Q4 and Fiscal Year End 2023 Financial Results

February 27, 2024

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 contained under “Fiscal 2024 Outlook”, “Fiscal 2024 Outlook Considerations”, “Walmart Vision Center and AC Lens FY 23 & FY24 Expected Impact” and “Adjusted Operating Margin Progression 2023-2025” as well as other statements related to our current beliefs and expectations regarding the performance of our industry, the Company’s strategic direction, market position, prospects including remote medicine and optometrist recruiting and retention initiatives, 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 termination of our partnership with Walmart, including the transition period and other wind down activities, will have an impact on our business, revenues, profitability and cash flows, which impact could be material; market volatility, an overall decline in the health of the economy and other factors impacting consumer spending, including inflation, uncertainty in financial markets, recessionary conditions, escalated interest rates, the timing and issuance of tax refunds, governmental instability, war and natural disasters, may affect consumer purchases, which could reduce demand for our products and materially harm our sales, profitability and financial condition; failure to recruit and retain vision care professionals for in-store roles or to provide remote care offerings could adversely affect our business, financial condition and results of operations; the optical retail industry is highly competitive, and if we do not compete successfully, our business may be adversely impacted; if we fail to open and operate new stores in a timely and cost-effective manner or fail to successfully enter new markets, our financial performance could be materially and adversely affected; if the performance of our Host and Legacy brands declines or we are unable to maintain or extend our operating relationships with our Host partners, our business, profitability and cash flows may be adversely affected and we may be required to incur impairment charges; we are a low-cost provider and our business model relies on the low-cost of inputs. Factors such as wage rate increases, inflation, cost increases, increases in the price of raw materials and energy prices could have a material adverse effect on our business, financial condition and results of operations; we require significant capital to fund our expanding business, including updating our Enterprise Resource Planning (“ERP”), and other technological, systems and capabilities; our growth strategy could strain our existing resources and cause the performance of our existing stores to suffer; the COVID-19 pandemic and related impacts, have had, and may in the future continue to have, a material adverse impact on our business; our success depends upon our marketing, advertising and promotional efforts. If we are unable to implement them successfully or efficiently, or if our competitors are more effective than we are, we may experience a material adverse effect on our business, financial condition and results of operations; we are subject to risks associated with leasing substantial amounts of space, including future increases in occupancy costs; certain technological advances, greater availability of, or increased consumer preferences for, vision correction alternatives to prescription eyeglasses or contact lenses, or future drug development for the correction of vision-related problems may reduce the demand for our products and adversely impact our business and profitability; if we fail to retain our existing senior management team or attract qualified new personnel such failure could have a material adverse effect on our business, financial condition and results of operations; our profitability and cash flows may be negatively affected if we are not successful in managing our inventory balances and inventory shrinkage; our operating results and inventory levels fluctuate on a seasonal basis; our e-commerce and omni-channel business faces distinct risks, and our failure to successfully manage those risks could have a negative impact on our profitability; we depend on our distribution centers and/or optical laboratories; we may incur losses arising from our investments in technological innovators in the optical retail industry, including artificial intelligence, which would negatively affect our financial results; ESG issues, including those related to climate change, could have a material adverse effect on our business, financial condition and results of operations; changing climate and weather patterns leading to severe weather and disasters may cause significant business interruptions and expenditures; future operational success depends on our ability to develop, maintain and extend relationships with managed vision care companies, vision insurance providers and other third-party payors; we face risks associated with vendors from whom our products are sourced and are dependent on a limited number of suppliers; we rely heavily on our information technology systems, as well as those of our vendors, for our business to effectively operate and to safeguard confidential information; any significant failure, inadequacy, interruption or security breach could adversely affect our business, financial condition and operations; we rely on third-party coverage and reimbursement, including government programs, for an increasing portion of our revenues, the future reduction of which could adversely affect our results of operations; we are subject to extensive state, local and federal vision care and healthcare laws and regulations and failure to adhere to such laws and regulations would adversely affect our business; we are subject to managed vision care laws and regulations; we are subject to rapidly changing and increasingly stringent laws, regulations, contractual obligations, and industry standards relating to privacy, data security and data protection which could subject us to liabilities that adversely affect our business, operations and financial performance; we could be adversely affected by product liability, product recall or personal injury issues; failure to comply with laws, regulations and enforcement activities or changes in statutory, regulatory, accounting and other legal requirements could potentially impact our operating and financial results; adverse judgments or settlements resulting from legal proceedings relating to our business operations could materially adversely affect our business, financial condition and results of operations; we may not be able to adequately protect our intellectual property, which could harm the value of our brand and adversely affect our business; we have a significant amount of indebtedness which could adversely affect our business and financial position, including limiting our business flexibility and preventing us from meeting our debt obligations; a change in interest rates may adversely affect our business; our credit agreement contains restrictions that limit our flexibility in operating our business; conversion of the 2025 Notes could dilute the ownership interest of existing stockholders or may otherwise depress the price of our common stock; 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 2023, which is available at www.nationalvision.com/investors, together with this presentation.

Today's Presenters

Q4 2023
Highlights

Reade Fahs
Chief Executive Officer

Q4 2023 Financial Review
and 2024 Outlook

Melissa Rasmussen
Chief Financial Officer

Q4 and FY 2023 Highlights

	Q4		FY 2023	
	Amount	Change vs Q4 2022	Amount	Change vs FY 2022
Net Revenue	$506.4 million	8.0%	$2.13 billion	6.0%
Adjusted Comparable Store Sales Growth[1]		5.7%		2.9%
Adjusted Operating Income[1]	$0.3 million	104%	$72.3 million	(17.6)%
Adjusted Diluted EPS[1]	$(0.02)	(77.0%)	$0.64	(1.4)%

- ❖ Q4 and FY23 Adjusted Comparable Store Sales Growth[1] driven by an increase in customer transactions and higher average ticket
- ❖ Opened 70 new stores in FY23 (17 in Q4) and ended the year with 1,413 stores
- ❖ Continued execution of strategic initiatives positions the business to adapt in current and evolving environment
  - Key focus on expanding exam capacity through recruitment and retention efforts and deployment of remote medicine capabilities and electronic health record technology
  - Results also reflect ongoing strength in managed care business
- ❖ Maintained strong financial position
  - Significant liquidity of $444 million and Net debt to Adjusted EBITDA[1] <2x at end of Q4

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

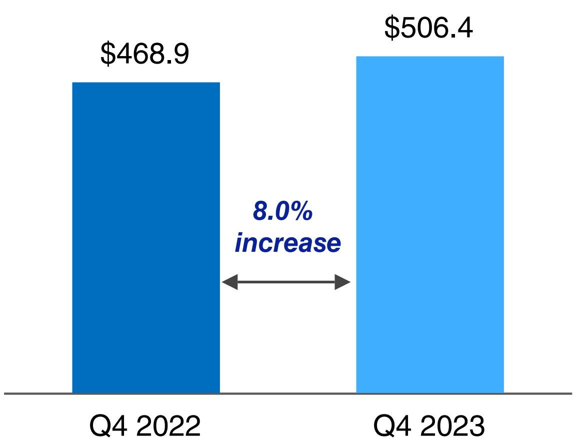
Advancing Strategic Initiatives

	2023 Achievements	2024 Plan
Significantly Expand Exam Capacity	**Recruiting & Retention**: 2nd consecutive year of improvement in retention and posted record recruiting year **Remote**: Deployed Remote capabilities in more than 200 America's Best locations in 2023; Ended 2023 with nearly 550 America's Best locations enabled with Remote	**Recruiting & Retention**: Continue to leverage flexible scheduling options and remote to drive ongoing improvement in retention and recruiting efforts **Remote**: Plan to deploy Remote capabilities to 50 additional America's Best locations in 2024
Further Digitization to Improve Efficiency & Productivity	**Stores**: Continued roll out of EHR in America's Best locations **Corporate Office**: Began the implementation of the first phase of the back-office ERP project focused on finance system upgrades	**Stores**: Plan to have EHR installed in all America's Best locations **Corporate Office**: Plan to substantially complete the first phase of the back-office ERP project focused on finance system upgrades
Leverage Omni-Channel Capabilities	Continued to **test marketing programs** including those that attract consumers via a variety of **omni-channel offerings**	Plan to **enhance marketing message to broaden appeal** for America's Best and Eyeglass World and continue to attract consumers via a variety of **omni-channel offerings**
Capitalize on Whitespace Opportunity	Opened 70 new stores comprised of 58 new America's Best and 12 new Eyeglass World stores	Expect to open 65-70 new stores

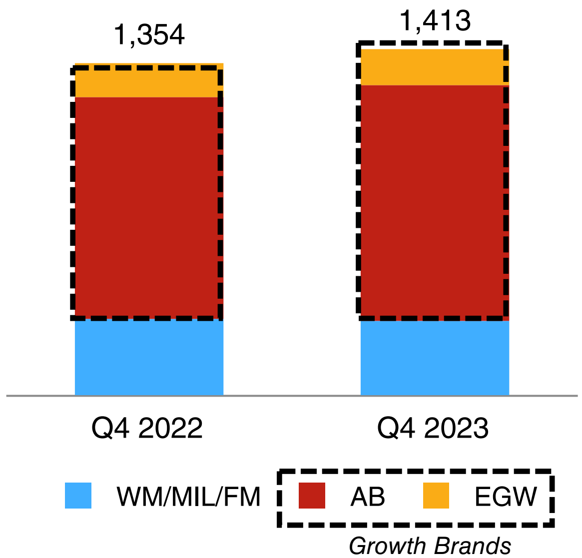
Q4 and FY 2023 Financial Update

Q4 2023 Revenue Drivers

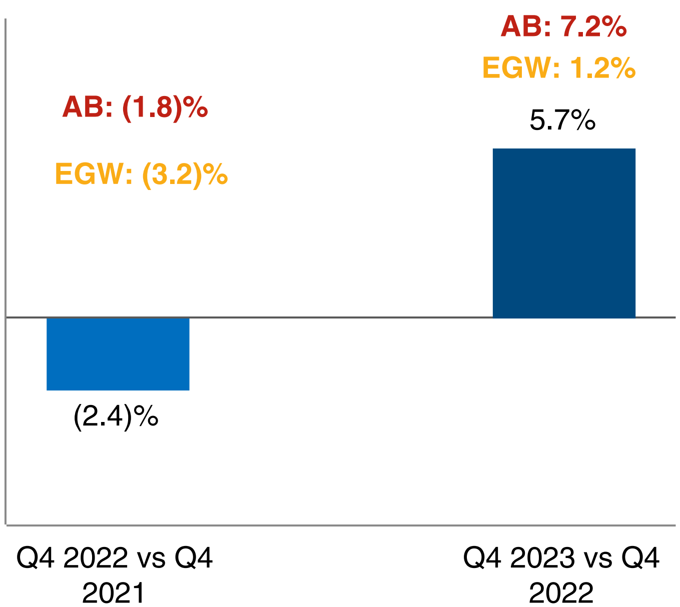
Net Revenue ($M)



Total Store Count



Adjusted Comparable Store Sales Growth[1]



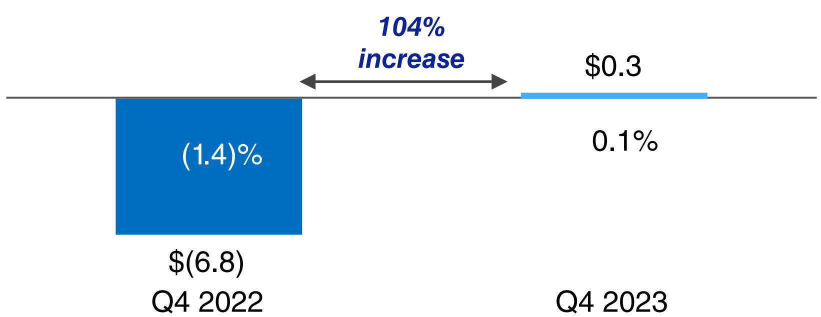
Commentary

- **Net revenue increased 8.0% vs. Q4 2022 primarily due to:**
  - Increase in Adjusted Comparable Store Sales Growth[1] of 5.7% above Q4 2022 and growth from new store sales
  - Positively impacted by timing of unearned revenue by 0.2%
- **4.4% increase in store count vs. Q4 2022**
  - Opened 16 AB and 1 EGW stores in Q4
  - 6.1% increase in store count at growth brands over Q4 2022
- **Adjusted Comparable Store Sales Growth[1] of 5.7% vs. Q4 2022**
  - Driven by an increase in customer transactions and higher average ticket

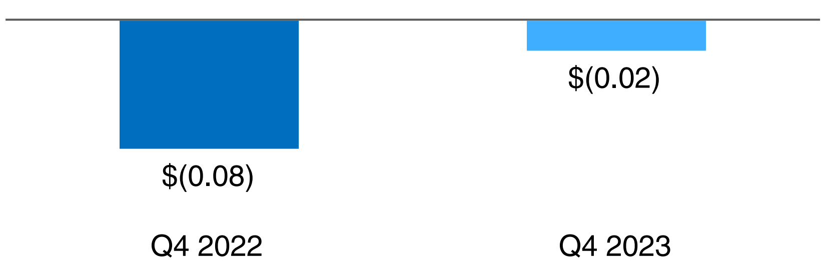
1-Non-GAAP financial measure; see Appendix for reconciliation to GAAP financial measures.

Q4 2023 Results

Adjusted Operating Income[1] ($M)



Adjusted Diluted EPS[1]



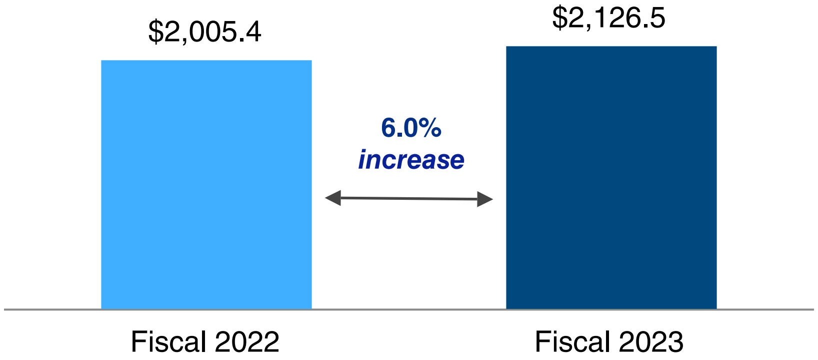
- **Costs applicable to revenue as a percentage of net revenue increased 140 basis points to 48.8% compared to the Q4 2022 primarily due to:**
  - 200 basis-point increase in optometrist-related costs*, partially offset by a 110 basis-point increase in exam revenue;
  - 60 basis-point increase from the reduction in other components of service revenue, including warranty revenue; and
  - 10 basis-point decrease from product costs primarily driven by lower freight expense, partially offset by other product mix and margin effects.
- **Adjusted SG&A Percent of Net Revenue[1] decreased 260 basis points to 46.6% compared to Q4 2022 primarily due to:**
  - 110 basis-point decrease in advertising expense, a 80 basis-point decrease in legal & professional expenses and 70 basis-point decrease in other operating expenses.
- **Adjusted Operating Income[1] increased 104% to $0.3 million vs. Q4 of 2022**
  - Adjusted Operating Margin[1] increased 150 basis-points to 0.1% compared to Q4 2022 due to the factors noted above.
- **Adjusted Diluted EPS[1] was $(0.02) vs. $(0.08) in Q4 2022**

**Q4 2023 optometrist-related costs impacted by timing of benefit-related accruals*

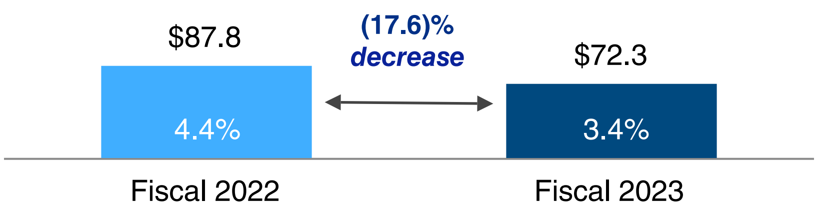
1-Non-GAAP financial measures; see Appendix for reconciliation to GAAP financial measures.

Fiscal Year 2023 Results

Net Revenue ($M)



Adjusted Operating Income[1] ($M)



Adjusted Diluted EPS[1]

- **Net revenue increased 6.0% vs. fiscal 2022 primarily due to:**
  - Growth from new store sales, and an increase in Adjusted Comparable Store Sales Growth[1] of 2.9% over prior year;
  - Net revenue was positively impacted by timing of unearned revenue by 0.2%
- **Costs applicable to revenue as a percentage of net revenue increased 90 basis points to 47.1% vs. fiscal 2022 primarily due to:**
  - 150 basis-point increase in optometrist-related costs, partially offset by a 90 basis-point increase in exam revenue;
  - 60 basis-point increase from the reduction in components of service revenue, including warranty revenue, and other mix and margin effects; and
  - 30 basis-point effect from increased eyeglass mix and eyeglass margin.
- **Adjusted SG&A Percent of Net Revenue[1] increased 30 basis points to 45.2% vs. fiscal 2022 primarily due to:**
  - 70 basis-point increase in performance-based incentive compensation, a 40 basis-point increase in payroll, partially offset by a 50 basis-point decrease in advertising expense and 30 basis-point decrease in other operating expenses.
- **Adjusted Operating Income[1] decreased 17.6% to $72.3 million vs. fiscal 2022**
  - Adjusted Operating Margin[1] decreased 100 basis points to 3.4% compared to fiscal 2022 due to factors noted above.
- **Adjusted Diluted EPS[1] was $0.64 vs. $0.65 in fiscal year 2022**

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

FY 2023 Capital Structure and Cash Flow Highlights

- **Strong liquidity position**
  - Refinanced term loan and revolving credit facility in June 2023, extending the Company's access to $300 million for an additional 5 year term
  - Repurchased $100 million of convertible senior notes for an aggregate cash repurchase price of $99.25 million in November 2023
  - $444M of liquidity at end of Q4, including a cash balance of $150M
  - Net debt to FY 2023 Adjusted EBITDA[1]: 1.9x
  - No borrowings outstanding under our revolving credit facility
- **Share repurchase program**
  - Repurchased 1.1M shares of common stock for $25M
- **Capital expenditures**
  - $115M primarily focused on new store openings and investments in labs, distribution center as well as OD and in-store lab equipment

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

NATIONAL VISION

2024 Capital Allocation Priorities

Healthy balance sheet enables robust and disciplined capital plan designed for continued growth and balanced with opportunistically returning capital to shareholders

	2024
Invest in Growth	Expect 2024 Capital Expenditures of $110 - $115 Million for New Store Openings and Investments in Technology
Debt Structure	Given pending 2025 Maturity of Convertible Notes, plan to monitor the markets for future opportunistic actions and other potential strategies
Return Capital to Shareholders	Effective February 23, 2024, the board of directors authorized a share repurchase program of up to $50 million of the Company's common stock until January 3, 2026; Plan replaces original authorization that expired December 30, 2023

Outlook

The fiscal 2024 outlook information provided on the following slides includes Adjusted Operating Income, Adjusted Operating Margin and Adjusted Diluted EPS guidance, which are non-GAAP financial measures management uses in measuring performance. The Company is not able to reconcile these forward-looking non-GAAP measures to GAAP without unreasonable efforts because it is not possible to predict with a reasonable degree of certainty the actual impact of certain items and unanticipated events, including taxes and non-recurring items, which would be included in GAAP results. The impact of such items and unanticipated events could be potentially significant. The fiscal 2024 outlook is forward-looking, subject to significant business, economic, regulatory and competitive uncertainties and contingencies, many of which are beyond the control of the Company and its management, and based upon assumptions with respect to future decisions, which are subject to change. Actual results may vary and those variations may be material. As such, the Company's results may not fall within the ranges contained in its fiscal 2024 outlook. The Company uses these forward-looking measures internally to assess and benchmark its results and strategic plans. See "Forward-Looking Statements."

The Company's fiscal 2024 outlook reflects current expected or estimated impacts related to macro-economic factors, including inflation, geopolitical instability and risks of recession, as well as constraints on exam capacity; however, the ultimate impact of these factors on the Company's financial outlook remains uncertain with dynamic market conditions and the outlook shown above assumes no material deterioration to the Company's current business operations as a result of such factors or as a result of the termination of the Walmart partnership. Please see "2024 Fiscal Outlook Considerations" for a discussion of important assumptions related to the termination of the Walmart partnership, effective as of February 23, 2024, and the impending termination of the AC Lens business, effective June 30, 2024.

Fiscal 2024 Outlook

	Total Company Fiscal 2024 Outlook
New Stores	**65 - 70**
Adjusted Comparable Store Sales Growth[1]	**2.0% - 4.0%**
Net Revenue	**$1.965 - $2.005 Billion**
Adjusted Operating Income	**$61 - $76 Million**
Adjusted Diluted EPS[2]	**$0.50 - $0.65**
Depreciation and Amortization[3]	**$95 - $100 Million**
Interest[4]	**$7 - $9 Million**
Tax Rate[5]	**26% - 28%**
Capital Expenditures	**$110 - $115 Million**

[1] Refer to the Reconciliation of Adjusted Comparable Stores Sales Growth to Total Comparable Store Sales Growth.
[2] Assumes approximately 79 million shares, and does not include 9.7 million shares attributable to the 2025 Notes as the Company anticipates them to be anti-dilutive to earnings per share for fiscal year 2024.
[3] Includes amortization of acquisition intangibles of approximately $1.6 million, which is excluded in the definition of Adjusted Operating Income and reflects the anticipated impact of the intangible asset impairment in connection with the termination of the Walmart agreements.
[4] Before the impact of gains or losses on change in fair value of derivatives and charges related to debt discounts and deferred financing costs.
[5] Excluding the impact of vesting of restricted stock units and stock option exercises.

Fiscal 2024 Outlook Considerations

Revenue

FY24 outlook includes the expected revenue from the Walmart and AC Lens operations through their respective contract terms. FY24 outlook includes:

- ~**$16 Million of Revenue from Walmart Vision Center operations**; All of which will be realized in Q1
- **~$129 Million of Revenue from AC Lens operations**; All of which will be realized in 1H

In addition, the FY24 revenue outlook includes the expectation for **Q1 adjusted comparable store sales growth to be flat to slightly negative** compared to prior year given the softer than expected start to the period.

Adjusted Operating Income

FY24 outlook includes the expected adjusted operating income from the Walmart and AC Lens operations through the end of their respective contract terms excluding any non-recurring exit costs. FY24 outlook includes:

- ~**$0.5 Million of Adj. Operating Income from Walmart Vision Center operations**
- **~$2 Million of Adj. Operating Income from AC Lens operations**

Adjusted Operating Margin

The midpoint of FY24 outlook expects adjusted operating margin to be flat compared to fiscal 2023 primarily driven by:

- **Gross margin expansion of ~200 basis points** driven by pricing actions as well as the transition out of the lower margin Walmart and AC Lens businesses.
- **Adjusted SG&A expense deleverage of ~150 basis points** given the decline in revenues compared to 2023 with the termination of the Walmart partnership and taking into account ~**$10M of annualized cost savings** as well as increased expenses related to cloud amortization and ongoing investments in our growth

Walmart Vision Center and AC Lens FY23 & FY24 Expected Effect

	FY 2023	FY 2024 Outlook
Walmart Vision Center	~$151 Million	~$16 Million
AC Lens	~$252 Million	~$129 Million
Total Walmart Vision Center & AC Lens Revenue	**~$403 Million**	**~$145 Million**
Walmart Vision Center	~$14 Million	~$0.5 Million
AC Lens	~$3 Million	~$2 Million
Total Walmart Vision Center & AC Lens Earnings Before Income Tax	**~$17 Million**	**~$2.5 Million**

Plan of Action to Address Profitability Impact from Walmart Termination

- **Completed expense reduction actions expected to yield annualized savings of ~$10 Million in 2024 & Implemented non-headline pricing actions resulting in ~$15 Million of benefit in 2024**
- **Expense and Pricing Actions more than offset profitability impact created by the termination of Walmart partnership**

For each of Walmart Vision Center and AC Lens during each of the periods and outlook presented, Earnings Before Income Tax is calculated in the same manner as, and is equivalent to, Adjusted Operating Income, which is a non-GAAP financial measure management uses in measuring performance.

Walmart Vision Center Earnings Before Income Tax includes $23.2 million of Legacy Segment EBITDA, $7.9 million of Corporate/Other Segment SG&A that we believe represents Walmart Vision Centers' share of corporate costs, and $1.8 million of depreciation and amortization related to assets used in Walmart store operations. AC Lens Earnings Before Income Tax includes $6.8 million in Total Company EBITDA related to AC Lens operations, $0.9 million in Corporate/Other Segment SG&A that we believe represents AC Lens' share of corporate costs and $2.6 million of depreciation and amortization related to assets used in AC Lens operations. Please refer to slide 21 for a Reconciliation of Earnings Before Income Tax to Net Income and further details on the calculation for the above table related to FY 2023.

Estimated FY23 Results & FY24 Outlook on Go-Forward Business

	Estimated FY 2023 Results excl. Walmart Vision Center and AC Lens Operations	FY 2024 Outlook excl. Walmart Vision Center and AC Lens Operations	Estimated Y/Y Growth
Total Revenue	**~$1.724 Billion**	**~$1.820 - $1.860 Billion**	**5.6% - 7.9%**
Total Adjusted Operating Income	**~$55 Million**	**~$59 - $74 Million**	**5.8% - 32.9%**
Total Adjusted Operating Income Margin	**~3.2%**	**~3.2% - 4.0%**	**0 - 80 basis points**

The Company expects to report Discontinued Operations for the Walmart Vision Center Operations (Legacy Segment) beginning in Q1 2024 and expects the AC Lens Operations to be included in Discontinued Operations in Q2 2024. In light of the expected forthcoming revised accounting treatment for these operations, the results presented above are to be viewed as estimates, based on information currently available to the Company and subject to adjustment as the Company implements these expected accounting treatment revisions.

Adjusted Operating Margin[1] Progression 2023 - 2025

2023 progress & expected ongoing improvement in core business supports path to 2025 Target[2]

2023:

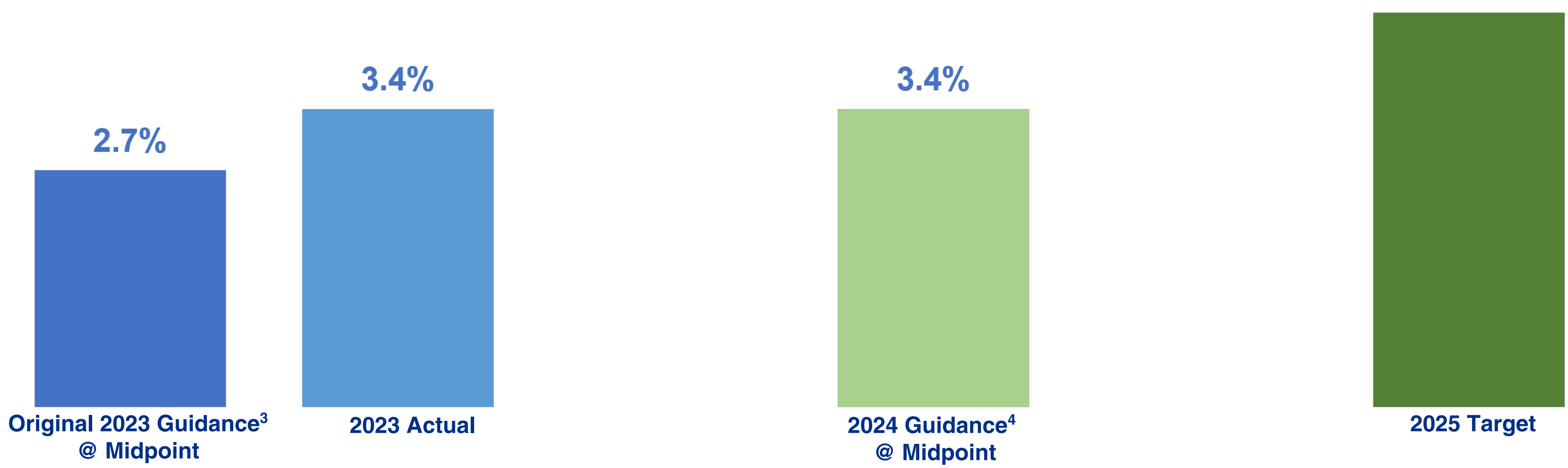
- \+ Expanded exam capacity
  (recruiting, retention and remote)
- \+ Disciplined expense management
- \- Deleverage of doctor-related costs
- \- Normalization of incentive compensation

2024:

\+ 200 bps gross margin expansion
(pricing, exit of lower margin WMT and AC Lens businesses, improved productivity)
\- 150 bps Adjusted SG&A deleverage
(driven by lower sales from exit of WMT & AC Lens businesses)
\- Depreciation

2025:

\+ MSD% Adj. Comp. Store Sales
\+ Disciplined expense management
\+ Increased productivity



1-Non-GAAP financial measure. See Slide 12 and Appendix for reconciliation to GAAP financial measure.
2-Expected drivers are forward-looking assumptions based on outlook as of February 27, 2024. See Slide 12 and "Forward-Looking Statements."
3-Based on midpoint of guidance provided on March 1, 2023 for Net Revenue and Adjusted Operating Income.
4-Based on midpoint of guidance provided on February 27, 2024 for Net Revenue and Adjusted Operating Income excluding Walmart/AC Lens Impact.

Appendix

Q4 and FY 2023 Consolidated Financial Results

Dollars and shares in thousands, except Earnings per Share	Three Months Ended December 30, 2023 (Unaudited)	Three Months Ended December 31, 2022 (Unaudited)	Fiscal Year 2023	Fiscal Year 2022
Revenue:				
Net product sales	$ 410,894	$ 382,761	$ 1,744,136	$ 1,648,315
Net sales of services and plans	95,509	86,170	382,332	357,089
Total net revenue	506,403	468,931	2,126,468	2,005,404
Costs applicable to revenue (exclusive of depreciation and amortization):				
Products	156,566	148,099	664,589	636,324
Services and plans	90,427	74,084	336,321	289,263
Total costs applicable to revenue	246,993	222,183	1,000,910	925,587
Operating expenses:				
Selling, general and administrative expenses	248,285	233,944	991,883	915,355
Depreciation and amortization	24,103	24,708	98,252	99,956
Asset impairment	299	605	82,413	5,783
Other expense (income), net	(11)	(2,722)	(164)	(2,552)
Total operating expenses	272,676	256,535	1,172,384	1,018,542
Income (loss) from operations	(13,266)	(9,787)	(46,826)	61,275
Interest expense, net	3,914	2,620	14,339	462
Loss on extinguishment of debt	599	—	599	—
Earnings (loss) before income taxes	(17,779)	(12,407)	(61,764)	60,813
Income tax provision (benefit)	(1,792)	(3,146)	4,137	18,691
Net income (loss)	$ (15,987)	$ (9,261)	$ (65,901)	$ 42,122
Earnings (loss) per share - basic	$ (0.20)	$ (0.12)	$ (0.84)	$ 0.53
Earnings (loss) per share - diluted	$ (0.20)	$ (0.12)	$ (0.84)	$ 0.52
Weighted average shares outstanding - basic	78,269	78,948	78,313	79,831
Weighted average shares outstanding - diluted	78,269	78,948	78,313	80,298

Note: Diluted EPS related to the 2025 Notes is calculated using the if-converted method. The 2025 Notes were antidilutive for all periods disclosed and therefore, excluded from the computation of the weighted average shares for diluted EPS.

Reconciliation of Adjusted Operating Income to Net Income (Unaudited)

Dollars in thousands	Three Months Ended December 30, 2023	Three Months Ended December 31, 2022	Fiscal Year 2023	Fiscal Year 2022
Net income (loss)	$ (15,987)	$ (9,261)	$ (65,901)	$ 42,122
Interest expense, net	3,914	2,620	14,339	462
Income tax provision (benefit)	(1,792)	(3,146)	4,137	18,691
Stock-based compensation expense [a]	5,134	2,972	20,174	13,512
Loss on extinguishment of debt [b]	599	—	599	—
Asset impairment [c]	299	605	82,413	5,783
Amortization of acquisition intangibles [h]	530	1,872	5,251	7,488
ERP implementation expenses [k]	311	—	484	—
Other [l]	7,285	(2,414)	10,825	(263)
Adjusted Operating Income	$ 293	$ (6,752)	$ 72,321	$ 87,795
Net income (loss) margin	(3.2)%	(2.0)%	(3.1)%	2.1 %
Adjusted Operating Margin	0.1 %	(1.4)%	3.4 %	4.4 %

Note: Percentages reflect line item as a percentage of net revenue, adjusted for rounding.

Reconciliation of Earnings Before Income Tax to Net Income (Unaudited)

Fiscal Year 2023

Dollars in thousands	Reported Total Consolidated Results	Legacy Segment Impact	Corporate/Other Segment Impact	Total Impact from Termination of Walmart and AC Lens Businesses
Total net revenue	$ 2,126,468	$ (150,894)	$ (252,360)	$ (403,254)
Total costs applicable to revenue	1,000,910	(70,902)	(218,966)	(289,868)
SG&A	991,883	(56,790)	(35,312)	(92,102)
Net income (loss)	(65,901)			
EBITDA	50,827	(23,202)	1,918	(21,284)
Depreciation and amortization	98,252			4,445
Earnings before income tax	$ (61,764)			$ (16,839)

Included in SG&A for the Corporate/Other Segment is $7.9 million that we believe represents Walmart store operations' share of corporate costs.

Included in Depreciation and amortization is $1.8 million related to assets used in Walmart store operations and $2.6 million related to assets used in AC Lens operations.

For each of Walmart Vision Center and AC Lens during each of the periods and outlook presented, Earnings Before Income Tax is calculated in the same manner as, and is equivalent to, Adjusted Operating Income, which is a non-GAAP financial measure management uses in measuring performance.

Total Walmart Vision Center & AC Lens Earnings Before Income Tax, including allocations of corporate costs and depreciation and amortization, is provided herein strictly for purposes of illustrating the anticipated effect of the disposal of these businesses and does not represent the Chief Operating Decision Maker's method for assessing segment performance.

The Company expects to report Discontinued Operations for the Walmart Vision Center Operations (Legacy Segment) beginning in Q1 2024 and expects the AC Lens Operations to be included in Discontinued Operations in Q2 2024. In light of the expected forthcoming revised accounting treatment for these operations, the results presented above are to be viewed as estimates, based on information currently available to the Company and subject to adjustment as the Company implements these expected accounting treatment revisions.

Reconciliation of Adjusted Comparable Stores Sales Growth (Unaudited)

	Comparable store sales growth [a]				
	Three Months Ended December 30, 2023	Three Months Ended December 31, 2022	Fiscal Year 2023	Fiscal Year 2022	2024 Outlook [b]
Owned & Host segment					
America's Best	7.2 %	(1.8)%	4.0 %	(7.7)%	
Eyeglass World	1.2 %	(3.2)%	(1.0)%	(6.7)%	
Military	5.1 %	0.2 %	3.0 %	(4.3)%	
Fred Meyer	(0.2)%	(4.0)%	(4.6)%	(5.1)%	
Legacy segment	0.2 %	(5.3)%	(0.5)%	(8.4)%	
Total comparable store sales growth	6.0 %	(5.7)%	3.1 %	(7.5)%	2.5% - 4.5%
Adjusted Comparable Store Sales Growth [b]	5.7 %	(2.4)%	2.9 %	(7.6)%	2.0% - 4.0%

	2021				2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total comparable store sales growth	18.2 %	99.1 %	3.4 %	1.7 %	(4.9)%	(11.0)%	(8.0)%	(5.7)%	3.0 %	(0.1)%	3.8 %	6.0 %
Adjustments for effects of: [b]												
Unearned & deferred revenue	13.8 %	(21.6)%	(3.0)%	(0.6)%	(1.8)%	(1.2)%	— %	3.4 %	(2.0)%	1.2 %	0.4 %	(0.8)%
Retail sales to Legacy partner's customers	3.8 %	(0.8)%	(0.2)%	0.1 %	(0.1)%	(0.2)%	(0.1)%	(0.1)%	(0.2)%	(0.1)%	0.1 %	0.5 %
Adjusted Comparable Store Sales Growth	35.8 %	76.7 %	0.2 %	1.2 %	(6.8)%	(12.4)%	(8.1)%	(2.4)%	0.8 %	1.0 %	4.3 %	5.7 %

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 CODM reviews, and consistent with reportable segment revenues presented in Note 15. "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 0.1% for fiscal 2023; and (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 0.1% for fiscal 2023, and a decrease of 0.1% for fiscal 2022; (iii) with respect to the Company's 2024 Outlook, Adjusted Comparable Store Sales Growth includes an estimated 0.5% decrease for the effect of deferred and unearned revenue as if such revenues were earned at the point of sale and retail sales to the Legacy partner's customers (rather than the revenues recognized consistent with the management & services agreement).

Capital Structure and Cash Flow

Q4 2023 Capital Structure ($M)	Debt Amount	Less: Deferred Financing Costs	Amounts per Balance Sheet	% of Total	Coupon	Maturity
First Lien - Term A Loans	$ 146.3	$ (1.1)	$ 145.2	31 %	Term SOFR + 1.75%	6/13/2028
First Lien - Revolving Credit Facility[1]	—	—	—	— %	Term SOFR + 1.75%	6/13/2028
Convertible senior notes	302.5	(2.5)	300.0	65 %	2.50 %	5/15/2025
Other debt[2]	16.1	—	16.1	4 %		
Total debt	$ 464.9	$ (3.6)	$ 461.3	100 %		
Cash and cash equivalents			149.9			
Net debt			$ 311.4			

Cash Flow ($M)	Fiscal Year	
	2023	**2022**
Net cash provided by operating activities	$ 173.0	$ 119.2
Net cash used for investing activities	(115.8)	(110.9)
Net cash used for financing activities	(136.8)	(84.6)
Net change in cash, cash equivalents and restricted cash	$ (79.6)	$ (76.3)

Note: Some of the totals in the table above do not foot due to rounding differences
1- $300.0M facility; $293.6M available
2- Finance lease obligations

Reconciliation of Adjusted EBITDA to Net Income (Unaudited)

Dollars in thousands	Three Months Ended December 30, 2023	Three Months Ended December 31, 2022	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019
Net income (loss)	$ (15,987)	$ (9,261)	$ (65,901)	$ 42,122	$ 128,244	$ 36,277	$ 32,798
Interest expense, net	3,914	2,620	14,339	462	25,612	48,327	33,300
Income tax provision (benefit)	(1,792)	(3,146)	4,137	18,691	21,081	2,403	(2,309)
Depreciation and amortization	24,103	24,708	98,252	99,956	97,089	91,585	87,244
EBITDA	10,238	14,921	50,827	161,231	272,026	178,592	151,033
Stock-based compensation expense [a]	5,134	2,972	20,174	13,512	14,886	10,740	12,670
Loss on extinguishment of debt [b]	599	—	599	—	—	—	9,786
Asset impairment [c]	299	605	82,413	5,783	4,427	22,004	8,894
Litigation settlement [d]	—	—	—	—	1,500	4,395	—
Secondary offering expenses [e]	—	—	—	—	—	—	401
Management realignment expenses [f]	—	—	—	—	—	—	2,155
Long-term incentive plan [g]	—	—	—	—	—	—	2,830
ERP implementation expenses [k]	311	—	484	—	—	—	—
Other [l]	7,285	(2,414)	10,825	(263)	1,511	2,576	6,370
Adjusted EBITDA	$ 23,866	$ 16,084	$ 165,322	$ 180,263	$ 294,350	$ 218,307	$ 194,139
Net income (loss) margin	(3.2)%	(2.0)%	(3.1)%	2.1 %	6.2 %	2.1 %	1.9 %
Adjusted EBITDA Margin	4.7 %	3.4 %	7.8 %	9.0 %	14.2 %	12.8 %	11.3 %
Net debt/Net income			-4.7x	8.0x	2.1x	7.8x	16.2x
Net debt/Adjusted EBITDA			1.9x	1.9x	0.9x	1.3x	2.7x

Note: Percentages reflect line item as a percentage of net revenue, adjusted for rounding.

Reconciliation of Adjusted Diluted EPS to Diluted EPS (Unaudited)

Shares in thousands	Three Months Ended December 30, 2023	Three Months Ended December 31, 2022	Fiscal Year 2023	Fiscal Year 2022
Diluted EPS	$ (0.20)	$ (0.12)	$ (0.84)	$ 0.52
Stock-based compensation expense [a]	0.07	0.04	0.26	0.17
Loss on extinguishment of debt [b]	0.01	—	0.01	—
Asset impairment [c]	0.00	0.01	1.05	0.07
Amortization of acquisition intangibles [h]	0.01	0.02	0.07	0.09
Amortization of debt discounts and deferred financing costs [i]	0.01	0.01	0.04	0.04
Derivative fair value adjustments [j]	0.05	0.00	0.12	(0.20)
ERP implementation expenses [k]	0.00	—	0.01	—
Other [o]	0.09	(0.03)	0.14	(0.00)
Tax expense (benefit) from stock-based compensation [m]	0.01	(0.00)	0.02	(0.00)
Tax effect of total adjustments [n]	(0.06)	(0.01)	(0.23)	(0.04)
Adjusted Diluted EPS	$ (0.02)	$ (0.08)	$ 0.64	$ 0.65
Weighted average diluted shares outstanding	78,269	78,948	78,313	80,298

Note: Some of the totals in the table above do not foot due to rounding differences.

Reconciliation of Adjusted SG&A to SG&A (Unaudited)

Dollars in thousands	Three Months Ended December 30, 2023	Three Months Ended December 31, 2022	Fiscal Year 2023	Fiscal Year 2022
SG&A	$ 248,285	$ 233,944	$ 991,883	$ 915,355
Stock-based compensation expense [(a)]	5,134	2,972	20,174	13,512
ERP implementation expenses [(k)]	311	—	484	—
Other [(p)]	6,819	294	10,097	2,190
Adjusted SG&A	$ 236,021	$ 230,678	$ 961,128	$ 899,653
SG&A Percent of Net Revenue	49.0 %	49.9 %	46.6 %	45.6 %
Adjusted SG&A Percent of Net Revenue	46.6 %	49.2 %	45.2 %	44.9 %

Note: Percentages reflect line item as a percentage of net revenue.

Reconciliation of Non-GAAP to GAAP Financial Measures Footnotes

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. For the three months ended December 30, 2023 and fiscal year 2023, reflects the extinguishment loss related to the repurchase of $100 million of the 2025 Notes on November 14, 2023.
c. Reflects write-off related to impairment of long-lived assets, primarily goodwill of the Legacy Segment, Walmart contracts and relationship asset, property and equipment at Walmart stores and associated with our AC Lens business, and impairment of property, equipment and lease-related assets on closed or underperforming stores.
d. Expenses associated with settlement of certain litigation.
e. Expenses related to our secondary public offerings.
f. Expenses related to a non-recurring management realignment described on Form 8-K filed with the SEC on January 10, 2019.
g. Expenses pursuant to a long-term incentive plan for non-executive associates who were not participants in the management equity plan. This plan was effective in 2014 following the acquisition of the Company by affiliates of KKR & Co. Inc. (the "KKR Acquisition").
h. Amortization of the increase in carrying values of finite-lived intangible assets resulting from the application of purchase accounting following the KKR Acquisition.
i. Amortization of deferred financing costs and other non-cash charges related to our long-term debt. We adjust for amortization of deferred financing costs related to the 2025 Notes only when adjustment for these costs is not required in the calculation of diluted earnings per share under U.S. GAAP.
j. The adjustments for the derivative fair value (gains) and losses have the effect of adjusting the (gain) or loss for changes in the fair value of derivative instruments and amortization of AOCL for derivatives not designated as accounting hedges. This results in reflecting derivative (gains) and losses within Adjusted Diluted EPS during the period the derivative is settled.
k. Costs related to the Company's ERP implementation.
l. Other adjustments include amounts that management believes are not representative of our operating performance (amounts in brackets represent reductions in Adjusted Operating Income, Adjusted Diluted EPS and Adjusted EBITDA), which are primarily related to the termination of the Walmart partnership of $4.9 million for the three months ended December 30, 2023 and $7.0 million for fiscal year 2023, costs associated with the digitization of paper-based records of $1.9 million for the three months ended December 30, 2023 and $2.2 million for fiscal year 2023, excess payroll taxes on vesting of restricted stock units and exercises of stock options, executive severance and relocation and other expenses and adjustments, including our share of (gains) losses on equity method investments of $(2.7) million and $0.6 million for the three months ended December 31, 2022 and December 29, 2019, respectively, and $(2.7) million, $(2.4) million and $1.8 million for fiscal years 2022, 2021 and 2019, respectively, and losses on other investments of $0.3 million for fiscal year 2022.
m. Tax expense (benefit) associated with accounting guidance requiring excess tax expense (benefit) related to vesting of restricted stock units and exercises of stock options to be recorded in earnings as discrete items in the reporting period in which they occur.
n. Represents the income tax effect of the total adjustments at our combined statutory federal and state income tax rates, excluding Walmart goodwill impairment charges of $60.1 million for fiscal year 2023.
o. Reflects other expenses in (l) above, including debt issuance costs of $0.2 million for fiscal year 2023.
p. Reflects other expenses in (l) above, except for optometrist-related employee retention bonuses of $0.5 million for the three months ended December 30, 2023 and $0.7 million for fiscal year 2023, respectively, and our share of (gains) losses on equity method investments of $(2.7) million for the three months ended December 31, 2022, and $(2.7) million for fiscal year 2022, respectively, and losses on other investments of $0.3 million for fiscal year 2022 and other immaterial adjustments.

Adjusted Comparable Store Sales Growth Primer

What is Adjusted Comparable Store Sales Growth?

- Calculated using net revenue **on a cash-basis**
- Excludes the impact of unearned and deferred revenue

Why use Adjusted Comparable Store Sales Growth?

- Provides a clear view of the Company's current operating performance
- Shifts in unearned revenue are difficult to predict and related to short-term customer behavior (see slide 29)
- Used by management to assess business performance and is the basis for store-level business performance
- Consistently applied methodology

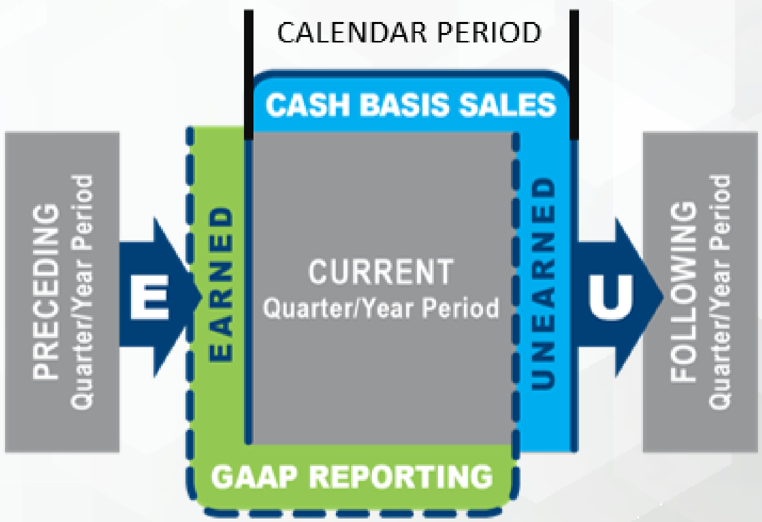
Adjusted Comparable Store Sales Growth consistently lower than total comparable store sales growth

- Company provides total comparable store sales growth measured on GAAP revenue
- Adjusted measure has been lower than or equal to GAAP measure in 18 of last 26 quarters due to unearned revenue
- Total comparable store sales growth based on GAAP revenue was not calculated prior to 2017 IPO

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"

Check out some of our latest commercials: National Vision Commercials

Check out our video demonstrating a remote exam: Remote Care with National Vision