponds to growth compared to the previous year's LTM

Great growth of Synsam Lifestyle's active customer base

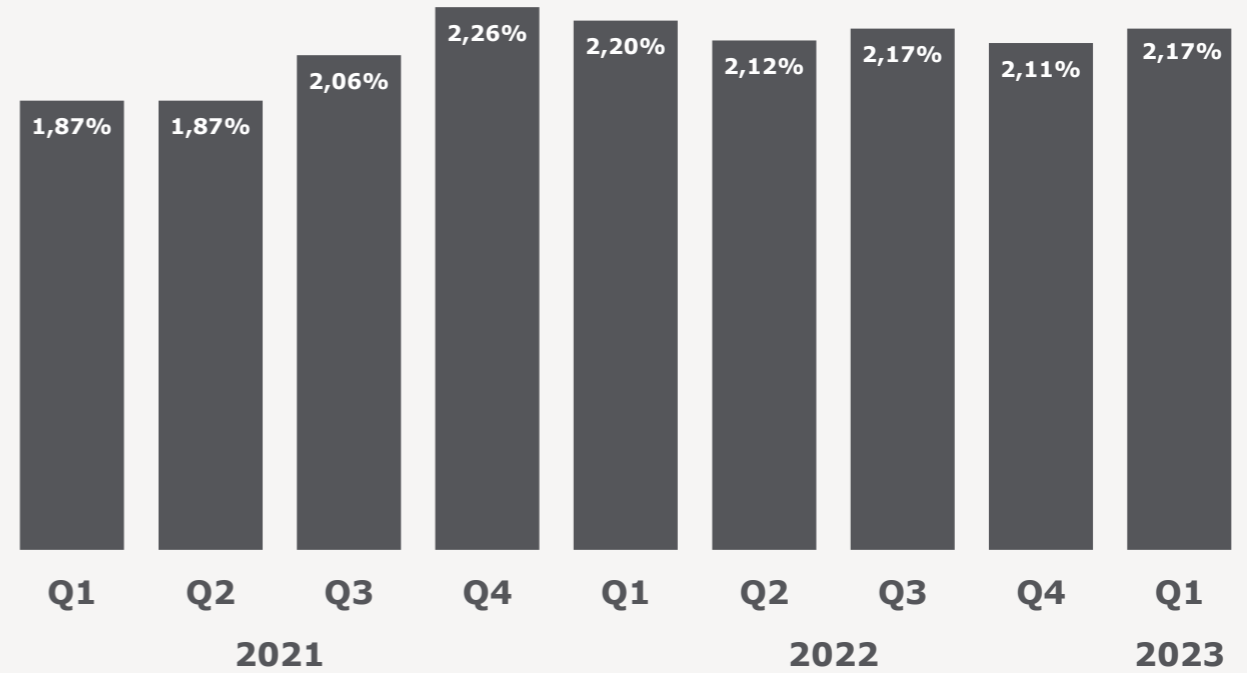
Active customer base Synsam Lifestyle (thousands), at the end of the period

- **The Subscriptions provide customers with options at various price levels and allow them to have control over their monthly expenses**



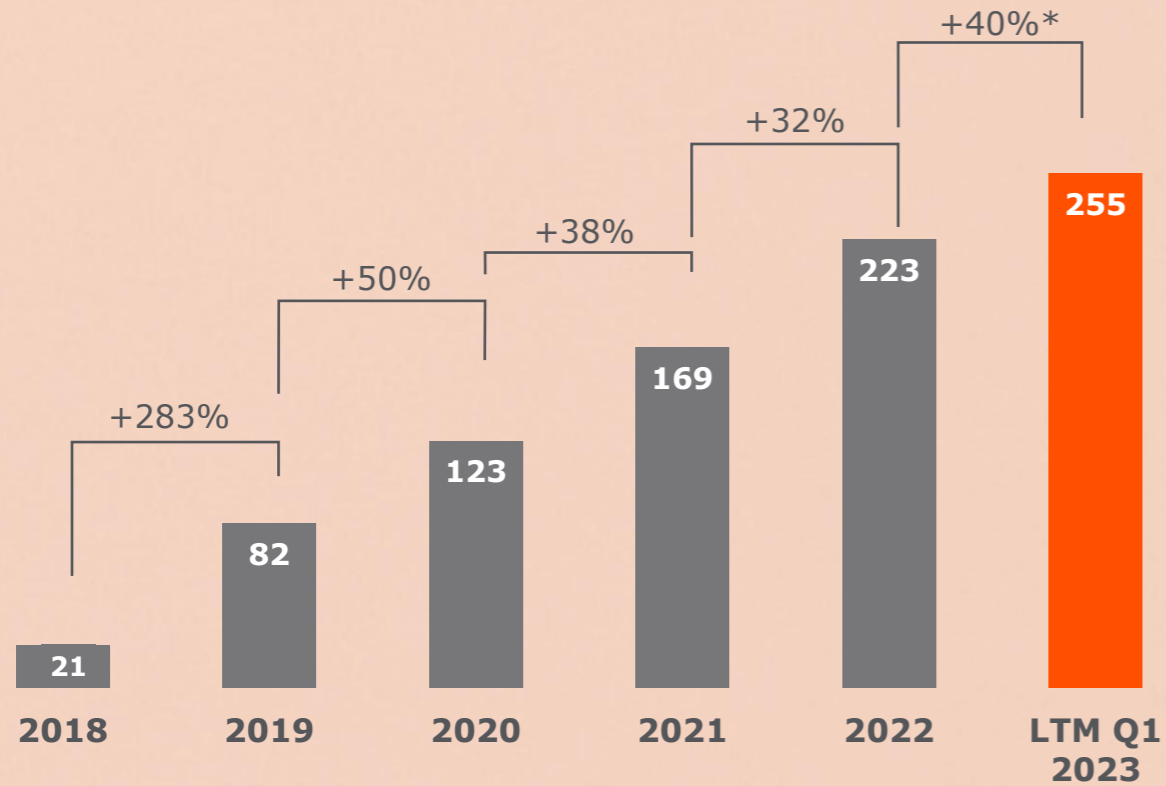
Synsam Group quarterly churn – Synsam Lifestyle is a measure of the proportion of customers who leave the spectacles subscription

- **Churn has been low over the past nine quarters**

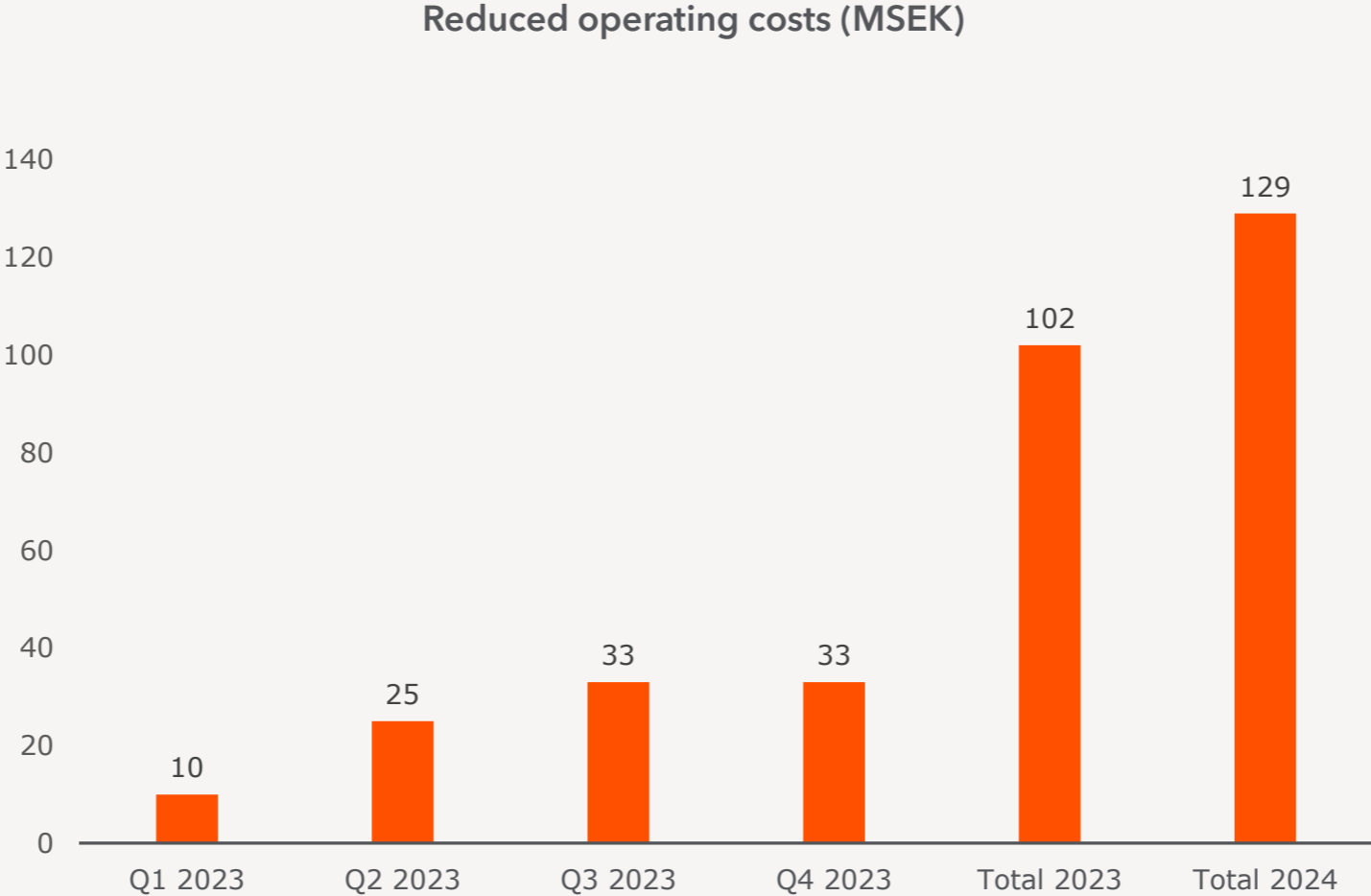


Synsam Contact Lens Subscription – the success continues

Fast growing Lens Subscriptions Sales (MSEK).
Slightly lower gross margin in comparison to Synsam in total.

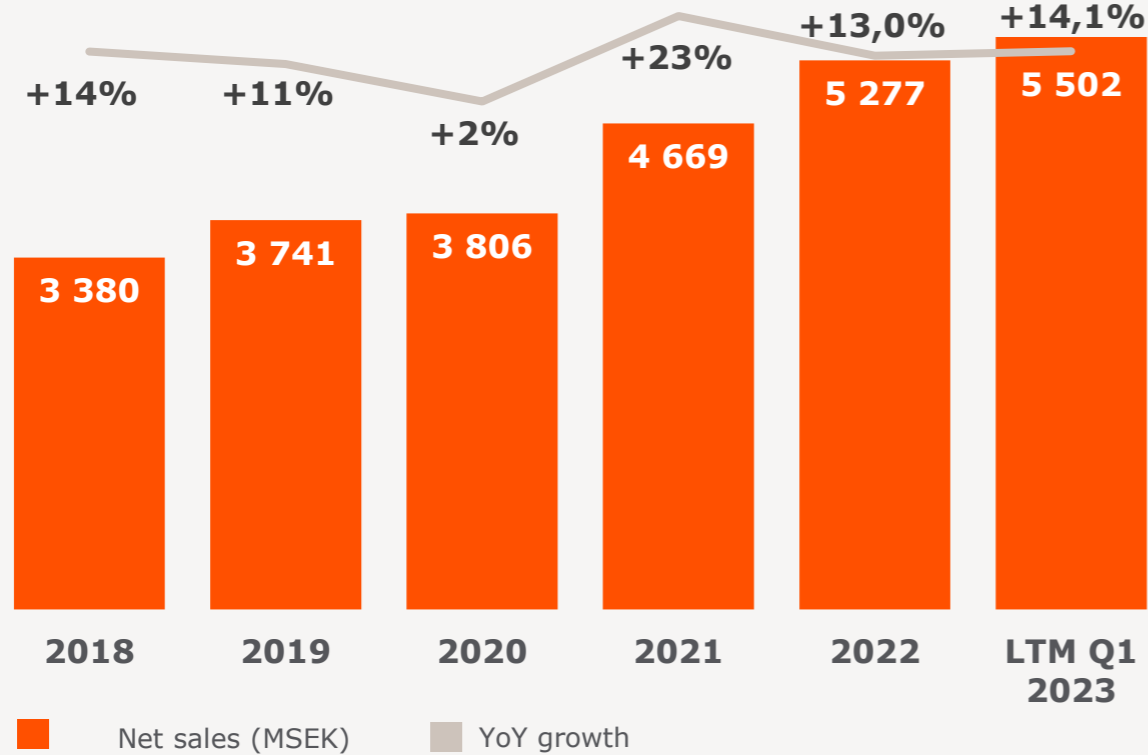


Cost and restructuring program allocation per quarter

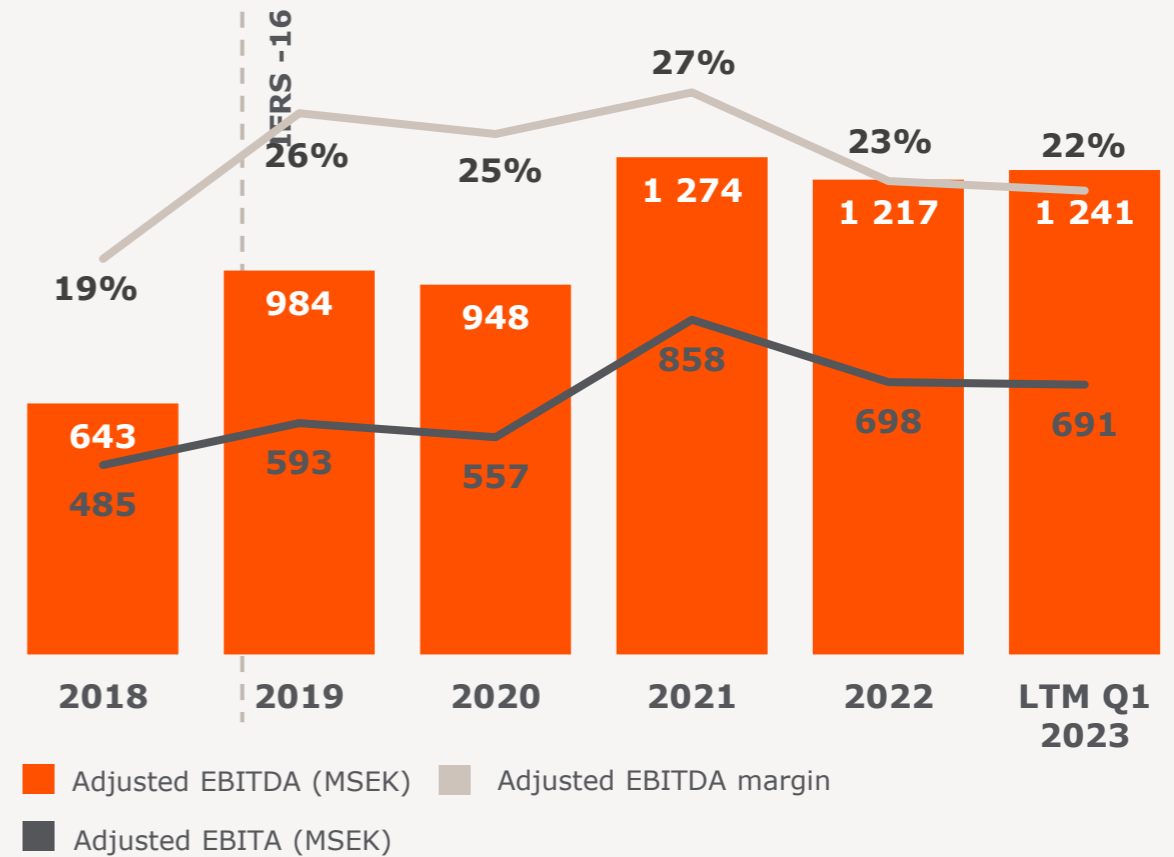


Long term financial development

Net sales development



Adjusted EBITDA and EBITA development



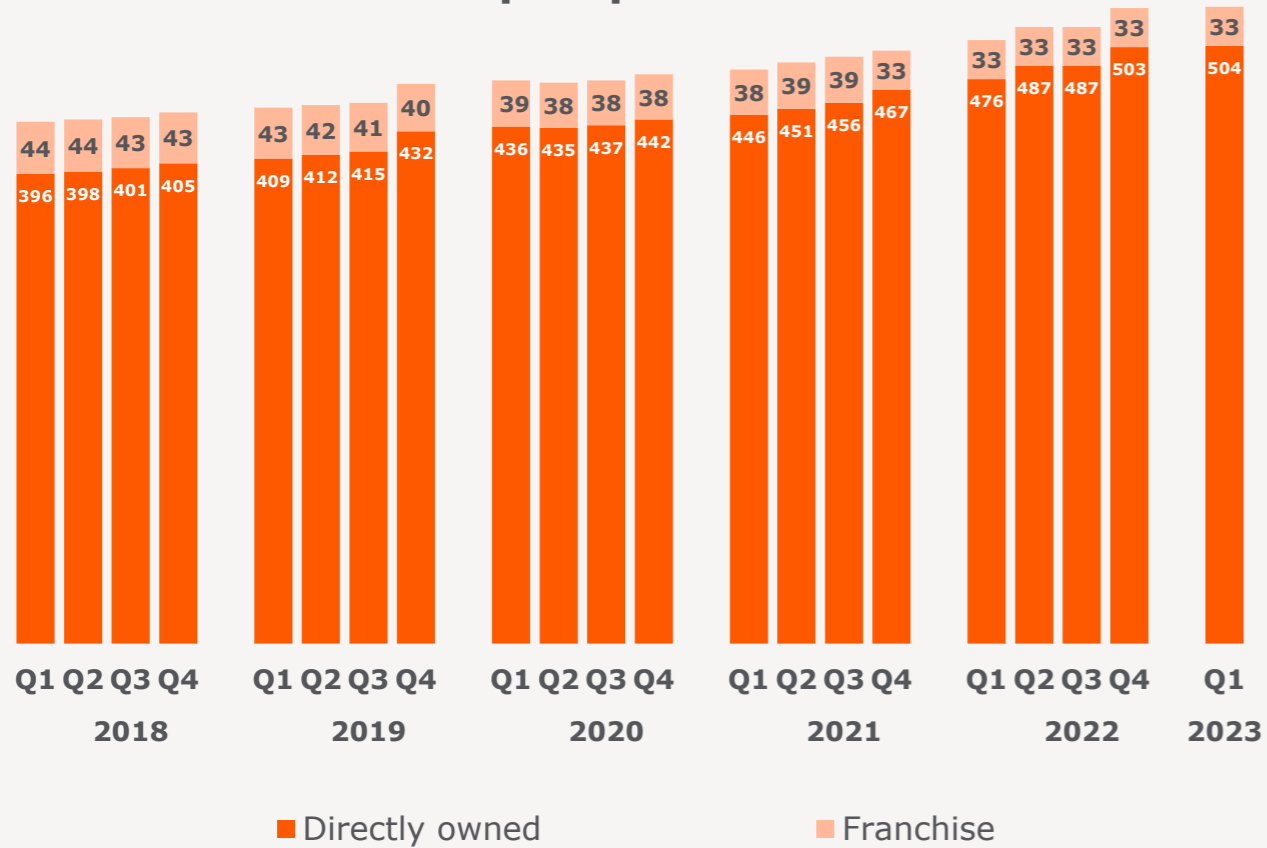
Cash Flow and Financial Position

- Cash flow from operating activities amounted to 257 MSEK (-53) for the first quarter
- Cash flow from operating activities is foremost affected by a strengthened cash flow from operating activities before changes in working capital and some positive effects from changes in working capital
- Cash flow from investing activities is affected by decreased investments during the first quarter, as a result of reduced rate of establishments of new stores, where focus has been upgrading and moving stores instead. The cash flow from investing activities has also been affected by a decreased rate of investments in the production area in Östersund, as a consequence of the large investments that were made in 2022.
- Cash flow from financing activities is affected by amortization of leasing debts during the quarter
- Net debt for Q1 2023 amounted to 2,919 MSEK (2,635) and by year-end 2022 to 2,969 MSEK. The net debt is affected by leases with associated lease liabilities, which increase when the number of stores increases. Leasing debts has increased with 153 MSEK since Q1 2022.
- Net debt without regards to IFRS 16 amounts to 2,028 MSEK (1,898). Net debt without regards to IFRS 16, per 31st of December 2022, amounted to 2,073 MSEK.

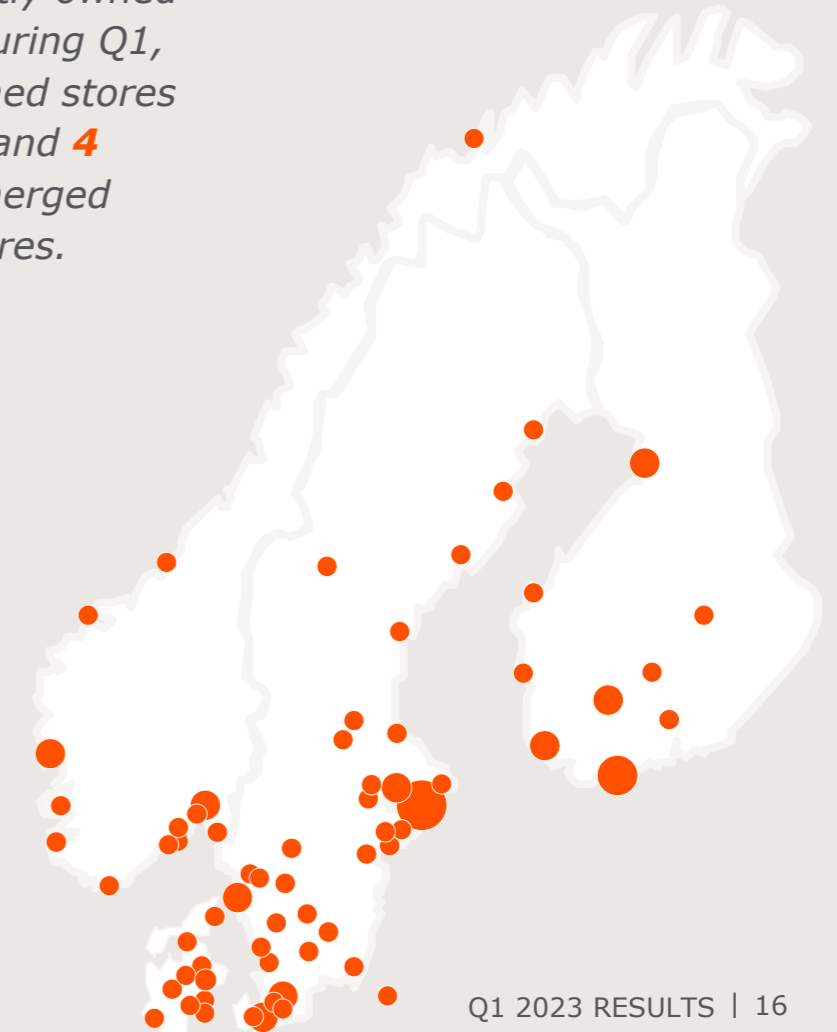
MSEK	Q1		jan-dec
	2023	2022	2022
Operating activities			
Profit/loss before tax	45	129	415
Adjustments for other non-cash items	70	-24	-34
Depreciation and amortisation	185	152	665
Income taxes paid	-69	-90	-153
Cash flow from operating activities			
Before changes in working capital	231	166	893
Cash flow from changes in working capital:			
Change in inventory	-82	-102	-148
Change in operating receivables	-206	-142	20
Change in operating liabilities	315	25	-75
<i>Increased (-) / Decreased (+) funds tied up in working capital</i>	26	-220	-203
Cash flow from			
Operating activities	257	-53	690
Investments in intangible non-current assets	-8	-7	-30
Investments in tangible non-current assets	-64	-88	-352
Other investing activities	-5	-1	-3
Cash flow from			
investing activities	-77	-96	-385
Repurchase of own shares	0	0	-47
Amortisation of debts to credit institutions	0	0	0
Amortisation of leasing debts	-92	-72	-328
Borrowings	0	0	0
Dividends	0	0	-255
Cash flow from			0
financing activities	-92	-72	-631
CASH FLOW FOR THE PERIOD	87	-222	-326
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	444	755	755
Exchange rate differences in dash and cash equivalents	-29	26	14
CASH AND CASH EQUIVALENTS AT END OF PERIOD	502	560	444

Store Network Overview

Number of stores per quarter



Total number of stores at the end of the quarter was **537** (509), of which directly owned **504** (476). During Q1, **5** directly owned stores were opened and **4** stores were merged with other stores.



Synsam Group is the Business Wellness company of the year

The jury's justification:

"This year's Business Wellness company is an innovative company that is driven by developing and challenging business models and customer offers and is one step ahead in an otherwise relatively conservative industry. The initiatives that are driven have high momentum, both through the teams' own drive and the management's clarity in what is expected. The company shows that it balances the commercial driving forces with the sustainable goals."



The award "Årets Business Wellness-företag" is given to a company that particularly excelled in creating value for its stakeholders and is deemed to be well equipped for lasting competitiveness and profitability. The award is given by Centigo and sister company Accigo.




SUMMARY



Summary

- Strong organic growth and result – the growth has been the strongest ever for Synsam in a first quarter
- The profitability, EBITDA, has increased in 3 out of 4 segments
- The subscription business continues to be an important growth driver
- We continue to offer affordable solutions
- The gross margin is stable despite the pressure from the high inflation
- The cost- and restructuring program is being executed according to plan in line with Synsam's financial targets
- We continue to gain market share!



Q & A



SYNSAM GROUP