Investor Presentation

March 2021

Disclaimer

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”) and Section 21E of the Securities Exchange Act of 1934. These statements include, but are not limited to, statements related to our current beliefs and expectations regarding the performance of our industry, the Company's strategic direction, market position, prospects and future results. You can identify these forward-looking statements by the use of words such as “outlook,” “guidance,” “believes,” “expects,” “potential,” “continues,” “may,” “will,” “should,” “could,” “seeks,” “projects,” “predicts,” “intends,” “plans,” “estimates,” “anticipates” or the negative version of these words or other comparable words. Caution should be taken not to place undue reliance on any forward-looking statement as such statements speak only as of the date when made. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

Forward-looking statements are not guarantees and are subject to various risks and uncertainties, which may cause actual results to differ materially from those implied in forward-looking statements. Such factors include, but are not limited to, the COVID-19 pandemic and its resurgence, and the impact of evolving federal, state, and local governmental actions in response thereto; customer behavior in response to the continuing pandemic and its resurgence, including the impact of such behavior on in-store traffic and sales; our ability to keep our reopened stores open in a safe and cost-effective manner, or at all, in light of the continuing COVID-19 pandemic and its resurgence; our ability to recruit and retain vision care professionals for our stores in general and in light of the pandemic; our ability to develop, maintain and extend relationships with managed vision care companies, vision insurance providers and other third-party payors; our ability to maintain the performance of our host and legacy brands and our current operating relationships with our host and legacy partners; our ability to adhere to extensive state, local and federal vision care and healthcare laws and regulations; our compliance with managed vision care laws and regulations; our ability to maintain sufficient levels of cash flow from our operations to execute or sustain our growth strategy or obtain additional financing at satisfactory terms or at all; the loss of, or disruption in the operations of, one or more of our distribution centers and/or optical laboratories, resulting in the inability to fulfill customer orders and deliver our products in a timely manner; risks associated with vendors from whom our products are sourced, including our dependence on a limited number of suppliers; our ability to compete successfully; our ability to effectively operate our information technology systems and prevent interruption or security breach; our growth strategy straining our existing resources and causing the performance of our existing stores to suffer; the impact of wage rate increases, inflation, cost increases and increases in raw material prices and energy prices; our ability to successfully implement our marketing, advertising and promotional efforts; risks associated with leasing substantial amounts of space, including future increases in occupancy costs; the impact of certain technological advances, and the greater availability of, or increased consumer preferences for, vision correction alternatives to prescription eyeglasses or contact lenses, and future drug development for the correction of vision-related problems; our ability to retain our existing senior management team and attract qualified new personnel; overall decline in the health of the economy and other factors impacting consumer spending; our ability to manage our inventory; seasonal fluctuations in our operating results and inventory levels; our reliance on third-party coverage and reimbursement, including government programs, for an increasing portion of our revenues; risks associated with our e-commerce and omni-channel business; product liability, product recall or personal injury issues; our failure to comply with, or changes in, laws, regulations, enforcement activities and other requirements; the impact of any adverse litigation judgments or settlements resulting from legal proceedings relating to our business operations; risk of losses arising from our investments in technological innovators in the optical retail industry; our ability to adequately protect our intellectual property; our significant amount of indebtedness and our ability to generate sufficient cash flow to satisfy our debt obligations; a change in interest rates as well as changes in benchmark rates and uncertainty related to the foregoing; restrictions in our credit agreement that limits our flexibility in operating our business; potential dilution to existing stockholders upon the conversion of our convertible notes; and risks related to owning our common stock, including our ability to comply with requirements to design and implement and maintain effective internal controls. Additional information about these and other factors that could cause National Vision’s results to differ materially from those described in the forward-looking statements can be found in filings by National Vision with the Securities and Exchange Commission ("SEC"), including our latest Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q, which are accessible on the SEC’s website at www.sec.gov. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this presentation and in our filings with the SEC.

Non-GAAP Financial Measures

Included in this presentation are certain non-GAAP financial measures designed to supplement, and not substitute, the financial information presented in accordance with generally accepted accounting principles in the United States of America ("GAAP") because management believes such measures are useful to investors. Additional information about these measures and a reconciliation to the nearest GAAP financial measures is provided in the appendix to this presentation and detailed in National Vision’s press release for the fourth quarter of 2020, which is available at www.nationalvision.com/investors, together with this presentation.

NATIONAL VISION

Our Mission

Helping people by making quality eye care and eyewear more affordable and accessible

Investment Highlights

1. Compelling Industry with Favorable Growth Trends and Barriers to Entry
2. Differentiated and Disruptive Value Proposition Gaining Market Share
3. Multiple Growth Drivers and Significant Whitespace Opportunity
4. Attractive Store-Level Economics Coupled with Consistent Predictability
5. Deeply Experienced Management Team of Optical Experts with Proven Track Record of Success
6. Culture of Philanthropy that Influences Optometrists, Associates and Customers

Company Overview

Diverse Portfolio of Complementary Brands

- ✓ NVI is one of the largest and fastest growing U.S. value optical retailers with a diverse portfolio of **1,205** retail stores across five brands and **19** consumer websites
  - Offer eye exams, eyeglasses, and contact lenses to value seeking / lower income consumers
  - Ability to offer consumers a significant value proposition through bundled eyeglass, eye exam packages facilitated by employed optometrists
  - Low-cost provider of a **"medical necessity"**
- ✓ 2020 Net revenue of **$1.7BN** and Adjusted EBITDA(1) of **$218MM**
- ✓ Stable "Legacy/Host" brands that generate significant cash to reinvest in growth

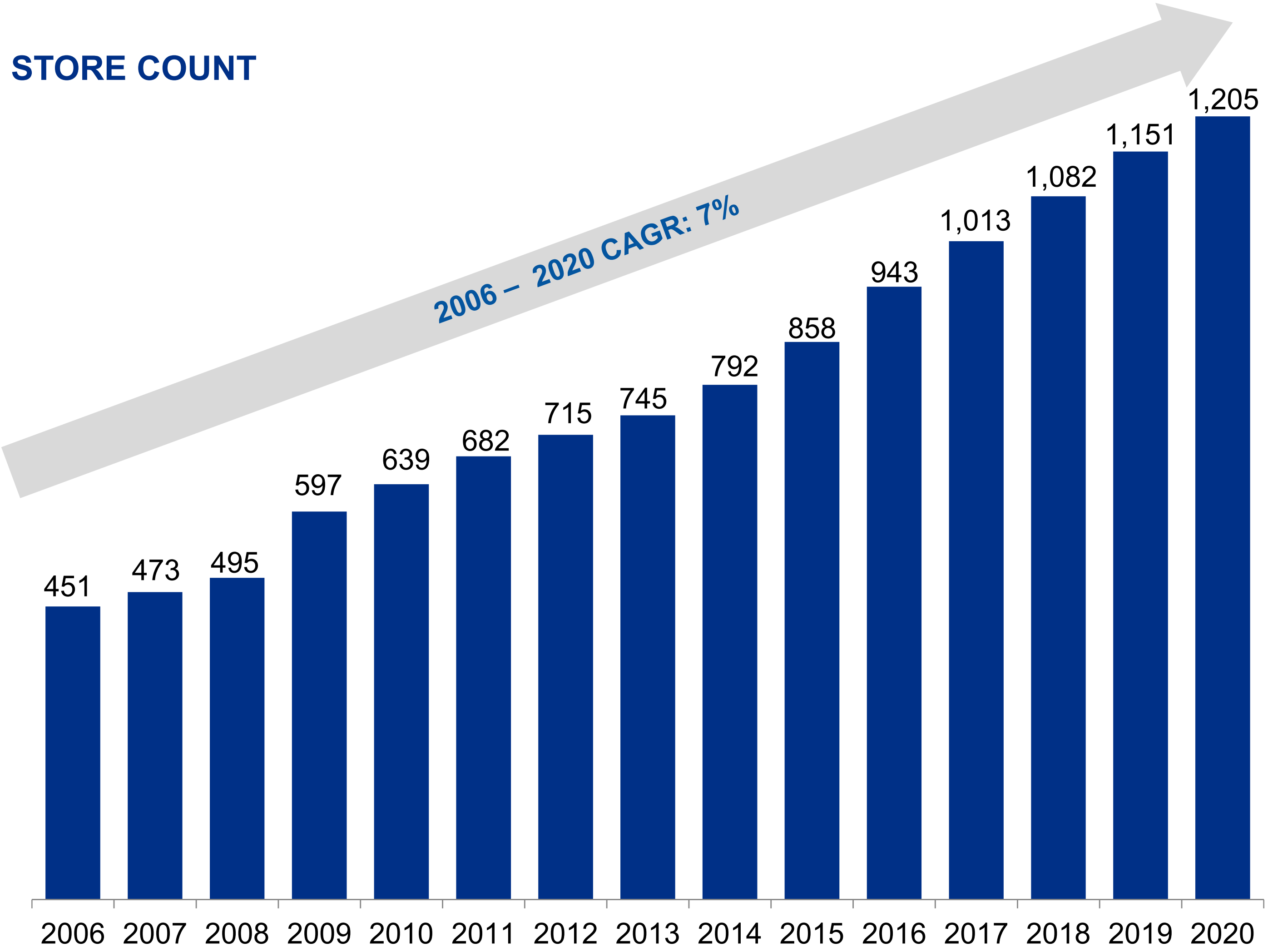
Growth	America's Best Contacts & Eyeglasses		Eyeglass World®
Legacy/ Host	Vision Center Brought to you by Walmart	Vista Optical In Selected FredMeyer Stores	Vista Optical In Select Military Exchanges
E-Comm	BestPrice Contacts	DiscountContactLenses.com	Contacts by Arlington Lens Supply / Walmart	DiscountGlasses.com

Note: Store and website count as of January 2, 2021

(1) Non-GAAP financial measure; see Appendix for reconciliation to GAAP financial measure

We Have a Long History of Consistent Unit Expansion

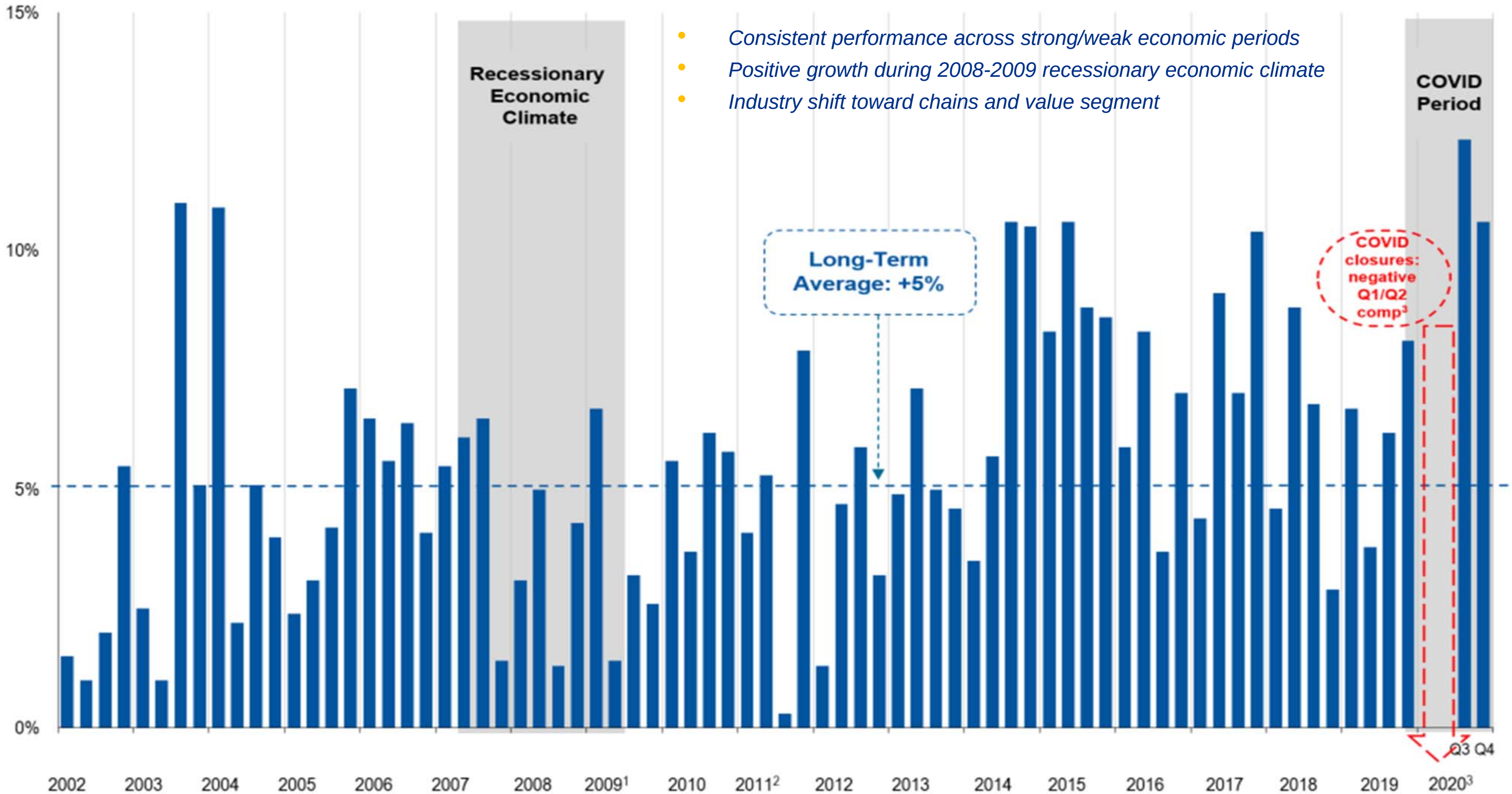
STORE COUNT



- ✓ Opened over **750 new stores** since 2006
- ✓ 5 year rolling average **new store success rate of 97%**[1]
- ✓ **Steadily grown net revenue from $245MM** in 2002 (when new management team formed) **to $1.7BN** (in 2020)

(1) Defined as the percentage of stores opened in the last five years that are still open as of January 2, 2021

Long History of Consistent Comparable Store Sales Growth ('02-'20)



1-Adjusted Comparable Store Sales Growth for Q1 and Q2 2020 was -10.3% and -36.5%, respectively, due to COVID-19 related store closures; See Appendix for reconciliation of specific Q1 and Q2 2020 non-GAAP financial measures to GAAP financial measures
2-2009 comparable store sales exclude sales from the Eyeglass World stores for the first six month "transition" period following our acquisition of Eyeglass World
3-Comparable store sales growth in the third quarter of fiscal year 2011 was impacted by the near U.S. federal government debt default/shutdown and the subsequent adverse impact on the consumer environment

How We are Breaking the Mold in an Industry Ripe for Disruption

WHY ARE EYE EXAMS AND EYE CARE SO EXPENSIVE?

730-year old technology

Dominican Cardinal
Hugh of Saint-Cher - 1306 AD, Pisa, Italy

- Protectionist laws / quirky legislation
- Economic inefficiency of “independents”
- Growth of “brands” and fashionability

SOCIAL / HEALTHCARE IMPLICATIONS

- Eyes are the window to hundreds of health concerns, including diabetes and hypertension
- Compounding impact of not catching vision issues early
- Road safety

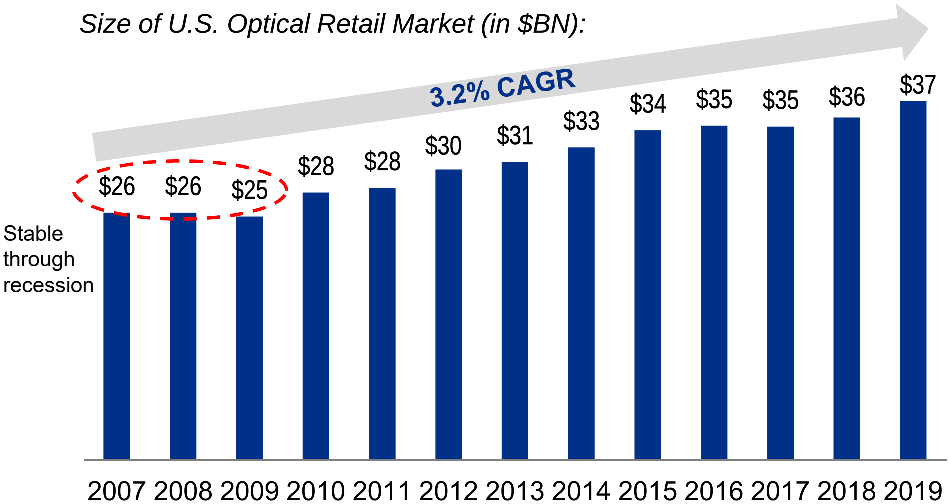
HOW NATIONAL VISION IS BREAKING THE MOLD

- ✓ Employed optometrist model and value bundles (eyeglass / eye exam bundles)
- ✓ Low cost operating model and locations in strip centers (not high mall rents)
- ✓ Highly-efficient centralized laboratory network / custom manufacturing capabilities
- ✓ Economies of scale / negotiating leverage
- ✓ Private label frames and contact lenses
- ✓ “Sticky” customer base

"A Rising Tide in a Rising Tide in a Rising Tide"

$37+ BILLION RESILIENT AND GROWING INDUSTRY, ACROSS MARKET CYCLES

Size of U.S. Optical Retail Market (in $BN):



Source: Vision Monday

TOP OPTICAL RETAILERS

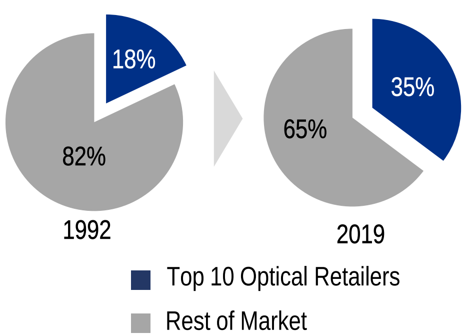
(2019 sales dollars in $MM):

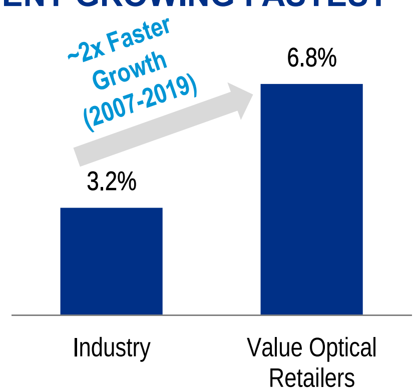
1. Essilor Luxottica [(1)]	$5,192
2. Walmart Stores & Sam's Club	$1,790
3. National Vision	**$1,724**
4. Costco Wholesale	$1,257
5. Visionworks	$981
8. Warby Parker	$410

(1) EssilorLuxottica represents a combination of the two entities and is comprised of LensCrafters, Pearle Vision, Target, Sears and Vision Source

Source: Vision Monday

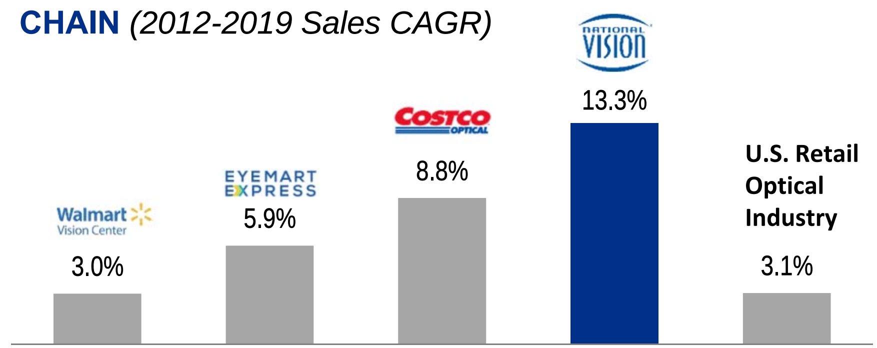
LARGEST RETAILERS GAINING SHARE FROM INDEPENDENTS, VALUE SEGMENT GROWING FASTEST





Source: 20/20 Magazine (April 1993), Vision Monday

NVI IS THE FASTEST GROWING U.S. VALUE OPTICAL CHAIN *(2012-2019 Sales CAGR)*



Source: Vision Monday, Management Team

Our Two Differentiated Growth Brands Catering to the Value Segment

	America's Best Contacts & Eyeglasses	Eyeglass World
Value Proposition	✓ Extreme value ✓ Free eye exams ✓ Private label	✓ Value ✓ Broad selection / designer brands ✓ Convenience / same-day service
The Model	• Employed optometrists enable key signature bundled offerings (eye exam + glasses / contacts) • High margin private label eyeglasses and contact lenses • Latest eye exam technology	• Eyeglass superstore • Broader assortment of designer frames • Mostly independent optometrists
Cost Structure	• High-traffic strip centers • Highly efficient centralized labs (no labs in stores)	• "At the corner of main-and-main" near major shopping hubs • In-store labs that provide quick turnaround times
'20 Net Revenue Contribution	**66% of total**	**11% of total**

National Vision is Well-Positioned for Success in the Retail Environment of the Future

"RETAIL 1.0"

Retailing of <u>Products</u>

"Bar-code" Distributors

Disintermediated by Online / Disruptors

High Prices and Moderate Margins
Susceptible to disruption

"RETAIL 2.0"

Retailing of <u>Services</u>
Eye exams; frame and lens selection and fitting; mass custom manufacturing

Experiential
In-store and online browsing and try-on

Proactively Integrating Online Disruption Into Our Model
Need for eye exams and precise measurements / near-perfect fit for proper function

Low Prices and Strong Margins

Greater Meaning

National Vision has established a scaled services platform not easily disintermediated by the internet

Experienced Team of Optical Experts

BEST IN CLASS MANAGEMENT TEAM

- ✓ Deeply experienced management team of optical experts
- ✓ Cohesive team averaging 9+ years[(1)] at National Vision
- ✓ Experienced management team averaging 20+ years[(1)] of optical or retail experience
- ✓ Management team evolution progressing well
- ✓ Insights into customers and industry from prior experience
- ✓ Extensive optical network and reference points throughout the world

EXTENSIVE OPTICAL AND SPECIALTY RETAIL EXPERIENCE

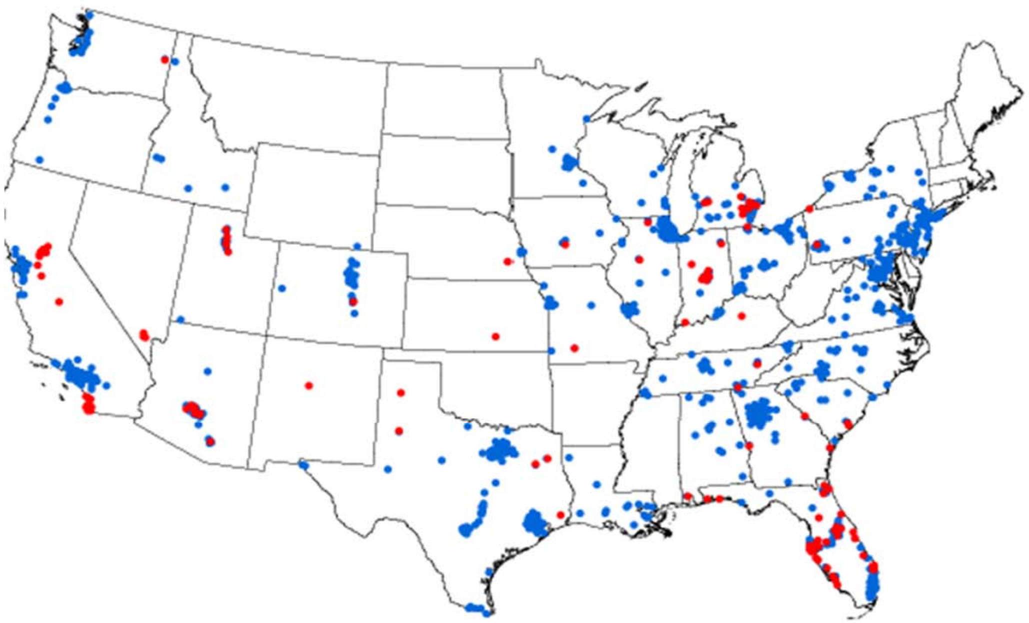
LensCrafters Walmart Essilor vision express Pearle Vision Target Optical 1800contacts

(1) Includes years with predecessor entities prior to NVI's acquisition thereof.

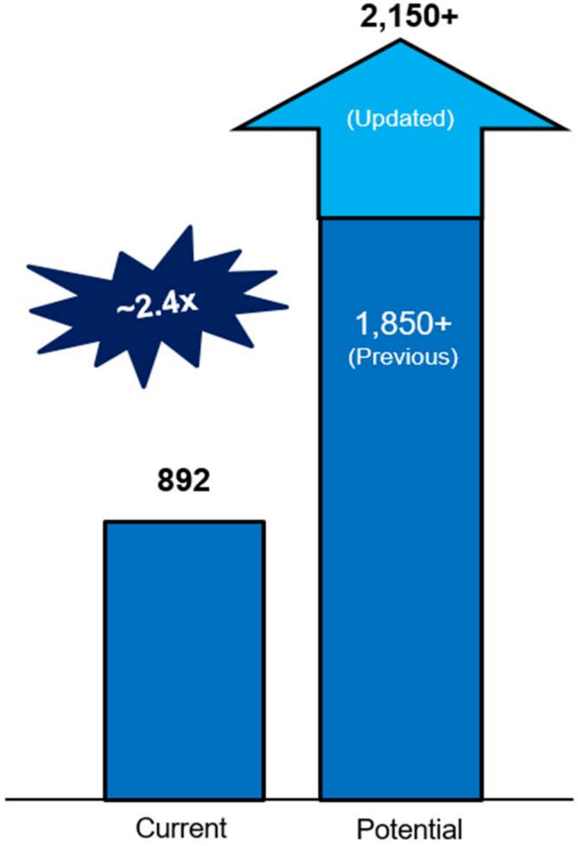
Growth Brands' Whitespace Opportunity Increased to 2,150+

CURRENT STORE FOOTPRINT OF AMERICA'S BEST AND EYEGLASS WORLD...

Brand	# of Stores	# of States
America's Best	773	32
Eyeglass World	119	23



...SUPPORTED BY STRONG FUTURE STORE POTENTIAL



Significant whitespace opportunity

Note: Store count as of January 2, 2021

Growth Strategies

We Have Multiple Drivers to Continue Our Growth

Grow Store Base Across Our Owned Brands

Continue to Drive Comparable Store Sales Growth

Improve Operating Productivity

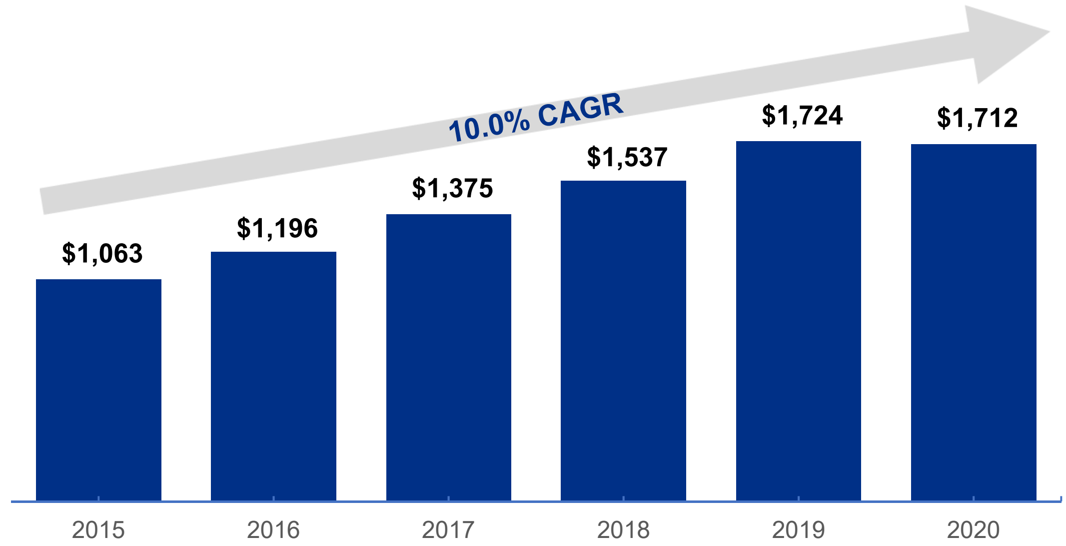
Leverage Technology

Financial Review

Proven Track Record to Deliver Consistent Financial Performance

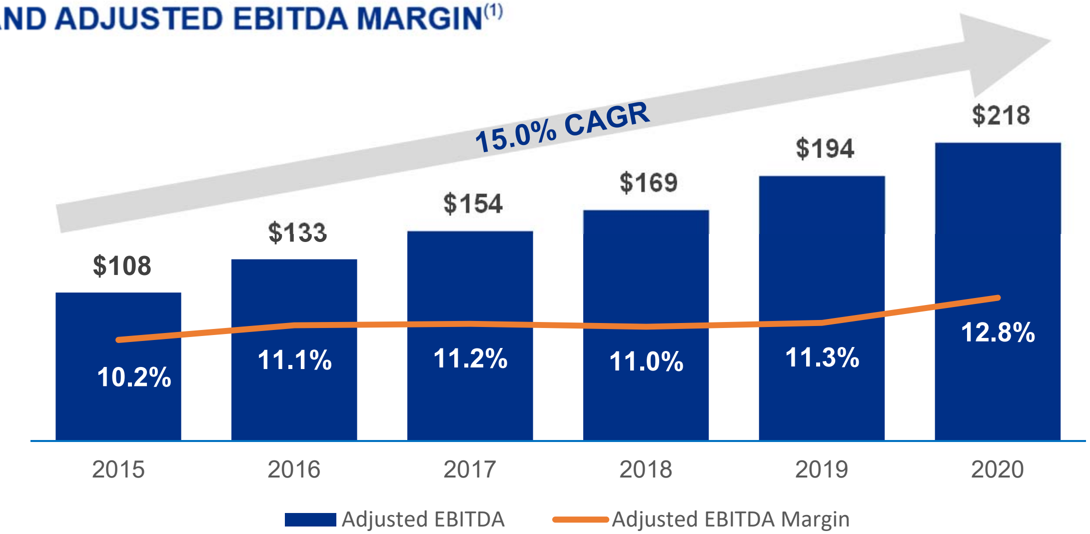
NET REVENUE

(Net Revenue in $MM)



ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN[(1)]

(Adjusted EBITDA in $MM)



(1) Non-GAAP financial measure; see Appendix for reconciliation to GAAP financial measure

Q4 2020 Highlights

- ✓ Net Revenue: $496.7 million, +23.6% above Q4 2019
- ✓ Opened 5 new stores and ended the year with 1,205 stores
- ✓ Adjusted Comparable Store Sales Growth[1] of 10.6%
  - 2nd consecutive quarter of double-digit comps
- ✓ Adjusted Operating Income[1]: $62.8 million, +281% above Q4 2019
- ✓ Q4 Adjusted Diluted EPS[1]: $0.45 versus $0.09 in Q4 2019
- ✓ Q4 Adjusted EBITDA[1]: $83.5 million, 118% over Q4 2019
- ✓ Substantial liquidity at Q4 end: $668 million
  - $374 million in cash on hand
  - $294.3 million in availability under $300M revolving credit facility

1-Non-GAAP financial measures; see Appendix for reconciliation to GAAP financial measures.

2020 Reflections

- ✓ Successful reopening of stores with "Safety-First" approach
  - o 12.6% comps from June - December 2020
- ✓ Walmart contract renewal and 5 more stores added to Walmart relationship
- ✓ Opened our 1,200th store
- ✓ Board development
  - o Added three independent directors - Naomi Kelman, Susan Somersille Johnson and Jose Armario (February 2021)
  - o Independent Board Chair succession
- ✓ Strengthened financial position
  - o Convertible note issuance
  - o Record operating cash flow as public company
  - o Moody's upgrade to pre-COVID rating (February 2021)
- ✓ Initiated ESG journey
  - o Published first philanthropic impact report
  - o DEI council and senior leadership position
  - o Began materiality assessment
- ✓ NVI's people-first culture continued during COVID-19

1-Non-GAAP financial measures; see Appendix for reconciliation to GAAP financial measures.

Safety First Focus During COVID-19

- ✓ Health and safety of our customers, doctors and associates at the forefront of the ongoing strategy
  - PPE, social distancing, frequent cleanings and disinfecting, facial coverings required in stores
- ✓ "Essential" business/retail/healthcare

Doing Our Part to Build a World Worth Seeing

National Vision's Environmental, Social & Governance (ESG) journey is a natural extension of our mission. Beginning from our core values, we are mapping a strategy to do our best work for our people, our world, and our business.

2020

Conducted ESG "Materiality Assessment"

The materiality assessment will be our compass as we begin the process of defining our ESG strategic framework and internal governance structure

Donated glasses will go to Grace for Impact's new free clinic in Nigeria

2021

As we define our core ESG focus areas, National Vision will continue to expand our commitment to positive social impact and formalize and extend our environmental programs.

Philanthropy – Vision Council Scholarship · Grace for Impact donation

Diversity – "Majority-Minority" Company · Continuing to add diversity to Board composition

Environment – Manage our energy and climate impact

As our ESG journey progresses in 2021, we look forward to sharing more details about our strategy and commitments.

Appendix

Q4 and FY 2020 Consolidated Financial Results

Dollars and shares in thousands, except Earnings per Share	Three Months Ended January 2, 2021 (Unaudited)	Three Months Ended December 28, 2019 (Unaudited)	Fiscal Year 2020	Fiscal Year 2019
Revenue:				
Net product sales	$ 412,399	$ 329,654	$ 1,418,283	$ 1,426,136
Net sales of services and plans	84,297	72,109	293,477	298,195
Total net revenue	496,696	401,763	1,711,760	1,724,331
Costs applicable to revenue (exclusive of depreciation and amortization):				
Products	149,504	130,175	551,783	574,351
Services and plans	66,977	57,367	234,841	232,168
Total costs applicable to revenue	216,481	187,542	786,624	806,519
Operating expenses:				
Selling, general and administrative expenses	199,750	178,044	720,590	744,488
Depreciation and amortization	22,614	23,674	91,585	87,244
Asset impairment	1,089	1,506	22,004	8,894
Litigation settlement	—	—	4,395	—
Other expense (income), net	(133)	2,636	(445)	3,611
Total operating expenses	223,320	205,860	838,129	844,237
Income from operations	56,895	8,361	87,007	73,575
Interest expense, net	12,739	7,397	48,171	33,300
Debt issuance costs	20	—	156	—
Loss on extinguishment of debt	—	—	—	9,786
Earnings before income taxes	44,136	964	38,680	30,489
Income tax provision (benefit)	9,058	(2,956)	2,403	(2,309)
Net income	$ 35,078	$ 3,920	$ 36,277	$ 32,798
Earnings per share - basic	$ 0.43	$ 0.05	$ 0.45	$ 0.42
Earnings per share - diluted	$ 0.42	$ 0.05	$ 0.44	$ 0.40
Weighted average shares outstanding - basic	81,126	79,271	80,565	78,608
Weighted average shares outstanding - diluted	95,925	81,785	82,793	81,683

Note: Fiscal year 2020 includes 53 weeks. Fiscal year 2019 include 52 weeks.
Three months ended January 2, 2021 include 14 weeks. Three months ended December 28, 2019 include 13 weeks.
Fourth quarter 2020 diluted EPS is calculated using the if-converted method for the 2025 Notes adding back $5.3 million of interest expense (after tax) related to the 2025 Notes, and assuming conversion of the 2025 Notes at the beginning of the fourth quarter of 2020.

Reconciliation of EBITDA and Adjusted EBITDA to Net Income

Dollars in thousands	2015		2016		2017		2018		2019		2020	
Net Revenue	$ 1,062,528		$ 1,196,195		$ 1,375,308		$ 1,536,854		$ 1,724,331		$ 1,711,760	
Net income (loss)	2,871	0.3 %	13,343	1.1 %	43,138	3.1 %	23,653	1.5 %	32,798	1.9 %	36,277	2.1 %
Interest expense	36,741	3.5 %	39,092	3.3 %	55,536	4.0 %	37,283	2.4 %	33,300	1.9 %	48,171	2.8 %
Income tax provision (benefit)	1,300	0.1 %	11,634	1.0 %	(38,910)	(2.8)%	(18,785)	(1.2)%	(2,309)	(0.1)%	2,403	0.1 %
Depreciation and amortization	44,349	4.2 %	52,677	4.4 %	61,974	4.5 %	74,339	4.8 %	87,244	5.1 %	91,585	5.4 %
EBITDA	85,261	8.0 %	116,746	9.8 %	121,738	8.9 %	116,490	7.6 %	151,033	8.8 %	178,436	10.4 %
Stock compensation expense [(a)]	6,635	0.6 %	4,293	0.4 %	5,152	0.4 %	20,939	1.4 %	12,670	0.7 %	10,740	0.6 %
Loss on extinguishment of debt [(b)]	—	— %	—	— %	—	— %	—	— %	9,786	0.6 %	—	— %
Asset impairment [(c)]	7,716	0.7 %	7,132	0.6 %	4,117	0.3 %	17,630	1.1 %	8,894	0.5 %	22,004	1.3 %
Litigation settlement [(d)]	—	— %	—	— %	7,000	0.5 %	—	— %	—	— %	4,395	0.3 %
Secondary offering expenses [(e)]	—	— %	—	— %	—	— %	2,451	0.2 %	401	— %	—	— %
Management realignment expenses [(f)]	—	— %	—	— %	—	— %	—	— %	2,155	0.1 %	—	— %
Long-term incentive plan [(g)]	—	— %	—	— %	—	— %	7,040	0.5 %	2,830	0.2 %	—	— %
Debt issuance cost [(n)]	2,551	0.2 %	—	— %	4,527	0.3 %	200	— %	—	— %	—	— %
Non-cash inventory write-offs [(o)]	—	— %	—	— %	2,271	0.2 %	—	— %	—	— %	—	— %
Management fees [(p)]	1,649	0.2 %	1,126	0.1 %	5,263	0.4 %	—	— %	—	— %	—	— %
Other [(k)]	4,644	0.4 %	3,520	0.3 %	3,924	0.3 %	4,585	0.3 %	6,370	0.4 %	2,732	0.2 %
Adjusted EBITDA/Adjusted EBITDA Margin	$ 108,456	10.2 %	$ 132,817	11.1 %	$ 153,992	11.2 %	$ 169,335	11.0 %	$ 194,139	11.3 %	$ 218,307	12.8 %

Note: Fiscal year 2020 includes 53 weeks. Fiscal years 2015 - 2019 includes 52 weeks.
Percentages reflect line item as a percentage of net revenue, adjusted for rounding.
Some of the percentage totals in the table above do not foot due to rounding differences.

NATIONAL VISION

Reconciliation of EBITDA and Adjusted EBITDA to Net Income (Unaudited)

Dollars in thousands	Three Months Ended January 2, 2021		Three Months Ended December 28, 2019		Fiscal Year 2020		Fiscal Year 2019	
Net income	$ 35,078	7.1 %	$ 3,920	1.0 %	$ 36,277	2.1 %	$ 32,798	1.9 %
Interest expense	12,739	2.6 %	7,397	1.8 %	48,171	2.8 %	33,300	1.9 %
Income tax provision (benefit)	9,058	1.8 %	(2,956)	(0.7)%	2,403	0.1 %	(2,309)	(0.1)%
Depreciation and amortization	22,614	4.6 %	23,674	5.9 %	91,585	5.4 %	87,244	5.1 %
EBITDA	79,489	16.0 %	32,035	8.0 %	178,436	10.4 %	151,033	8.8 %
Stock compensation expense [a]	2,405	0.5 %	1,830	0.5 %	10,740	0.6 %	12,670	0.7 %
Loss on extinguishment of debt [b]	—	— %	—	— %	—	— %	9,786	0.6 %
Asset impairment [c]	1,088	0.2 %	1,506	0.4 %	22,004	1.3 %	8,894	0.5 %
Litigation settlement [d]	—	— %	—	— %	4,395	0.3 %	—	— %
Secondary offering expenses [e]	—	— %	—	— %	—	— %	401	— %
Management realignment expenses [f]	—	— %	—	— %	—	— %	2,155	0.1 %
Long-term incentive plan [g]	—	— %	941	0.2 %	—	— %	2,830	0.2 %
Other [k]	526	0.1 %	1,999	0.5 %	2,732	0.2 %	6,370	0.4 %
Adjusted EBITDA / Adjusted EBITDA Margin	$ 83,508	16.8 %	$ 38,311	9.5 %	$ 218,307	12.8 %	$ 194,139	11.3 %

Note: Fiscal year 2020 includes 53 weeks. Fiscal year 2019 includes 52 weeks.
Three months ended January 2, 2021 includes 14 weeks. Three months ended December 28, 2019 includes 13 weeks.
Percentages reflect line item as a percentage of net revenue, adjusted for rounding
Some of the percentage totals above do not foot due to rounding differences

NATIONAL VISION

Reconciliation of Adjusted Operating Income to Net Income (Unaudited)

Dollars in thousands	Three Months Ended January 2, 2021		Three Months Ended December 28, 2019		Fiscal Year 2020		Fiscal Year 2019	
Net income	$ 35,078	7.1 %	$ 3,920	1.0 %	$ 36,277	2.1 %	$ 32,798	1.9 %
Interest expense	12,739	2.6 %	7,397	1.8 %	48,171	2.8 %	33,300	1.9 %
Income tax provision (benefit)	9,058	1.8 %	(2,956)	(0.7)%	2,403	0.1 %	(2,309)	(0.1)%
Stock compensation expense (a)	2,406	0.5 %	1,830	0.5 %	10,741	0.6 %	12,670	0.7 %
Loss on extinguishment of debt (b)	—	— %	—	— %	—	— %	9,786	0.6 %
Asset impairment (c)	1,088	0.2 %	1,506	0.4 %	22,004	1.3 %	8,894	0.5 %
Litigation settlement (d)	—	— %	—	— %	4,395	0.3 %	—	— %
Secondary offering expenses (e)	—	— %	—	— %	—	— %	401	— %
Management realignment expenses (f)	—	— %	—	— %	—	— %	2,155	0.1 %
Long-term incentive plan (g)	—	— %	941	0.2 %	—	— %	2,830	0.2 %
Amortization of acquisition intangibles (h)	1,872	0.4 %	1,852	0.5 %	7,426	0.4 %	7,405	0.4 %
Other (k)	526	0.1 %	1,999	0.5 %	2,732	0.2 %	6,370	0.4 %
Adjusted Operating Income / Adjusted Operating Margin	$ 62,767	12.6 %	$ 16,489	4.1 %	$ 134,149	7.8 %	$ 114,300	6.6 %

Note: Fiscal year 2020 includes 53 weeks. Fiscal year 2019 include 52 weeks.
Three months ended January 2, 2021 includes 14 weeks. Three months ended December 28, 2019 includes 13 weeks.
Percentages reflect line item as a percentage of net revenue, adjusted for rounding
Some of the percentage totals above do not foot due to rounding differences

Reconciliation of Adjusted Diluted EPS to Diluted EPS (Unaudited)

Shares in thousands	Three Months Ended January 2, 2021	Three Months Ended December 28, 2019	Fiscal Year 2020	Fiscal Year 2019
Diluted EPS	$ 0.42	$ 0.05	$ 0.44	$ 0.40
Stock compensation expense [(a)]	0.03	0.02	0.13	0.16
Loss on extinguishment of debt [(b)]	—	—	—	0.12
Asset impairment [(c)]	0.01	0.02	0.27	0.11
Litigation settlement [(d)]	—	—	0.05	—
Secondary offering expenses [(e)]	—	—	—	—
Management realignment expenses [(f)]	—	—	—	0.03
Long-term incentive plan [(g)]	—	0.01	—	0.03
Amortization of acquisition intangibles [(h)]	0.02	0.02	0.09	0.09
Amortization of debt discounts and deferred financing costs [(i)]	—	—	0.14	0.02
Losses (gains) on change in fair value of derivatives [(j)]	(0.01)	—	0.05	—
Other [(k)]	0.01	0.02	0.03	0.08
Tax benefit of stock option exercises [(l)]	(0.02)	(0.03)	(0.10)	(0.12)
Tax effect of total adjustments [(m)]	(0.01)	(0.03)	(0.19)	(0.16)
Adjusted Diluted EPS	$ 0.45	$ 0.09	$ 0.91	$ 0.75
Weighted average diluted shares outstanding	95,925	81,785	82,793	81,683

Note: Fiscal year 2020 includes 53 weeks. Fiscal year 2019 include 52 weeks.
Three months ended January 2, 2021 includes 14 weeks. Three months ended December 28, 2019 includes 13 weeks.
Certain totals above do not foot due to rounding

Reconciliation of Non-GAAP to GAAP Financial Measures Footnotes

In the first quarter of 2020, we introduced Adjusted Operating Income and Adjusted Operating Margin as measures of performance we will use in connection with Adjusted EBITDA, Adjusted EBITDA Margin and Adjusted Diluted EPS. Further, consistent with our presentation of Adjusted Operating Income, we no longer exclude new store pre-opening expenses and non-cash rent from our presentation of Adjusted EBITDA and Adjusted Diluted EPS. See our Form 8-K filed with the SEC on February 26, 2020 for more information.

(a) Non-cash charges related to stock-based compensation programs, which vary from period to period depending on the timing of awards and performance vesting conditions.
(b) Reflects write-off of deferred financing fees related to the extinguishment of debt.
(c) Reflects write-off of property, equipment and lease related assets on closed or underperforming stores.
(d) Expenses associated with settlement of litigation.
(e) Expenses related to our secondary public offerings.
(f) Expenses related to a non-recurring realignment of management described on the Form 8-K filed with the SEC on January 10, 2019.
(g) Expenses pursuant to a long-term incentive plan for non-executive employees who were not participants in the management equity plan.
(h) Amortization of the increase in carrying values of finite-lived intangible assets resulting from the application of purchase accounting to the KKR Acquisition.
(i) Amortization of debt discount is associated with the amortization of the conversion feature related to the convertible notes and amortization of deferred financing costs related to the convertible note, term loan and revolving credit facility borrowings.
(j) Reflects gains recognized in interest expense on change in fair value of de-designated hedges.
(k) Other adjustments that management does not consider representative of operating performance; includes losses on equity method investments.
(l) Tax benefit associated with accounting guidance requiring excess tax benefits related to stock option exercises to be recorded in earnings as discrete items in the reporting period in which they occur.
(m) Represents the income tax effect of the total adjustments at our combined statutory federal and state income tax rates.
(n) Fees associated with the issuance of new term loans, refinancing, or borrowings of additional principal.
(o) Reflects write-offs of inventory relating to the expiration of a specific type of contact lenses that could not be sold and required disposal.
(p) Management fees paid to Sponsors in accordance with our monitoring agreement and terminated upon consummation of the IPO in October 2017.

Reconciliation of Adjusted Comparable Store Sales Growth to Total Comparable Store Sales Growth (Unaudited)

	Comparable store sales growth [a]			
	Three Months Ended January 2, 2021	Three Months Ended December 28, 2019	Fiscal Year 2020	Fiscal Year 2019
Owned & Host segment				
America's Best	12.2%	9.0%	(5.2)%	7.1%
Eyeglass World	17.6%	6.4%	(2.7)%	5.8%
Military	1.5%	9.9%	(15.5)%	1.4%
Fred Meyer	(12.5)%	1.1%	(21.6)%	(4.4)%
Legacy segment	(1.8)%	5.1%	(12.3)%	3.1%
Total comparable store sales growth	14.3%	10.1%	(5.6)%	6.5%
Adjusted Comparable Store Sales Growth [b]	10.6%	8.1%	(6.1)%	6.2%

Additional Comparable Store Sales Growth information for 2020	Three Months Ended March 28, 2020	Three Months Ended June 27, 2020	Seven Months Ended January 2, 2021
Total comparable store sales growth	(2.9)%	(44.7)%	13.1%
Adjusted Comparable Store Sales Growth [b]	(10.3)%	(36.5)%	12.6%

Note: Fiscal year 2020 includes 53 weeks. Fiscal year 2019 include 52 weeks.
Three months ended January 2, 2021 includes 14 weeks. Three months ended December 28, 2019 includes 13 weeks.

a. Total comparable store sales is calculated based on consolidated net revenue excluding the impact of (i) Corporate/Other segment net revenue, (ii) sales from stores opened less than 13 months, (iii) stores closed in the periods presented, (iv) sales from partial months of operation when stores do not open or close on the first day of the month, and (v) if applicable, the impact of a 53rd week in a fiscal year. Brand-level comparable store sales growth is calculated based on cash basis revenues consistent with what the Chief Operating Decision Maker reviews, and consistent with reportable segment revenues presented in Note 16. "Segment Reporting" in our consolidated financial statements, with the exception of the Legacy segment, which is adjusted as noted in (b) (ii) below.

b. There are two differences between total comparable store sales growth based on consolidated net revenue and Adjusted Comparable Store Sales Growth: (i) Adjusted Comparable Store Sales Growth includes the effect of deferred and unearned revenue as if such revenues were earned at the point of sale, resulting in the following changes from total comparable store sales growth based on consolidated net revenue: a decrease of 3.3% and a decrease of 1.9% for the three months ended January 2, 2021 and December 28, 2019, respectively, and a decrease of 0.4% and a decrease of 0.1% for fiscal year 2020 and fiscal year 2019, respectively, a decrease of 7.5% for the three months ended March 28, 2020, an increase of 8.1% for the three months ended June 27, 2020, and a decrease of 0.2% for the seven months ended January 2, 2021, respectfully (ii) Adjusted Comparable Store Sales Growth includes retail sales to the Legacy partner's customers (rather than the revenues recognized consistent with the management & services agreement with the legacy partner), resulting in the following changes from total comparable store sales growth based on consolidated net revenue: a decrease of 0.4% and a decrease of 0.1% for the three months ended January 2, 2021 and December 28, 2019, respectively, and a decrease of 0.1% and a decrease of 0.2% for the fiscal year 2020 and and fiscal year 2019, respectively, an increase of 0.1% for the three months ended March 28, 2020, and an increase of 0.1% for the three months ended June 27, 2020, and a decrease of 0.3% for the seven months ended January 2, 2021, respectively

Adjusted Comparable Store Sales Primer

- ✓ **What is Adjusted Comparable Store Sales Growth?**
  - o Calculated using net revenue on a **cash-basis**
  - o Excludes the impact of unearned and deferred revenue
- ✓ **Why use Adjusted Comparable Store Sales Growth?**
  - o Provides a clear view of the Company's current operating performance
    - o Shifts in unearned revenue are difficult to predict and related to short-term customer behavior (see slide 34)
  - o Used by management to assess business performance and is the basis for store-level business performance
  - o Consistently applied methodology
- ✓ **Adjusted Comparable Store Sales Growth consistently lower than total comparable store sales growth**
  - o Company provides total comparable store sales growth measured on GAAP revenue
  - o Adjusted measure has been lower than or equal to GAAP measure in 10 of last 14 quarters due to unearned revenue
  - o Total comparable store sales growth based on GAAP revenue was not calculated prior to 2017 IPO

Comparable Store Sales Growth

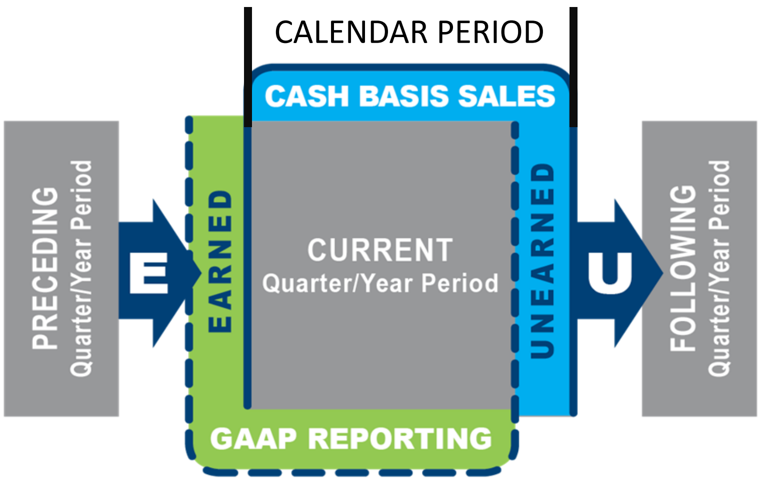
	2017		2018				2019				2020			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total comparable store sales growth (GAAP)	8.3%	11.5%	4.6%	10.4%	7.0%	4.3%	6.2%	4.4%	5.7%	10.1%	(2.9)%	(44.7)%	11.6%	14.3%
Adjusted Comparable Store Sales Growth* (non-GAAP)	7.0%	10.4%	4.6%	8.8%	6.8%	2.9%	6.7%	3.8%	6.2%	8.1%	(10.3)%	(36.5)%	12.4%	10.6%

*See Appendix for reconciliation to GAAP measure

Unearned Revenue Primer

PURCHASE JOURNEY

UNEARNED REVENUE ACCOUNTING



- Customers generally pay for products and services at time of order. Eyeglasses are picked up approximately 7 to 10 days later.
- Unearned revenue represents **CASH BASIS SALES** during approximately the last week of a reporting period. **GAAP REPORTING** requires REVENUE RECOGNITION at time of PICKUP.
- The change in unearned revenue depends on relative magnitude of sales for last week of the preceding E and current U quarters, as well as customer purchase pick-up behavior.
  - The change in activity is then compared to the same periods in the prior year.
- Typical seasonal impact on income statement:

Q1 negative (E<U)	**Q2** positive (E>U)
Q3 pos./neg. (E><U)	**Q4** negative (E<U)

- For a company with growing revenues, unearned revenue should also grow to some degree each year.

"It's a short-term timing difference between quarters"

Convertible Notes Primer

✓ **ISSUANCE:**

- Issued $402.5 million aggregate principal amount of 2.5% Convertible Senior Notes due May 2025 (the "Notes") in Q2 2020
- Notes have a conversion price of $31.17 and are non-callable by the Company for the first three years. At settlement, Notes are convertible into cash, common stock (~12.9 million shares) or a combination of cash/shares at the company's election.

✓ **CONVERSION:**

- Note holders can convert if the closing price of the common stock for at least 20 days (whether or not consecutive) during a period of 30 consecutive days ending on, and including, the last day of the immediately preceding calendar quarter exceeds 130% of the conversion price (or ~$40.52). During Q4 2020, the price condition was satisfied.
- Elected to <u>not</u> assert settlement of principal amount of future note conversions in cash <u>for accounting purposes</u>, which triggered the requirement to use the "if converted" method for EPS in Q4 2020. Under this method, EPS is calculated by adding back after-tax (cash and non-cash) interest expense associated with the Notes to net income and including the 12.9 million shares in the share count.

✓ **ACCOUNTING TREATMENT:**

- Intend to early adopt (in Q1 2021) the new accounting standard regarding convertible instruments (ASU 2020-06). The standard requires the continued use of the "if converted" treatment for EPS calculation. If use of the "if converted" method is deemed anti-dilutive, the shares and interest will not be included in the EPS calculation.
- Expect the adoption of this standard to result in a reclassification of approximately $83 million tied to the Notes from equity to debt and a decrease in reported non-cash interest expense as a result of the elimination of the non-cash amortization of equity component into interest expense. The expected annual (cash only) interest expense, after-tax, is approximately $8 million.

New Non-GAAP Measures Framework in 2020

- ✓ Introduced new non-GAAP measures
  - Adjusted Operating Income
  - Adjusted Operating Margin
  - See Form 8-K filed on February 26, 2020 for supplemental tables that provide reconciliations from Adjusted EBITDA, Adjusted Operating Income and Adjusted Diluted EPS to Net Income for the quarterly and fiscal year 2018 and 2019 periods.
- ✓ Presented new definitions of certain non-GAAP measures
  - No longer adjusting for new store pre-opening expense and non-cash rent
  - The presentation of Adjusted EBITDA and Adjusted Diluted EPS for the three months and fiscal year ended December 29, 2019 has been recast to reflect these changes
  - New store pre-opening expenses totaled $0.5 million and $0.5 million for the three months ended January 2, 2021 and December 29, 2019; $2.6 million and $3.3 million for fiscal years 2020 and 2019, respectively; and non-cash rent totaled $0.5 million and $0.8 million for the three months ended January 2, 2021 and December 29, 2019, respectively; and $2.6 million and $3.2 million for fiscal years 2020 and 2019, respectively
- ✓ Continuing to provide Adjusted EBITDA measure

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