



Results presentation Q3 2023



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 Q3 2023 in summary

Q3 in summary

- **EBITDA profitability increased 23.3%** for the third quarter
 - EBITA profitability increased 31.5%
 - EBIT profitability increased 38.5%
- **EBITDA margin amounted to 25.2%**, in line with Synsam's profitability target
- **Synsam Lifestyle revenue increased 14%** and the **churn rate was low**
- Despite high inflation, Synsam Group has shown an **increased gross margin which amounted to 74.9%** (73.8)
- **Synsam EyeView** under continued implementation, enables growth and increases accessibility
- **The cost and restructuring program 1.0** positively affected the quarter
- **Eye health stands strong in recession!**

Q3 Overview

- Net sales amounted to **1,450 MSEK** (1,319), an increase of **9.9%**
- Gross margin amounted to **74.9%** (73.8)
- Organic growth during Q3 was **7.0%** and growth like-for-like was **3.9%**
- EBITDA amounted to **373 MSEK** (303), an increase of **23.3%**
- EBITDA margin for the quarter amounted to **25.2%** (22.7)
- Earnings per share, before and after dilution, totalled **0.61 SEK** (0.53) in Q3



Q3
Net Sales
MSEK **1,450**



Q3
Gross margin **74.9%**



Q3
Organic growth **+7.0%**



Q3
EBITDA
MSEK **373**



Q3
EBITDA margin **+25.2%**

Growth and increased profitability in three of four countries



1
SWEDEN

Organic growth Q3
+10.4%

Like for like Q3
+8.0%

EBITDA Q3
223 MSEK (191)



2
DENMARK

Organic growth Q3
-9.6%

Like for like Q3
-9.7%

EBITDA Q3
69 MSEK (80)



2
NORWAY

Organic growth Q3
+8.1%

Like for like Q3
+5.2%

EBITDA Q3
61 MSEK (55)

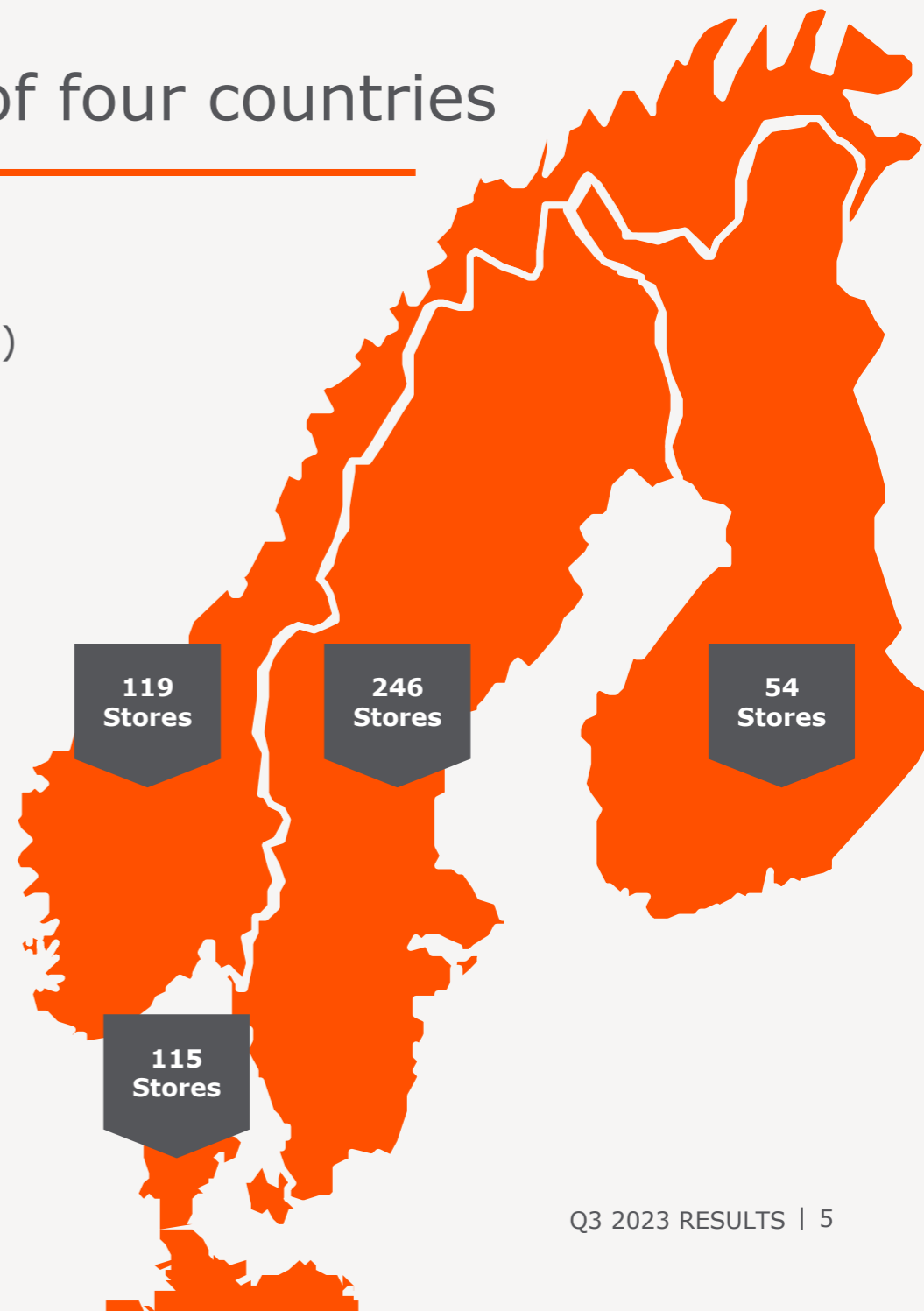


4
FINLAND

Organic growth Q3
+34.2%

Like for like Q3
+17.6%

EBITDA Q3
25 MSEK (14)





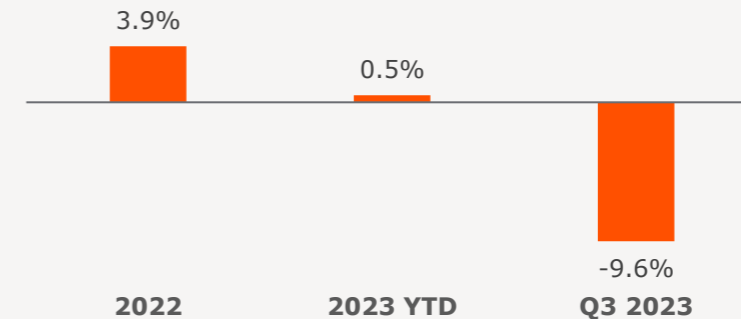
Status in Denmark

- Organic growth was negative in the third quarter of 2023, in a deeply competitive and weaker consumer market
- The Danish Credit Agreement Act was amended during the quarter, impacting creditworthiness assessments for customers of the Danish Lifestyle offering
- The development in Denmark has been very weak in the third quarter

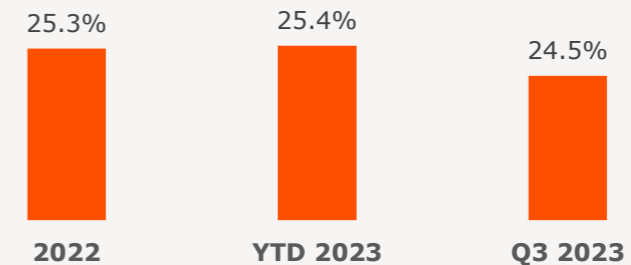
➔ What do we do?

- Short term – Develop procedures in stores and clearer offers to customers
- Long term – Adaption of store network and more efficient assortment

Organic growth Denmark



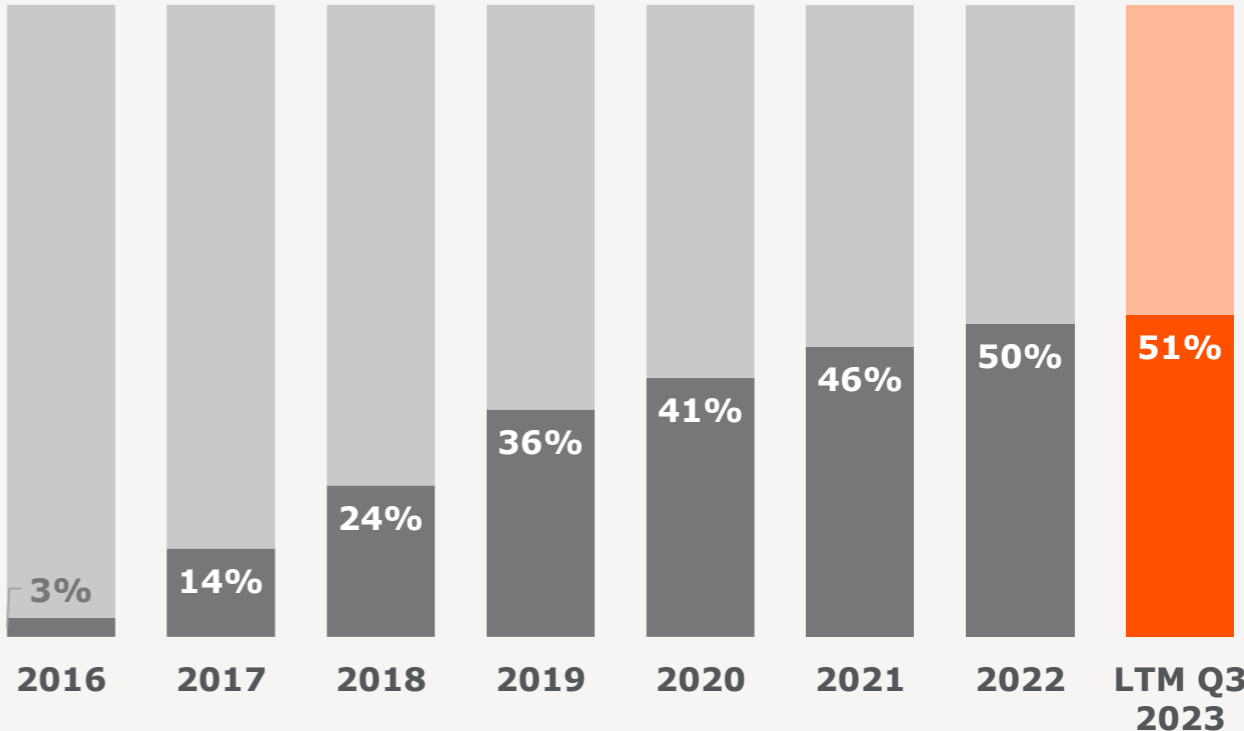
EBITDA margin Denmark



Synsam Lifestyle development better than total business

- Net sales for Lifestyle subscription in Q3 2023 amounted to **729 MSEK** (641), an increase of 14%, where all segments contributed to the development
- **Lifestyle subscription increased within all segments during the quarter:**
 - Sweden 370 MSEK (321), +15%
 - Denmark 133 MSEK (125), +6%
 - Norway 142 MSEK (131), +8%
 - Finland 79 MSEK (52), +53%

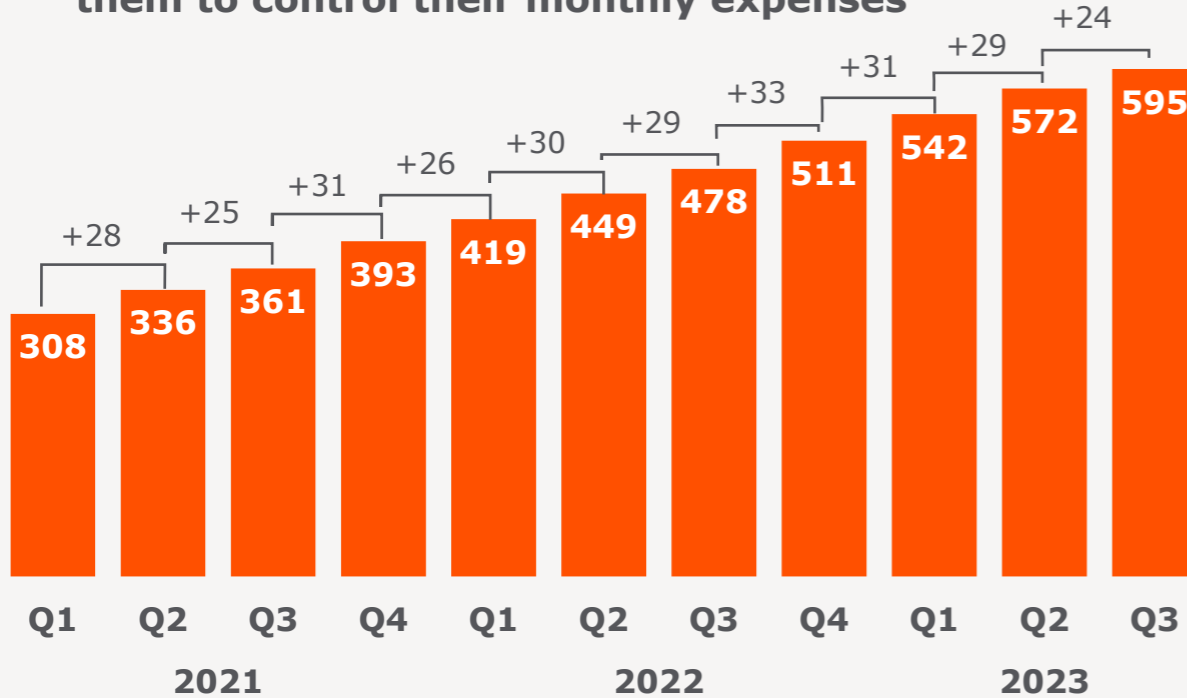
Lifestyle represents more than 50% of total Net Sales



Active customer base Synsam Lifestyle – about twice as many as in Q1 2021

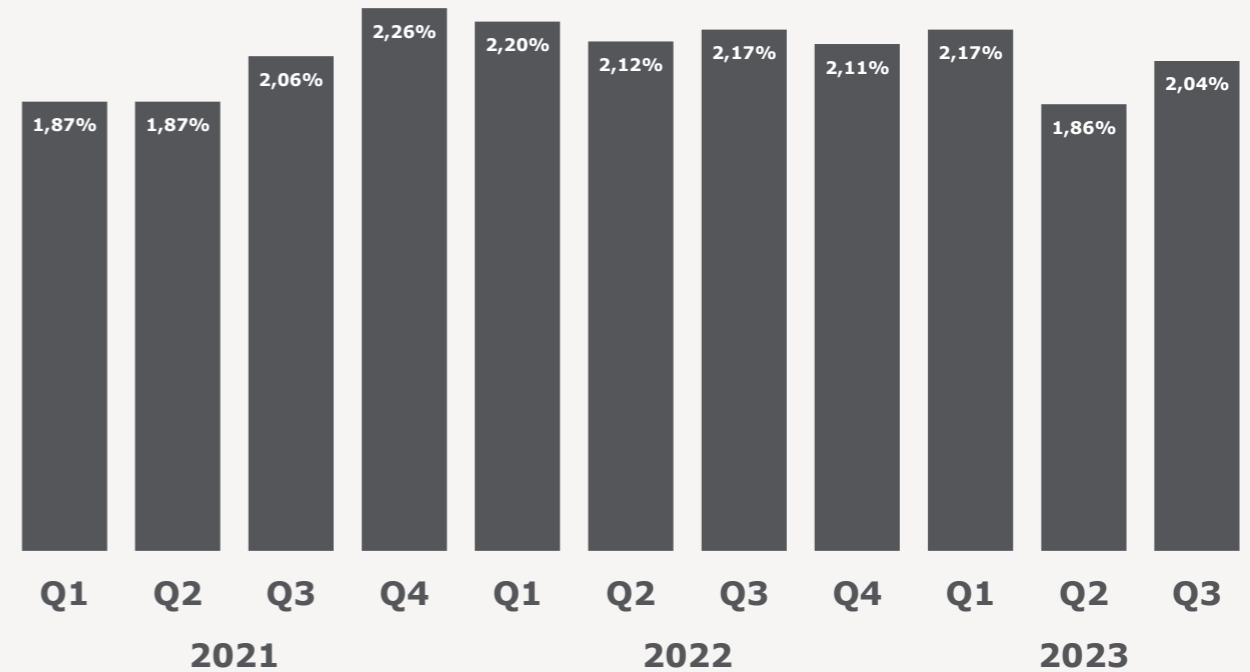
Active customer base Synsam Lifestyle (thousands), at the end of the period

- **The subscription is still the safest way for the customers to take care of their eye health and allow them to control their monthly expenses**



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

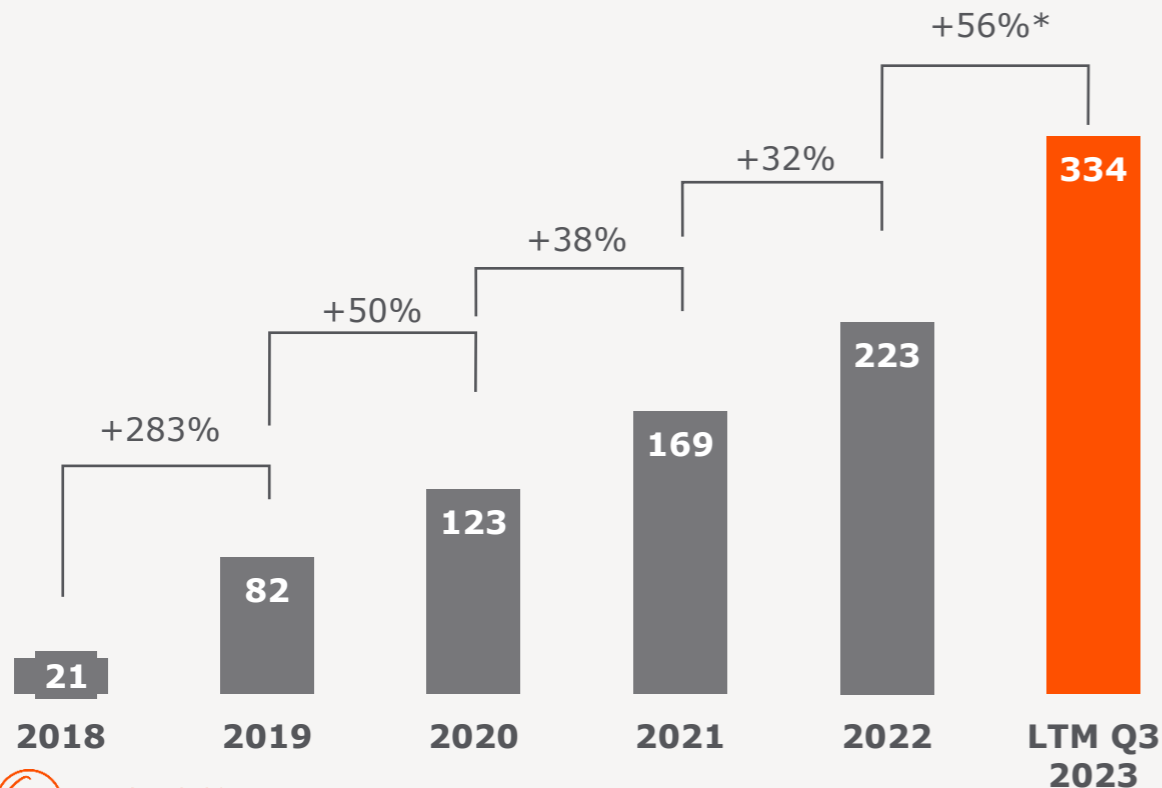
- **Churn rate is still low**



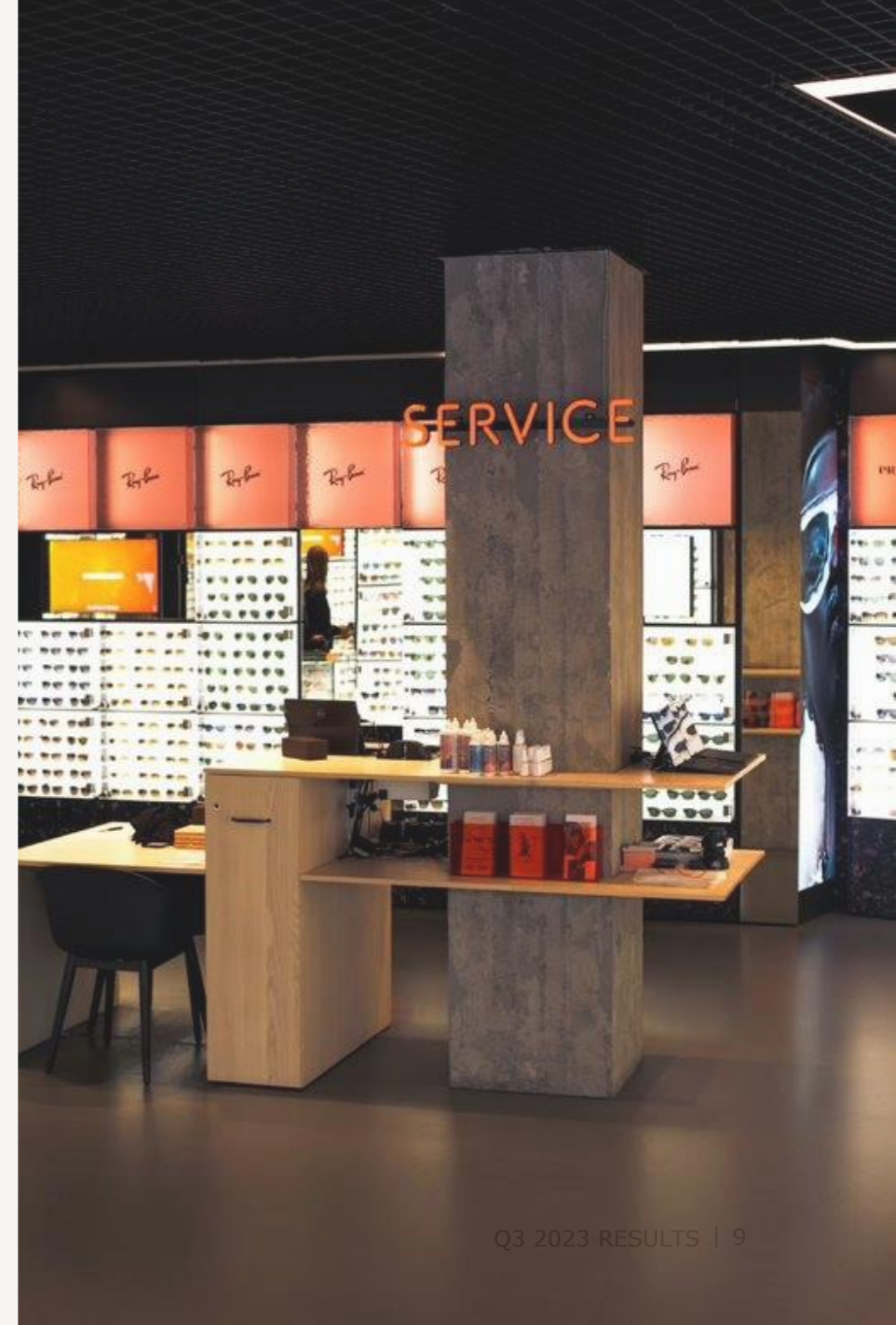
Synsam contact lens subscription - increased growth

The contact lens subscription shows a slightly lower gross margin than for Synsam as a whole. The introduction of the contact lens subscription in Denmark has had a positive effect on growth.

Fast growing contact lens subscription sales (MSEK)



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



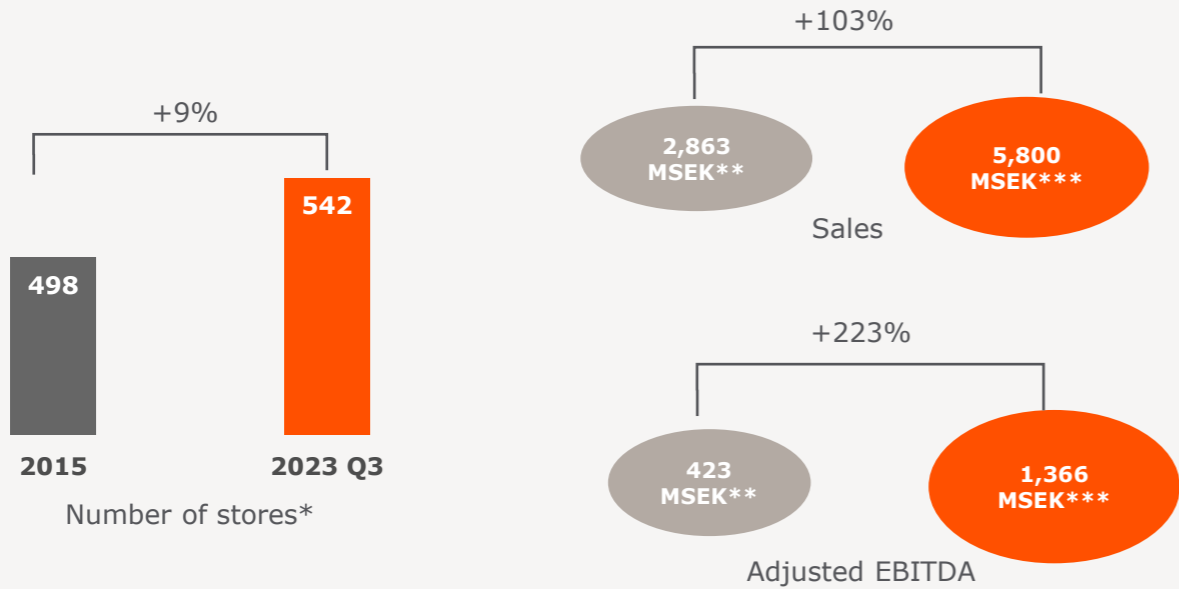
Sales and EBITDA in new stores

Rolling 12-months actuals – selected stores

				Last twelve months (MSEK)		
				Sales	EBITDA*	Comment
	Store	Opening/Upgrade month				
B I G C I T Y	Synsam Norrmalmstorg	2019-03		59	22	
	Synsam Hötorget	2021-12		30	8	
	Profil Optik Odense	2021-04		17	3	
	Synsam Aleksis	2021-08		23	5	
	Synsam Täby	2021-04		42	19	
S M A L L C I T Y	Profil Optik Roskilde	2022-12		11	3	10 months
	Synsam Söderköping	2023-03		3	1	7 months
	Synsam Östersund	2021-04		22	10	
	Synsam Tierp	2020-12		10	4	
	Synsam Säffle	2022-12		8	4	10 months
	Synsam Kalix	2022-12		4	1	10 months
	Synsam Lycksele	2022-12		5	2	10 months
	Synsam Molde	2023-02		5	2	8 months

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

Successful establishment strategy



Synsam Skansi, Finland



Synsam Hyllinge, Sweden



***LTM Q3 2023



Synsam Kalmar Giraffen, Sweden

*Incl. Franchise **Sales and adjusted EBITDA is 2016, pre IFRS-16

The production facility at Frösön – EBITDA better than planned

- The second collection was launched in November, the third collection is being prepared for launch in 2024
- The production volume is continuously increasing
- EBITDA for the period January to September 2023 amounts to –11 MSEK, better than planned



FINANCIAL DEVELOPMENT

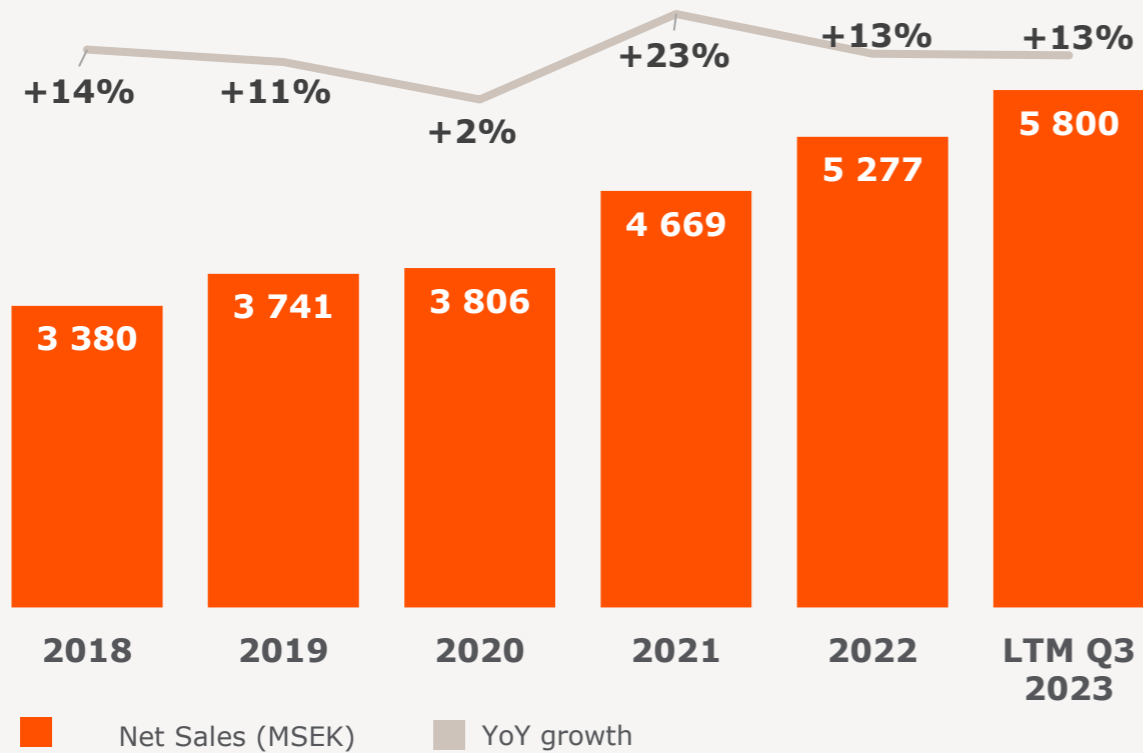
Increase in all margin measures in Q3 2023

MSEK	Q3		
	2023	2022	Δ%
Net sales	1,450	1,319	9.9
Organic growth, % ¹	7.0	9.6	
Gross margin, % ¹	74.9	73.8	
EBITDA ¹	373	303	23.3
EBITDA margin, % ¹	25.2	22.7	
EBITA ¹	222	169	31.5
EBITA margin, % ¹	15.0	12.7	
EBIT	184	133	38.5
EBIT margin, %	12.4	9.9	
Profit after tax	90	80	12.9

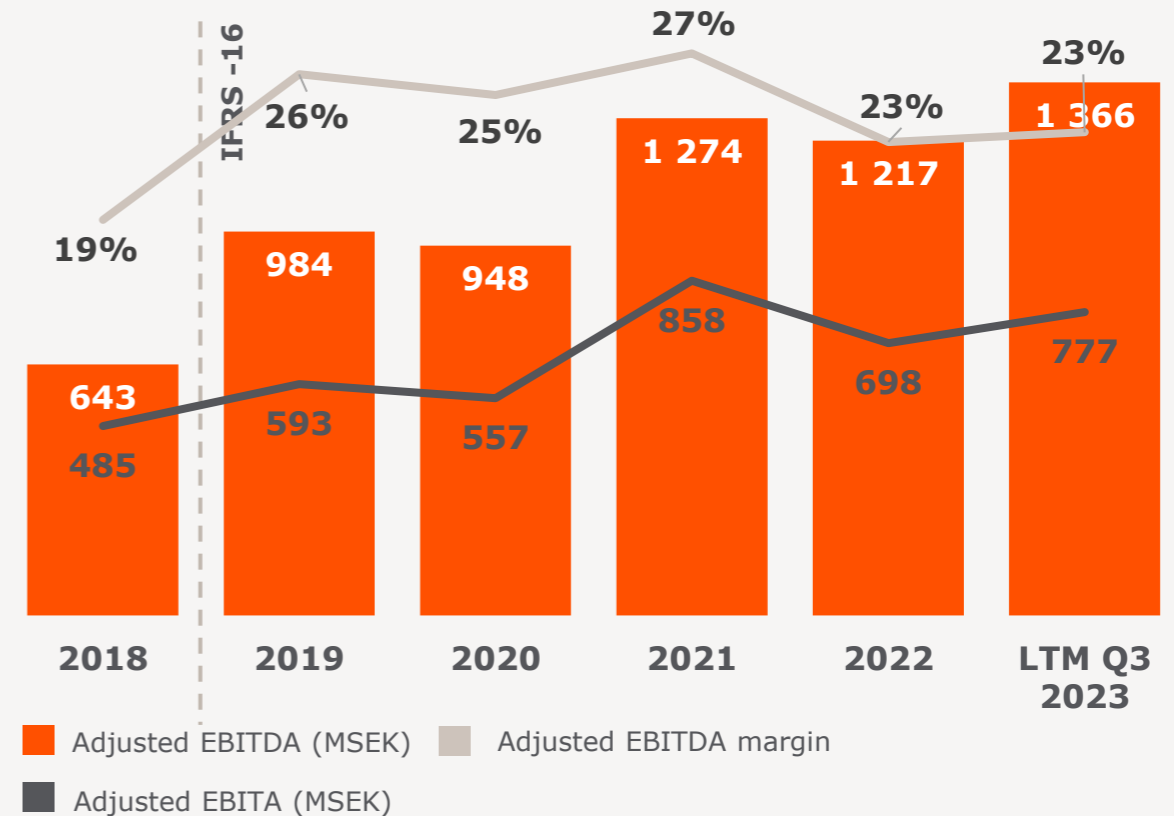
- **EBITDA increased 23.3%. EBITDA margin 25.2%**
- **EBITA increased 31.5%. EBITA margin 15.0%**
- **EBIT increased 38.5%. EBIT margin 12.4%**
- The increase in profit is an effect of increased sales, increased gross margin and positive effects of the ongoing cost and restructuring program
- Also increase in profit after tax to 90 MSEK

Long term financial development – strong trend

Net sales development



Adjusted EBITDA and EBITA development

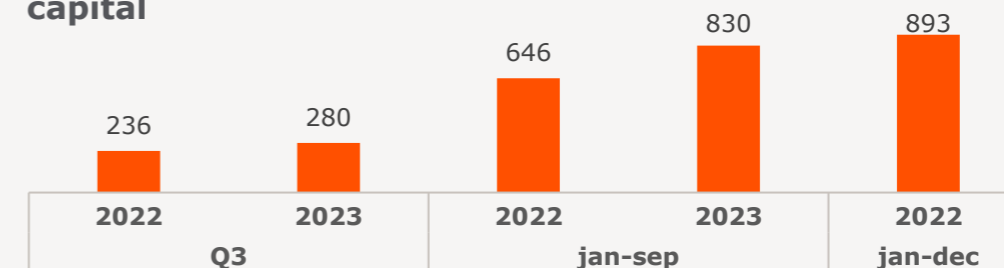


* LTM growth corresponds to growth compared to the previous year's LTM

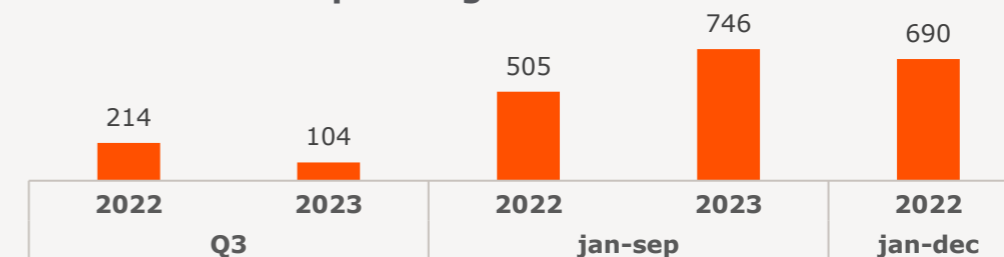
Strengthened cash flow January – September. Lower Net debt/Adjusted EBITDA.

- Cash flow from operating activities before changes in working capital **increased to 280 MSEK (236)** for the third quarter
- Payment of operating debts affected cash flow from operating activities in the third quarter, amounted to **104 MSEK (214)**
- **Strengthened cash flow** from operating activities for the period January – September, amounted to **746 MSEK (505)**
- **Lower investment rate** in the quarter and for the period January – September
- Net debt/Adjusted EBITDA **was reduced to 2.16**, from 2.24 in Q3 2022 and 2.44 at year-end

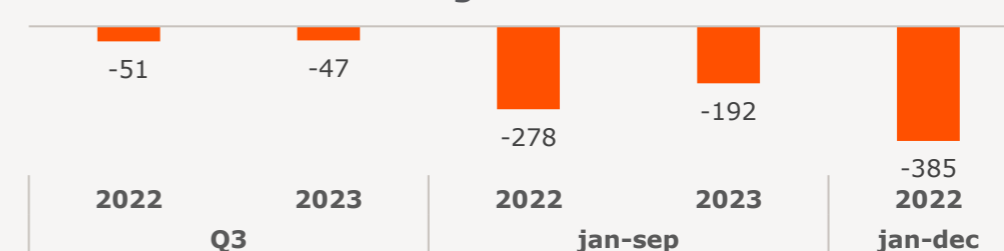
Cash flow from operating activities before changes in working capital



Cash flow from operating activities



Cash flow from investing activities





SUMMARY



Summary

- Increase in all margin measures in Q3 2023
- Strongly improved EBITDA profitability with 23.3% in Q3 2023
 - EBITA profitability increased 31.5%
 - EBIT profitability increased 38.5%
- EBITDA margin amounted to 25.2%, in line with Synsam's profitability target
- Synsam Lifestyle revenue increased 14% and the churn rate was low
- Despite high inflation, Synsam Group has shown an increased gross margin which amounted to 74.9% (73.8)
- Synsam EyeView under continued implementation, enables growth and increases accessibility
- The cost and restructuring program 1.0 positively affected the quarter
- We continue to take market shares in three of four countries
- Synsam's strategy yields results
- Consumers prioritize eye health even in tougher times – the need is strong despite the recession!



SYNSAM GROUP