The Better *Vision: The all-in-one eyecare provider*

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Better Vision
Better Vision for Better Living

VISION VENTURES

Better Vision

Question	**Which new market should Better Vision expand to?**		**How can Better Vision successfully enter this market?**
Strategies	**Streamlining the Vision** Identifying our ideal customer	**Vision Van** Mobile store bringing tailored solutions to consumers	**Vision Network** Iterative data cycle to maximize synergies and develop a USP
Impact	2m Extra customers	>x2 Revenue by 2027E	22% Net margin expansion

Better Vision

While Better Vision has a great product and service offering, its unique selling point lies in its brand

Better Vision has a strong product and service offering	
Product	• High quality • Wide variety
Service	• Experienced employees • Top-notch eye examination
Distribution	• Brick-and-Mortar stores in central and outer Bangkok
Branding	• **“The Thai optical conglomerate”**

But many competitors have these capabilities too

ESSILORLUXOTTICA	Carries >150 major brands
OWNDAYS	30-minute turnover time for lens fitting
แว่นท็อปเจริญ TOP CHAROEN	>2x more stores than Better Vision

- **International companies: Lack strong Thai heritage**
- **Local retailers: Lack end-to-end capabilities**

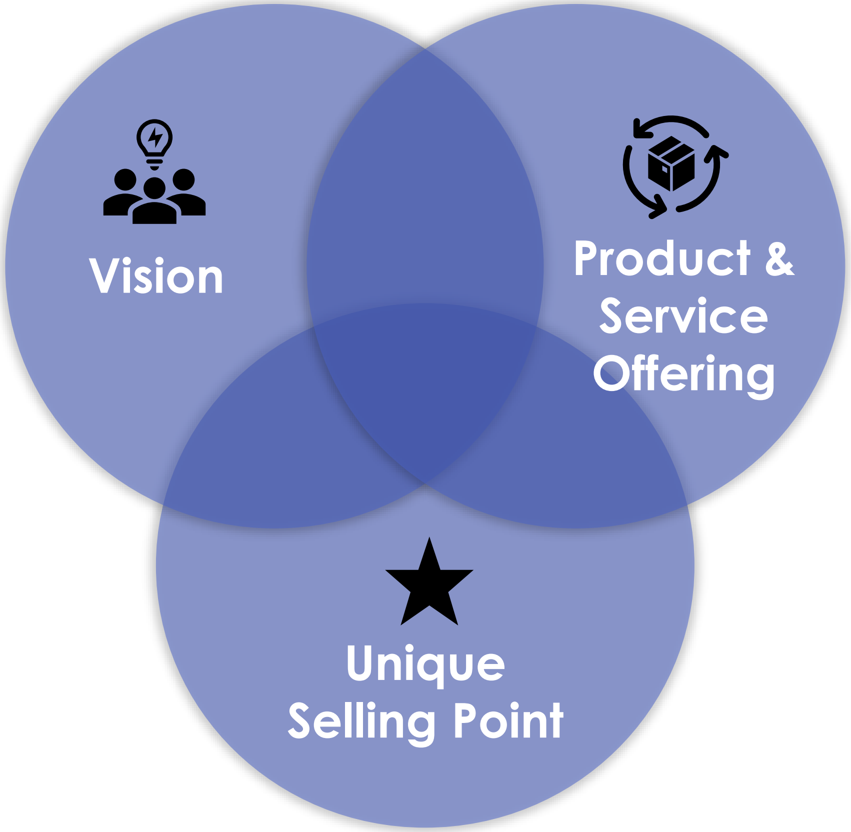
Better Vision's unique selling point is two-pronged, allowing it to compete against both Thai international competitors

Better Vision's Branding: 'The Thai Optical Conglomerate'

'The Thai'	+	'Optical Conglomerate'
First optical retail chain in Thailand **Largest lens manufacturer from Thailand**		**Fully integrated manufacturing, retail, service and distribution that can provide strong business synergies**
• Deep understanding of local needs • Home-grown success plays to Thai consumers' value for community		• End-to-end capabilities to provide quality products at reasonable prices • One-stop shop for everything eye-care

Understanding Better Vision’s unique proposition

The Better Vision Proposition



The Better *Vision*
BV wants to be an all-in-one, go-to eyecare solution provider in Thailand

Product and Service Offering
…It has been able to successfully do so with
i) **broad range** of quality products at **various price levels and characteristics**, and
ii) Quality **services** and **equipment** used…

Unique Selling Point
...as a **truly Thai company** that has the potential to **leverage synergies in its network.**

Better Vision's positioning allows it to expand and successfully compete in other markets

The Better Vision Proposition

The Better *Vision*
Provide a strong ecosystem of products and services for consumers

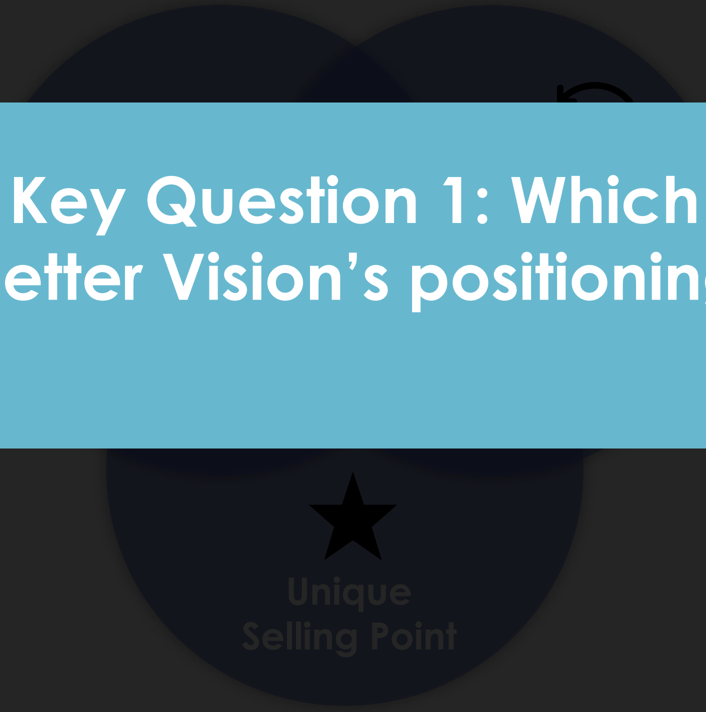
Product and Service Offering
Better Vision can **feasibly tweak the type of products marketed** to target different customers

Unique Selling Point
Leverage its brand reputation and synergies to **solidify market positions**

To maximize success, the chosen market should i) Support Better Vision's mission, ii) be aligned with its product offerings and iii) value its Unique Selling Point (USP)

Better Vision's positioning allows it to expand and successfully compete in other markets

The Better Vision Proposition



The Better *Vision*

Maximizing product value for customers gives Better Vision a **significant product edge**

Key Question 1: Which market segment's ideal needs are best met by Better Vision's positioning, allowing it to double revenue within the next 3 years?

Unique Selling Point

Leverage its brand reputation and synergies to **solidify market positions**

To maximize success, the chosen market should i) Support Better Vision's mission, ii) be aligned with its product offerings and iii) value its Unique Selling Point (USP)

Apart from the premium market targeting high-income consumers, BV can consider targeting middle-income or lower-income consumers

Criteria	Middle-Income	Lower-income
Market Size	●	◔
Average Revenue Per Customer	●	◔
Brand Alignment	●	◔

Better Vision is best positioned to target middle income consumers, as they are more aligned to BV's brand positioning and provide a stronger market for a significant increase in revenue

Better Vision

Apart from the premium market targeting high-income consumers, BV can consider targeting middle-income or lower-income consumers

Criteria	Middle-Income	Lower-income
Market Size	THB 13678 Million (62%)	THB 4765.8 Million (21%)
Average Revenue Per Customer	Spend more on average per product, thus Better Vision can convert **less customers within the same period of time**	Spend less on average per product, thus Better Vision would need to **convert more customers within the same period of time**
Brand Alignment	Want **value-for-money products**, which is Better Vision's unique product proposition	Cheaper goods often **perceived as lower quality**

Better Vision is best positioned to target middle income consumers, as they are more aligned to BV's brand positioning and provide a stronger market for a significant increase in revenue

Better Vision

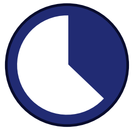
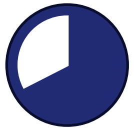
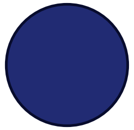
The elderly and middle-aged consumer's needs are most aligned to Better Vision's product offering and Unique Selling Point

Better Vision's Offering	High quality and functional Products	Knowledgeable employees that provide quality service	Brick and mortar stores	Reputable Thai brand	Ecosystem synergies for high quality products at lower prices
Younger Generation	◔	◔	◔	◔	◕
Middle Aged	●	◕	◕	◕	●
Elderly	●	●	●	●	◕

The elderly and middle-aged consumer's needs are most aligned to Better Vision's product offering and Unique Selling Point

Better Vision's Offering	High quality and functional Products	
Younger Generation	◔	• Prioritize **fashion over functionality**
Middle Aged	●	• Want **quality, functional** and durable products for **work and daily activities**
Elderly	●	• Want **quality, comfortable, functional** and lightweight products

The elderly and middle-aged consumer's needs are most aligned to Better Vision's product offering and Unique Selling Point

Better Vision's Offering	Knowledgeable employees that provide quality service	
Younger Generation		• Tech-savvy youths **search for their own information** • Lower need for assistance from store owners
Middle Aged		• **Mixed** needs and preferences
Elderly		• In-store guidance as they are **less able to find information on their own**

The elderly and middle-aged consumer's needs are most aligned to Better Vision's product offering and Unique Selling Point

Better Vision's Offering	Brick and mortar stores	
Younger Generation		• Appreciate an **omni-channel and digital experience**
Middle Aged		• Higher **focus on functionality** contributes to a **preference** for trying products in-store
Elderly		• Prefer in-store shopping as they can **rely on employee guidance**

The elderly and middle-aged consumer's needs are most aligned to Better Vision's product offering and Unique Selling Point

Better Vision's Offering	Reputable Thai brand	
Younger Generation		• More concerned about the **popularity** of the brand • **Less emphasis on heritage** and Thai origin
Middle Aged		• More concerned about **perceived quality** of products and services • **Mixed emphasis on heritage** and the Thai name
Elderly		• Concerned about quality, but **less likely to be influenced by perceived** brand reputation • **Strong emphasis on heritage** and Thai origin

The elderly and middle-aged consumer’s needs are most aligned to Better Vision’s product offering and Unique Selling Point

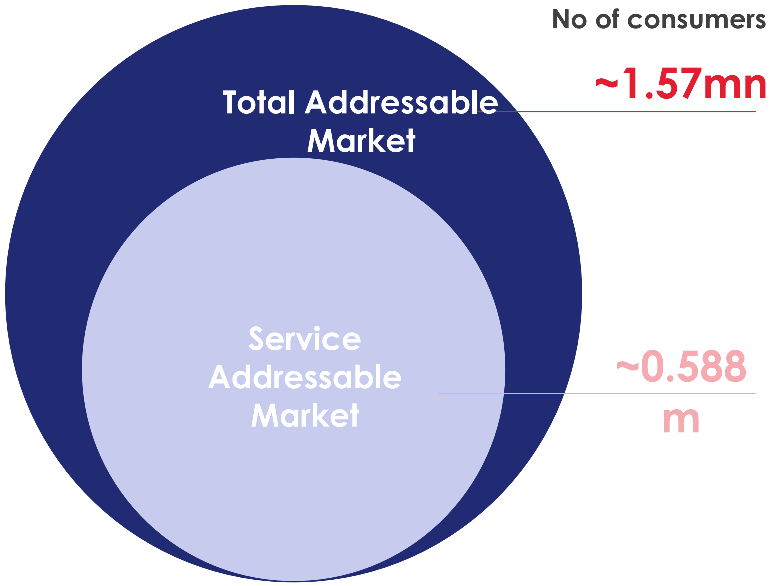
Better Vision’s Offering	Ecosystem synergies for high quality products at lower prices	
Younger Generation		• Synergies leveraged to provide **lower cost** for increasing price-conscious generation
Middle Aged		• Synergies leveraged to provide **higher quality products at lower prices** • Synergies with OEM equipment manufacturer to ensure quality technology, as consumers prefer **advanced technology solutions**
Elderly		• Synergies leveraged to provide **higher quality** products

The elderly and middle-aged consumer's needs are most aligned to Better Vision's product offering and Unique Selling Point

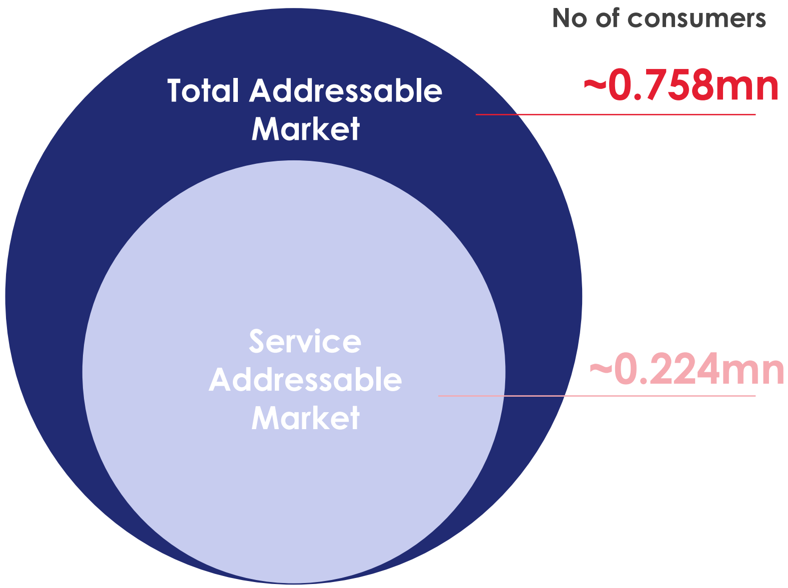
Better Vision's Offering	High quality and functional Products	Knowledgeable employees that provide quality service	Brick and mortar stores	Reputable Thai brand	Ecosystem synergies for high quality products at lower prices
3 Younger Generation	◔	◔	◔	◔	◕
2 Middle Aged	●	◕	◕	◕	●
1 Elderly	●	●	●	●	◕

However, the Serviceable Addressable Market (SAM) for the middle-aged market is significantly higher than that of the elderly

Large addressable market opportunity for the middle income middle-aged



Smaller addressable market for the middle-income elderly



Even if Better Vision can capture the full SAM for the elderly, this will not allow them to double their revenues in the next 3-5 years

Better Vision’s positioning allows it to expand and successfully compete in other markets

Key Question 1: Which market segment’s ideal needs are best met by Better Vision’s positioning, allowing it to double revenue within the next 4 years?

Answer: Middle-income, middle-aged consumers

Understanding Better Vision's ideal customer

Mint

- 35-year-old working adult
- Middle Income
- Stays outside of main cities but not in rural outskirts

Customer Needs and Preferences

Product Characteristics

- **Functional**: Work and daily activities
- **Comfortable, Durable and Versatile**

Service Flexibility

- More **independent** browsers, but do appreciate valuable assistance from employees if needed

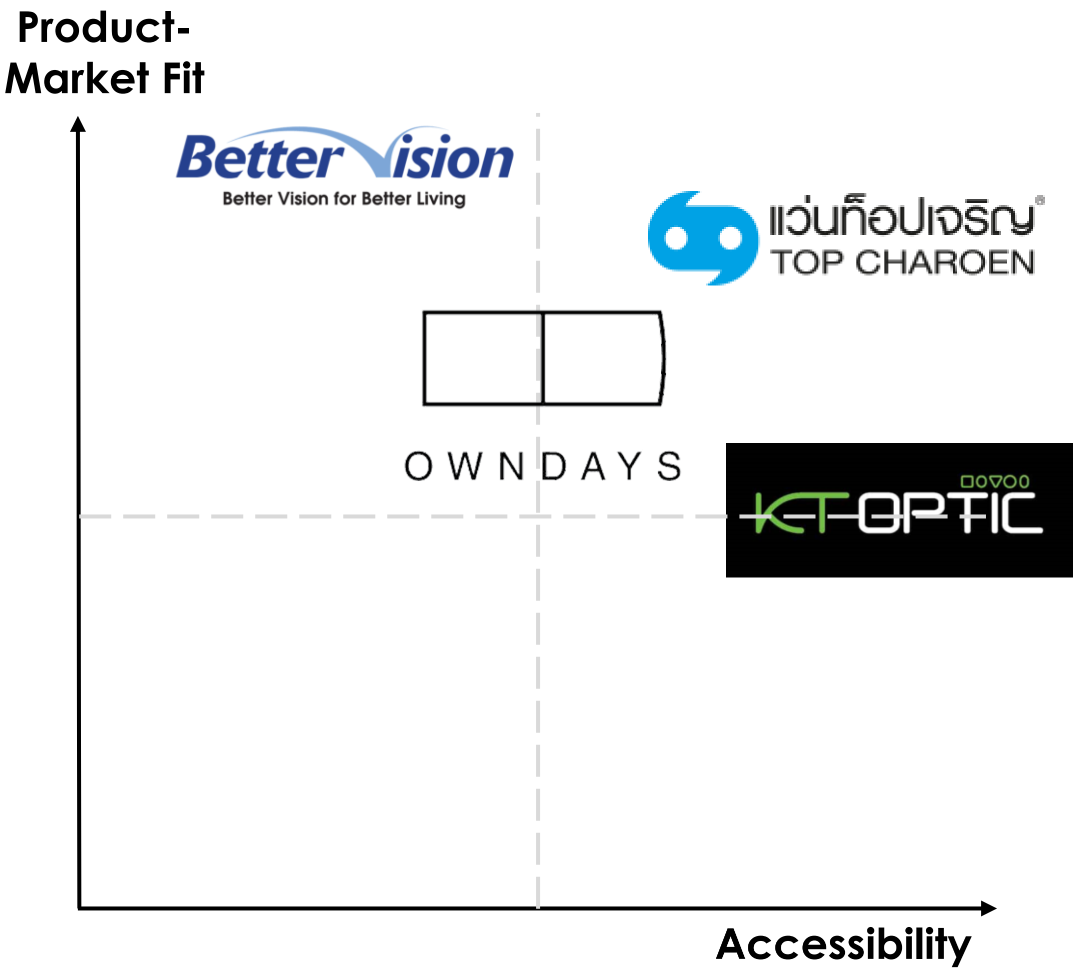
Brand Image

- **Strong brand reputation** in terms of
  i) Quality products and technology offerings
  ii) Thai heritage and familiarity

Location and accessibility

- Convenient stores **near their homes** or at places they can **easily travel** to

Better Vision needs to first improve its accessibility and then further leverage its USP to develop an edge against competitors



Product Market Fit	Weight
Practicality of product	25%
Comfortable yet durable product	25%
Service Quality	25%
Brand Reputation	25%

Accessibility	Weight
Geographical coverage of stores	50%
Perception that brand's products are affordable for the average customer	50%

Better Vision

Better Vision has significant edge against competitors in terms of product fit, but is unable to deliver this product to middle-aged and middle-income consumers

Key Question 2: How can Better Vision improve its accessibility to <u>enter</u> the middle-income, middle-aged market?

Key Question 3: How can Better Vision leverage its USP to compete better and faster against competitors, solidifying its position in the market?

To successfully enter the middle-aged, middle-income market and double revenues, Better Vision needs to improve its accessibility

VISION VAN

Increasing accessibility to middle-aged middle-income consumers

VISION NETWORK

Leveraging Vision Venture’s integrated network to meet the needs of target customers competitively

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With its current store locations and formats, Better Vision is not positioned to enter the middle-income and middle-aged market

Accessibility
To Better Vision’s product

=

Perception
That the product is accessible to middle-income individuals

+

Convenience
Of heading down to a store

With its current store locations and formats, Better Vision is not positioned to enter the middle-income and middle-aged market

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Better Vision located in department stores perceived to be expensive and luxury

+

Some current stores not located in areas close to consumer homes or common routes

Better Vision

With its current store locations and formats, Better Vision is not positioned to enter the middle-income and middle-aged market

Accessibility To Better Vision's product	=	**Perception** That the product is accessible to middle-income individuals	+	**Convenience** Of heading down to a store
Better Vision is not accessible to the target consumer	=	Better Vision located in department stores perceived to be expensive and luxury	+	Some current stores not located in areas close to consumer homes or common routes

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Better Vision is not accessible to the target consumer	=	Better Vision located in department stores perceived to be expensive and luxury	+	Some current stores not located in areas close to consumer homes or common routes

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Thus, Better Vision must…

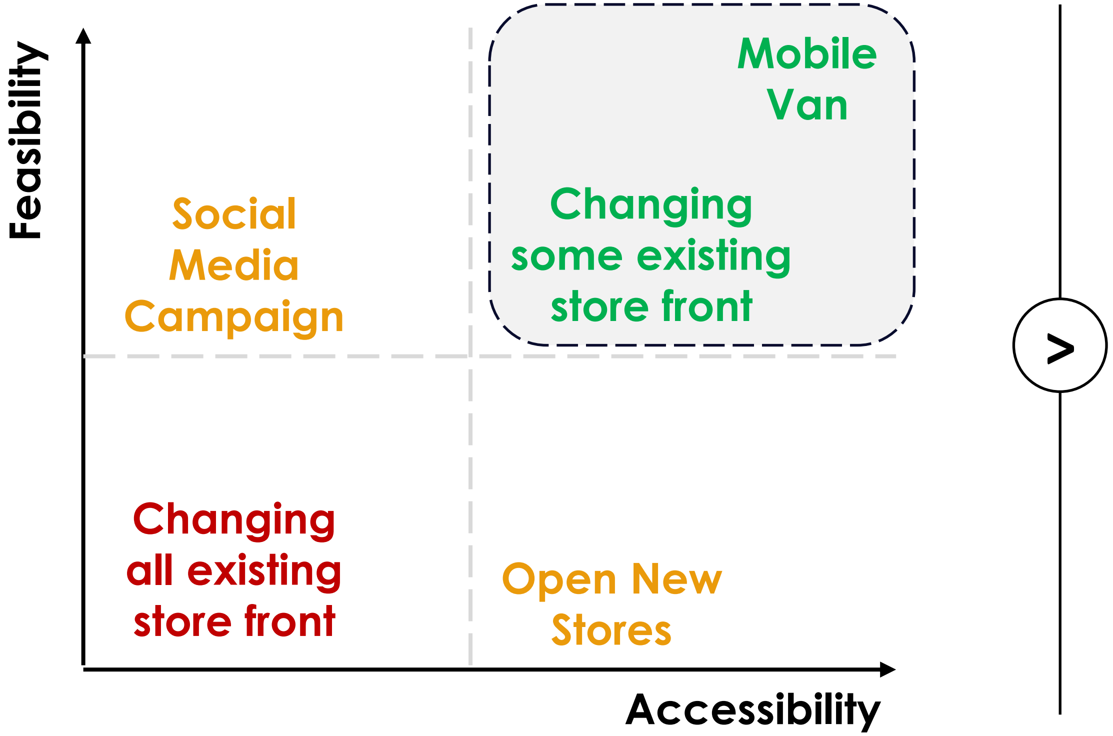
Develop new retail touch points away from department stores for this target market

Move our product offering close to consumers

Better Vision

How can Better Vision develop new touchpoints that bring its product closer to middle-income, middle-aged consumers?

Our analysis of potential strategies shows the two best approaches…



1 Change fronts of stores in middle-income areas

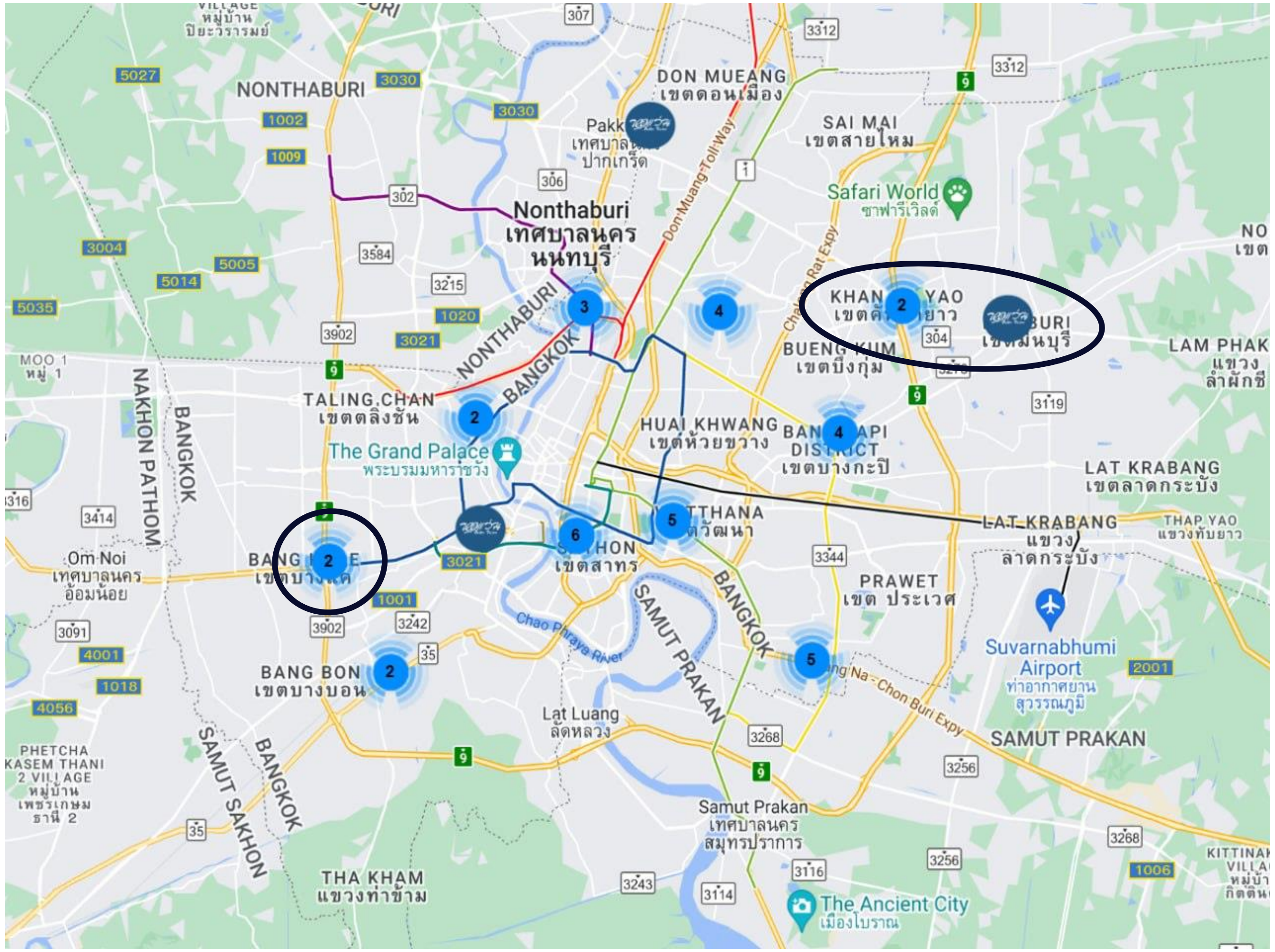
- Stores have **lower sales from premium market**
- Changing store formats allows you to **access the market with minimal cost**
- But stores **do not fully provide convenience** and limit **coverage**

2 Vision Van: Mobile store format

- **Flexibility maximizes reach** while **minimizing cost**
- Maximizes **convenience for consumers**

Better Vision should leverage existing stores located in middle-income areas, while boosting its accessibility through Vision Vans to maximize customer exposure

Changing these existing standalone stores are most likely to boost revenue while minimizing impact on existing customers



1 **Standalone stores** that do not turn middle-income, middle-aged consumers away

2 Stores located in areas with the **least number of high-income** consumers and the **greatest number of middle-income consumers**

Better Vision

These existing standalone stores will be revamped to suit target customer's preferences in its product, service, and store branding

Product Philosophy

- Comfortable
- Durable
- Functional
- Versatile
- Advanced lens technology

Service Philosophy

- Choice of assistance-levels for retail experience
- Positive end-to-end customer experience

Branding Philosophy

- Credible and trustworthy
- Dependable
- High-Quality

Product Offerings

- ✓ Focus on **value for dollar** eyewear products
- ✓ **Maximize cost versus utility**
- ✓ **Stylish and appealing**

Service Offerings

- ✓ **Independent retail experience**
- ✓ **After-sales service**

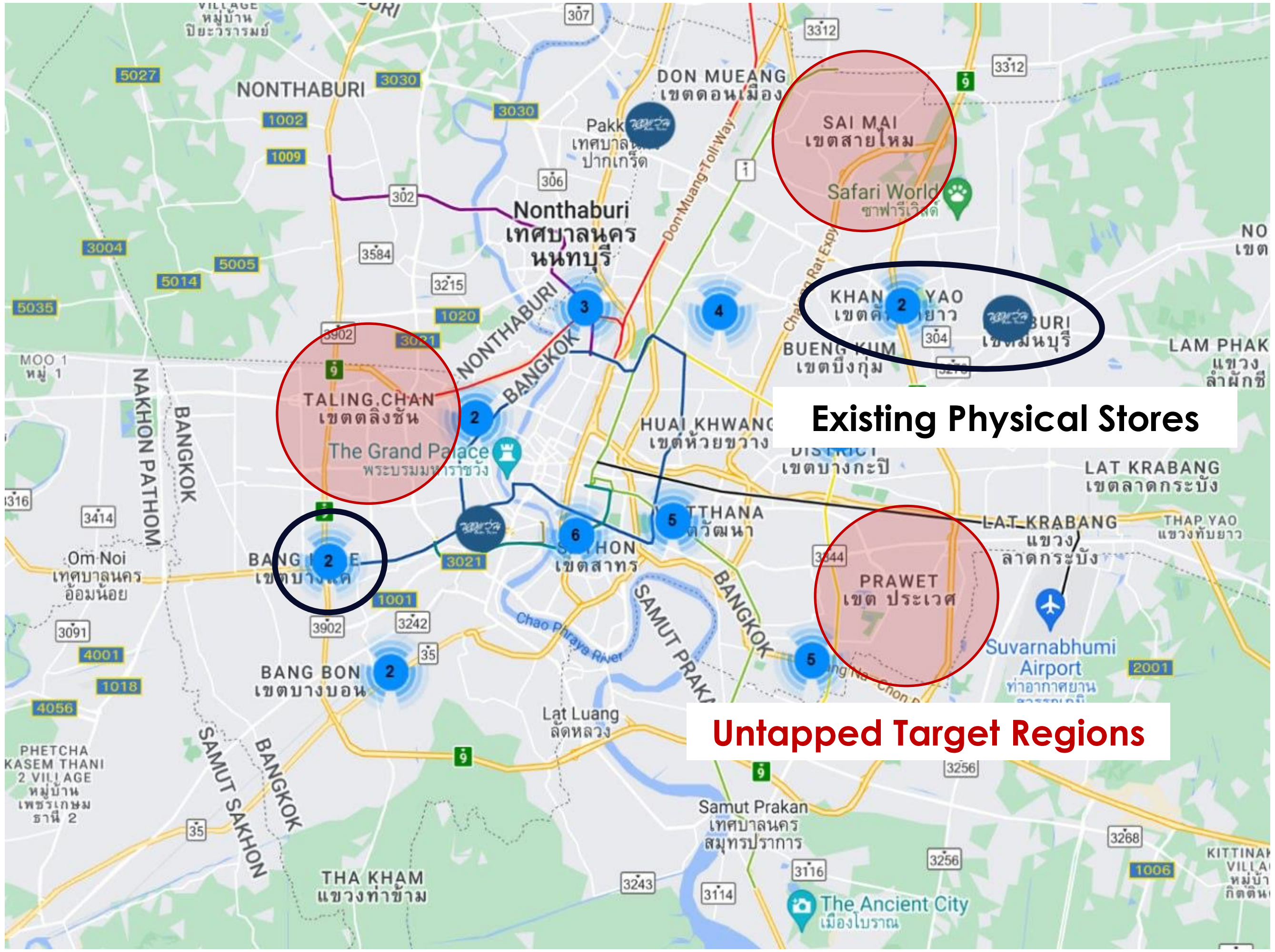
Store Branding

- ✓ Place **affordable and quality** frames in as "model" products
- ✓ Focus store design on **promoting value products**

Source: Case Material

Better Vision

Regardless, with standalone stores, significant grounds are still untapped …



Limited Coverage

- Standalone stores are clustered in regions near the city center (high-income region)
- Existing distribution strategies are **not reaching key target regions**

Minimal Impact

- Decreasing footfall accredited to **rigid perceptions of expensive products**
- Existing **barriers to access** (e.g., distance away from communities) hard to overcome

Better Vision

Regardless, with standalone stores, significant grounds are still untapped …

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- Standalone stores are clustered in regions near the city center (high-income region)

Key Insight: Revamping existing standalone stores is <u>insufficient</u> to entering the target market

- Decreasing footfall accredited to **rigid perceptions of expensive products**
- Existing **barriers to access** (e.g., distance away from communities) hard to overcome

Better Vision

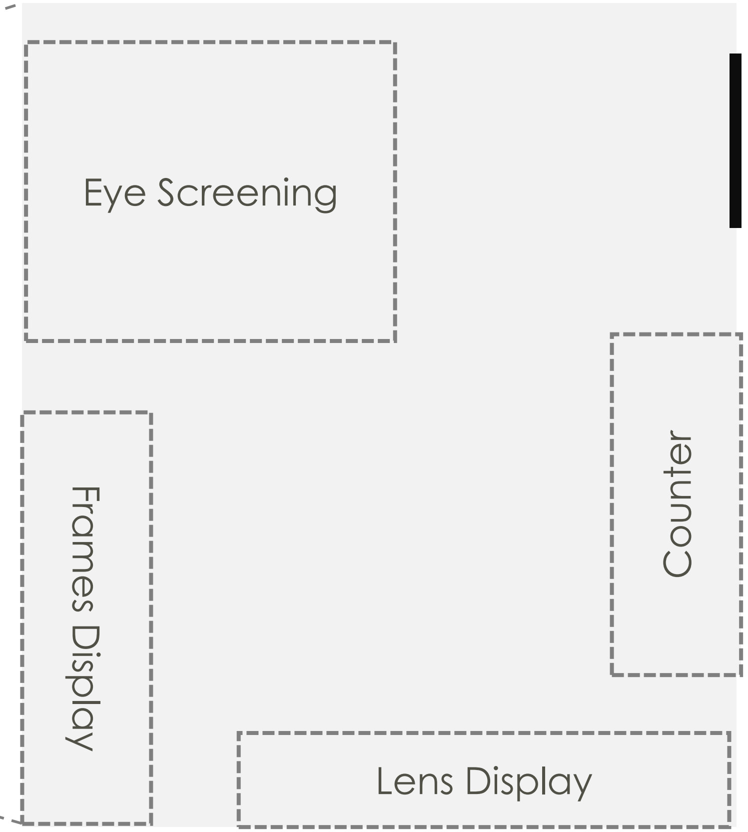
The Vision Van is a mobile standalone store that offers a comprehensive suite of products and services to the target customer segment

Exterior Layout

Optometrist

Sales Representative

Interior Layout



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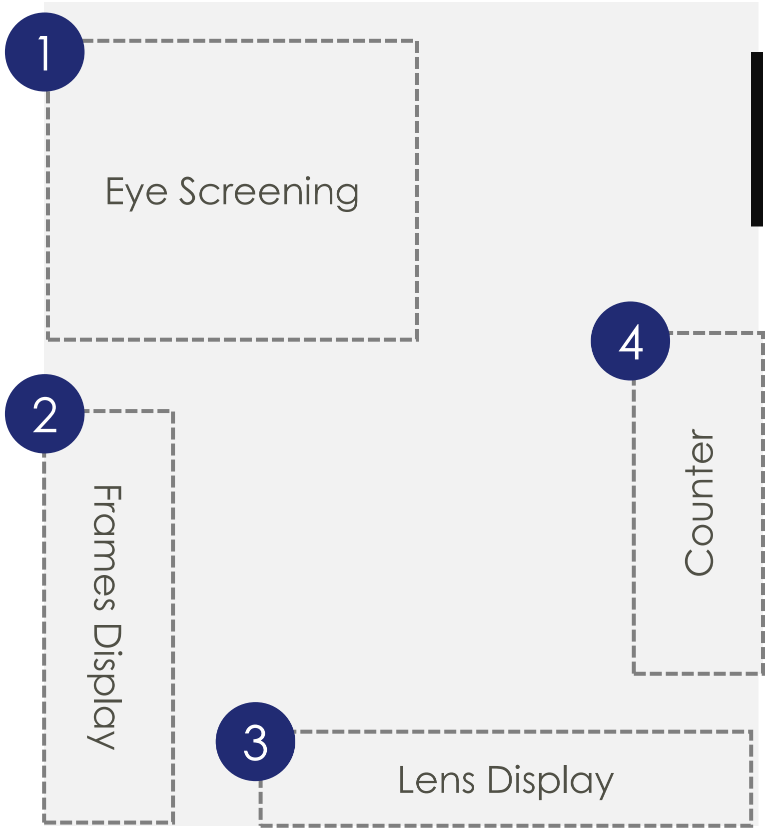


Features

1. **Eye Screening**
Eye screening machines that are manufactured in-house

2. **Frames Display**
Two-way display presenting the carefully chosen products

3. **Lens Display**
Lens display showcasing high quality lenses

4. **Counter**
Sales/service counter where customers interact with Better Vision team

Services

Sales
Sales of frames and lenses (including other products)

After-Sales Service
Provision of minor adjustments and fixing services

Professional Assistance
Professionals (Optometrist and sales representatives) are readily available for assistance and consultation

Better Vision

Taking a look at Mint's customer journey through the Vision Van …

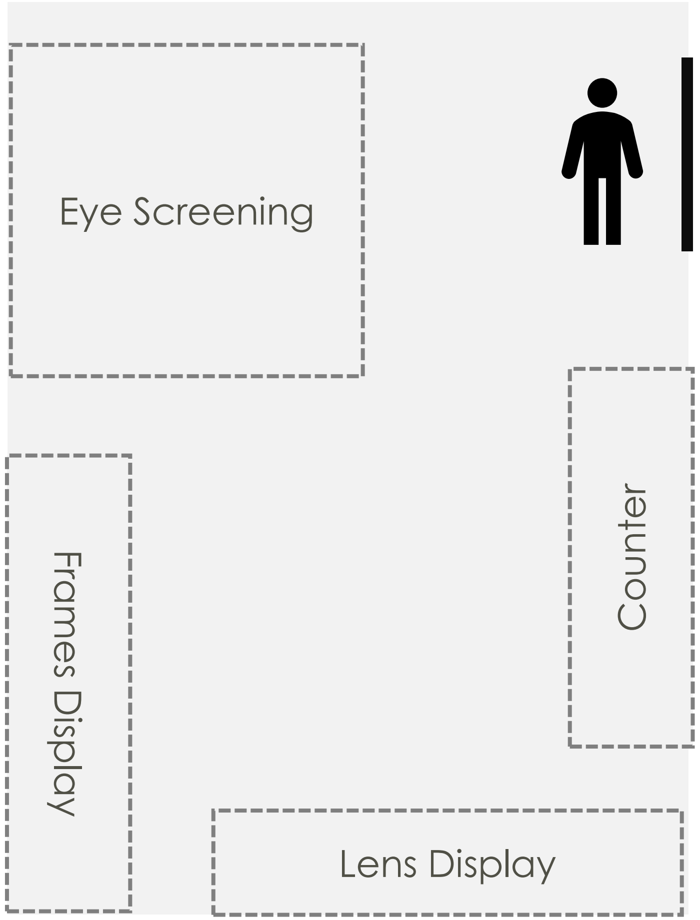
Customer Journey

Mint
- 35-year-old working adult
- Middle Income
- Stays outside of main cities but not in rural outskirts

"I Want" → "I Browse" → "I Buy"

Taking a look at Mint’s customer journey through the Vision Van …

Interior Layout



Customer Journey

“I Want” → “I Browse” → “I Buy”

“What do I want to do today?

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Sales of frames and lenses

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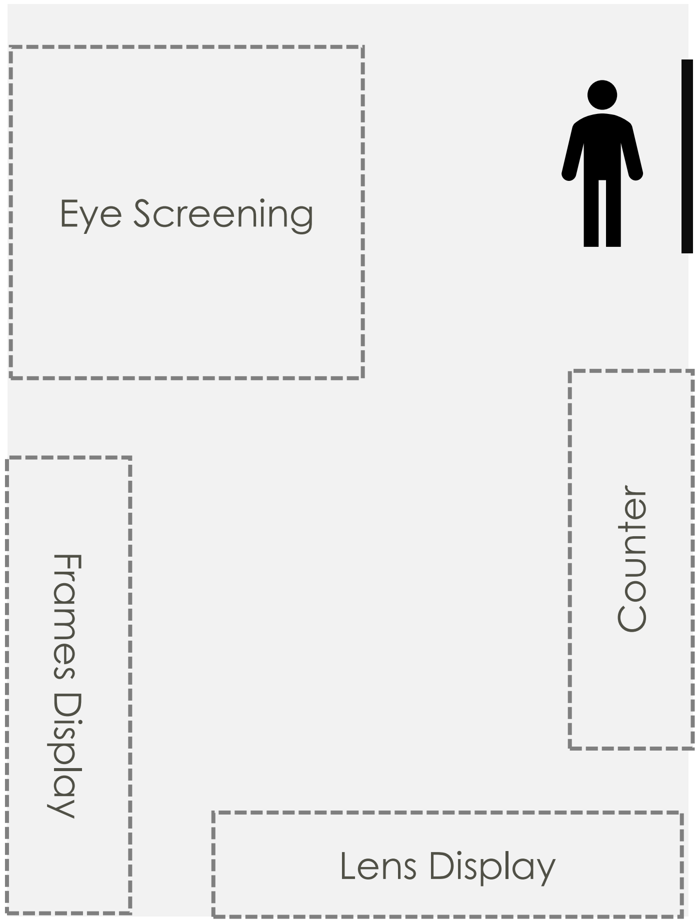

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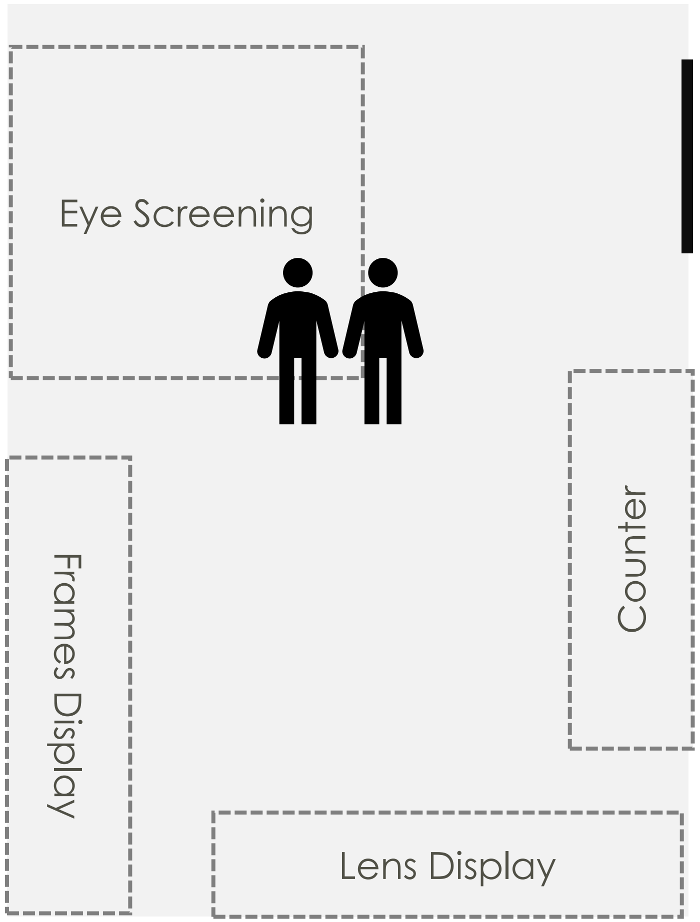

Customer Journey

"I Want" → **"I Browse"** → "I Buy"

"I want to get **a pair of glasses**, what should I do? Since I am new maybe I should ask for some **assistance** …"

Mint

Optometrist

"Hello! Welcome to Vision Van! Let's start with an **eye test**!"

Better Vision

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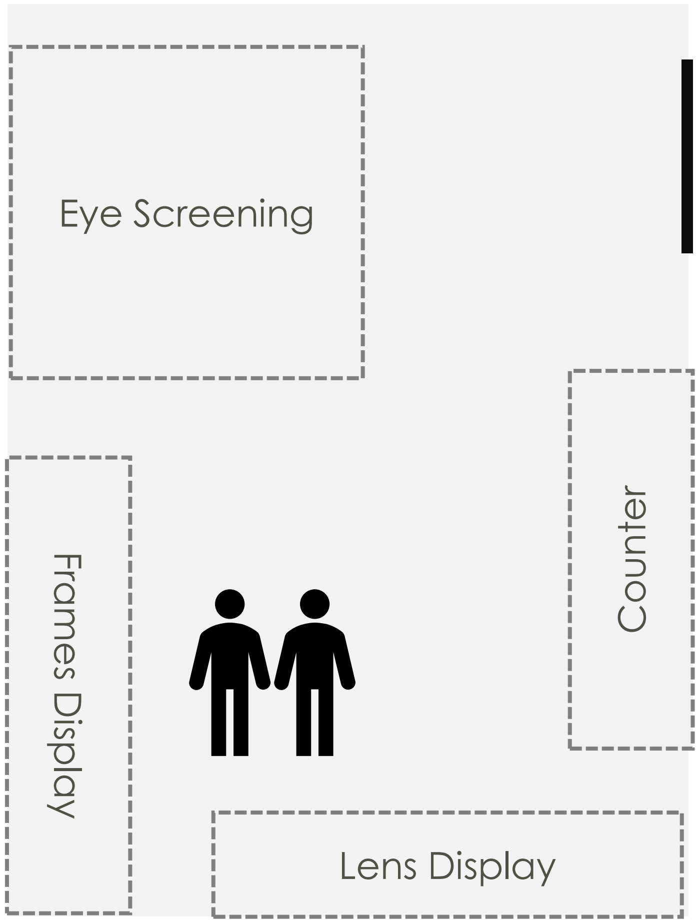


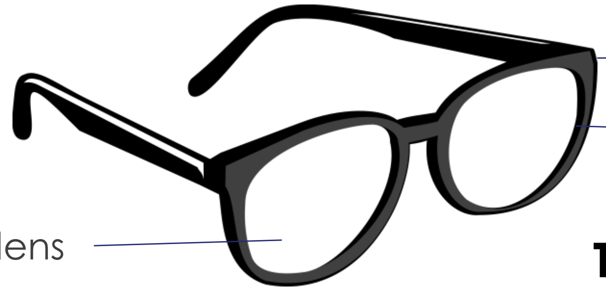
Customer Journey

"I Want" → "I Browse" → "I Buy"

Optometrist

"Take a look at our frames that are designed just for you … They are durable, comfortable, versatile, **perfect for everyday use**!

Our **high-quality self-manufactured lenses** are great as well … "



THB 1200-2500

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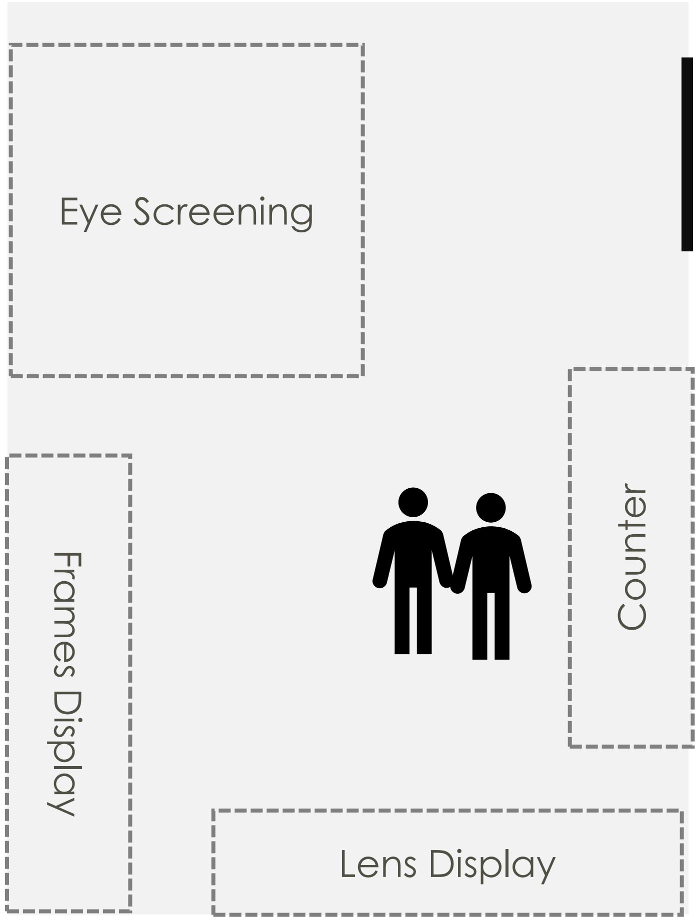

Customer Journey

"I Want" → "I Browse" → "I Buy"

"Nice! Such **value for money**! What an easy process, great service, and excellent products … I will definitely return again …"

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Better Vision

Taking a look at Mint's customer journey through the Vision Van …

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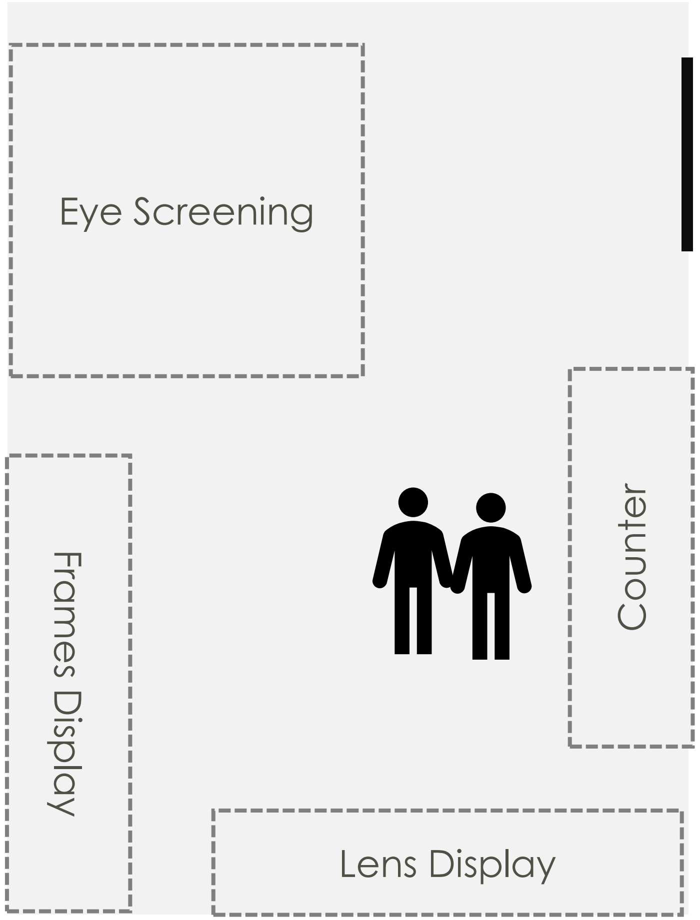

Customer Journey

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"Nice! Such **value for money**! What an easy process, great service, and excellent products … I will definitely return again …

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Optometrist

"Thank you for purchasing with us! Your order will be ready in 5-7 days and you can **collect it from the Vision Van**! We also provide complimentary **servicing and adjustments** …

Taking a look at Mint's customer journey through the Vision Van …

CASE STUDY: MOBILE DENTAL CLINICS

- Run by Unity Denticare of NTUC Health in Singapore
- **Aim:** To bring basic dental services closer to the community
- **Operation:** Professional dentist, assistant, 2 dental chairs and radiological equipment
- **Impact:** In 12 months, it fulfilled its goal of reaching 2000 patients

Key Takeaway: Innovative, feasible, and scalable store format to deliver services to target customers effectively

Lens Display

Optometrist

The first step to its operationalization is knowing where to target

Where to target?

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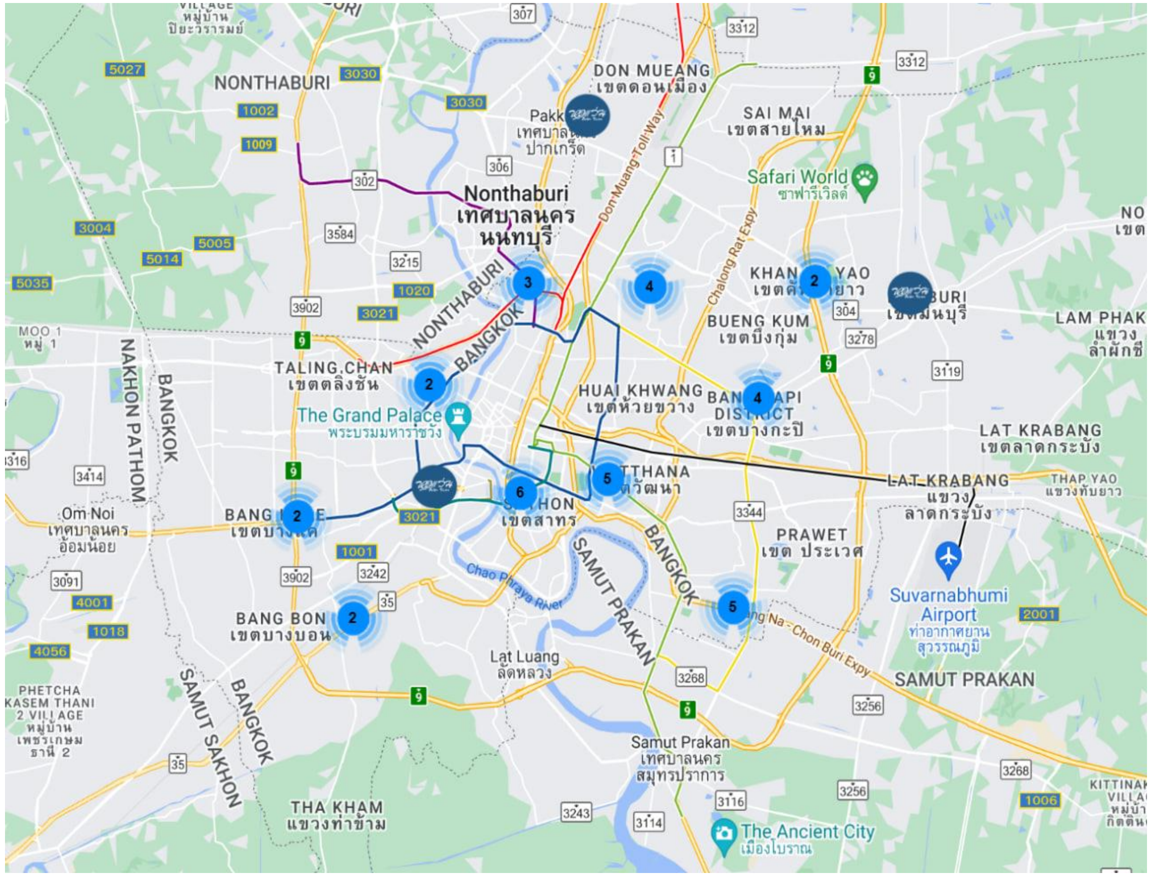
Where to target?



Selection Methodology

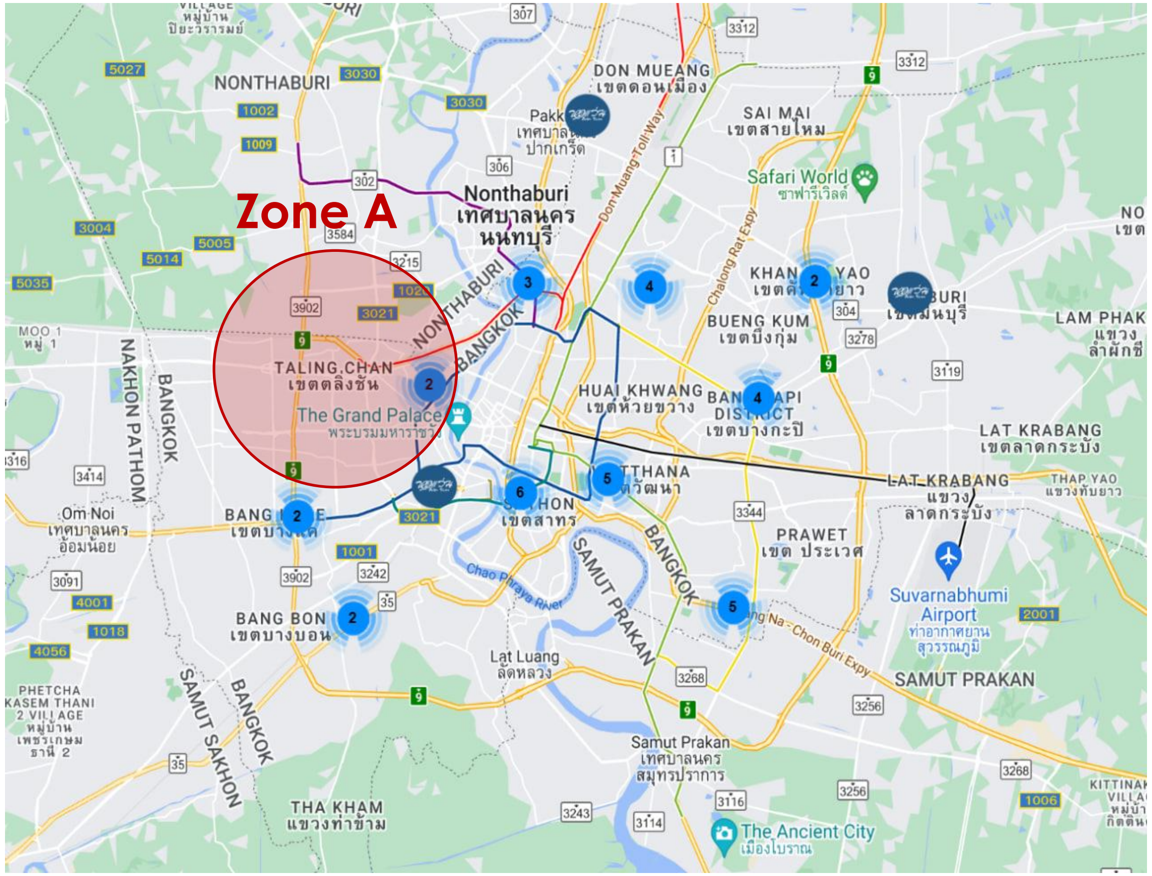
1. **Identify middle-income communities** that **have little to no Better Vision touchpoints**
2. **Cluster these communities** to form a z**one**
3. **Two Vision Vans** will be assigned and operated in **each zone,** circling the communities

Better Vision Physical Outlets

Better Vision

The first step to its operationalization is knowing where to target

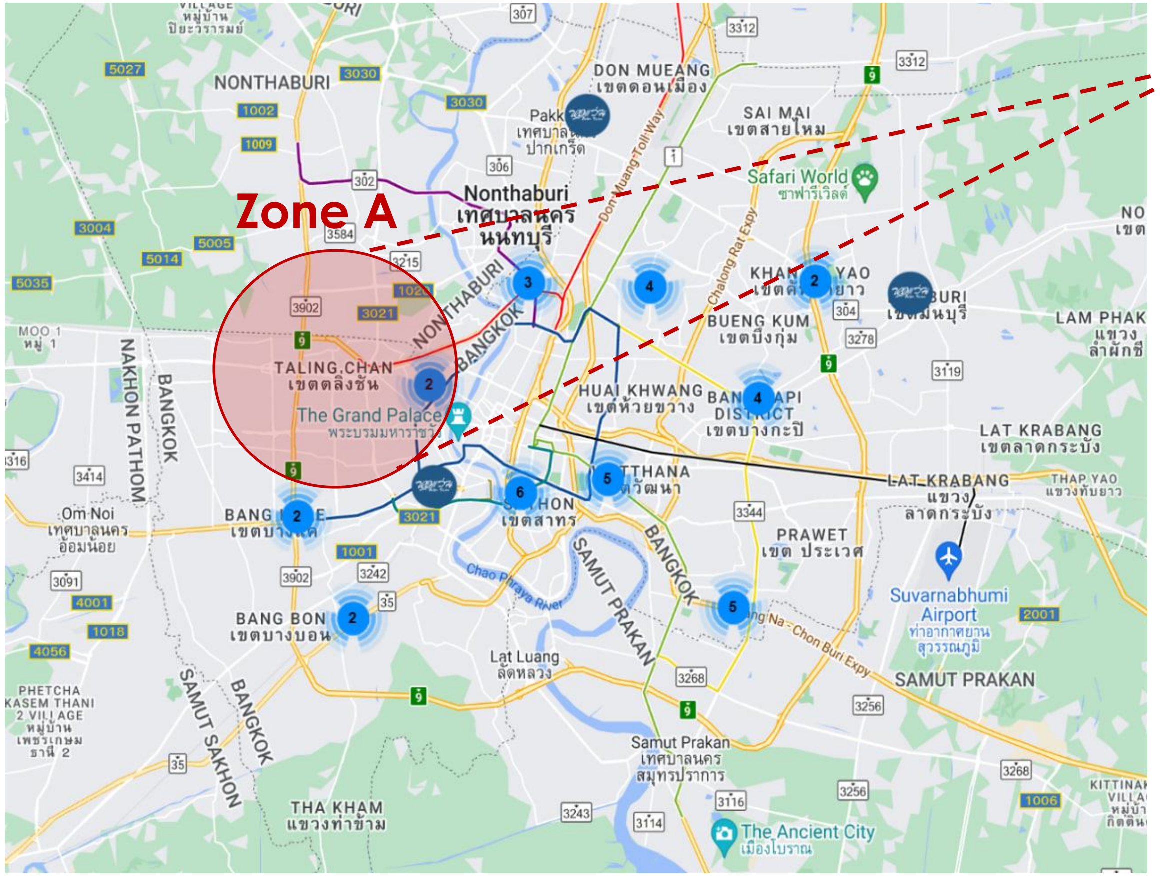
Where to target?



Better Vision

Vision Van will be assigned strategically to suitable target regions where the target customers dwell in

Where to target?



TALING CHAN

- **Target Region**: Community situated near city center implies middle-income status
- **Little Coverage:** Little BV touchpoints in the area
- **High Barriers to Access:** City outskirts imply poorer road infrastructure and amenities to set up physical stores

Key Insight:
There is a need Vision Van given its ability to be mobile, flexible, and targeted in its delivery and outreach to specific customers

Next, Vision Van will capitalize on Thailand's rich community culture to penetrate and integrate into the target communities

How to enter?

Source: Statista 2023

Better Vision

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How to enter?

Community Culture

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How to enter?

Community Culture

Partnerships with Sho-Huays

- **Integrate into communities** and **attain initial attraction**
- Vision Vans will be **parked outside** key community Sho-Huays for 1-2 days around the week (8-hour daily operations)

Source: Statista 2023

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Sho-Huays' Motivation

- **1% sales commission**
- **Enhancing community spirit** through promoting community eyecare

BV's Motivation

- **Increased sales** in community hotspots
- Cementing brand image and USP as a **Thai community heritage**

Source: Statista 2023

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BV's Motivation

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- Cementing brand image and USP as a **Thai community heritage**

Mutually reinforcing motivations ensures sustainable collaboration

Source: Statista 2023

Vision Van increases accessibility for target customers by bring tailored high-quality and value-for-money products to the heart of communities

KEY QUESTION

How can Better Vision improve its accessibility to enter the middle-income, middle-aged market?

IMPACTS

- Assures effective outreach by delivering solutions to the target customers, promising convenience
- Overcomes customer's brand perception by offering products within target customer's spending range
- Offers tailored products and services that feed to target customer's need for "value-for-money" product that are functional and stylish

VISION VAN

Increasing accessibility to middle-aged middle-income consumers

VISION NETWORK

Leveraging Vision Venture's integrated network to meet the needs of target customers competitively

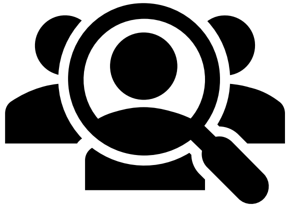
While Vision Van enables successful business expansion, its success is limited without closing the consumption loop …

Vision Venture's Integrated Supply Chain

Effective Customer Outreach
High-quality products and services manufactured in-house and from other brands are able to reach target customers

IN-HOUSE MANUFACTURER

VISION VAN



TARGET CUSTOMERS

While Vision Van enables successful business expansion, its success is limited without closing the consumption loop …

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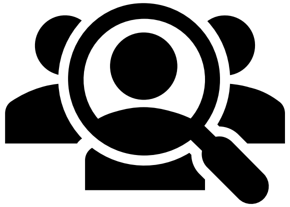


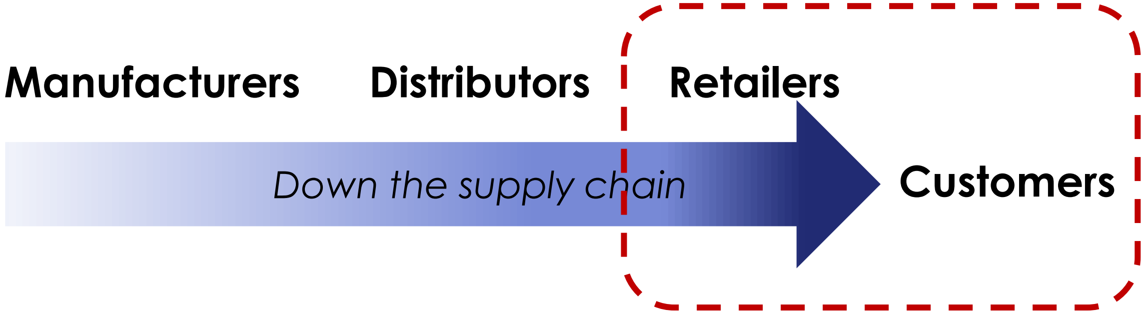
TARGET CUSTOMERS

Missing Link
Missing link that is unable to lock customers into the existing integrated ecosystem; **Integrated ecosystem needs to be better capitalized**

In its unique capabilities, the Vision Van is the vehicle to closing the loop

Vision Van's Unique Capability

First-Touch with Customers



- As a retailer, the **business is customer-facing**
- **Changes in customer taste and preferences** as well as retail needs will be detected **first and only by retail**

In its unique capabilities, the Vision Van is the vehicle to closing the loop

Vision Van's Unique Capability

First-Touch with Customers

Manufacturers → Distributors → Retailers → Customers

Down the supply chain

- As a retailer, the **business is customer-facing**
- **Changes in customer taste and preferences** as well as retail needs will be detected **first and only by retail**

Reaching Previously Unreachable Locations

- Traditionally **harder for retailers to access communities** with physical stores
- Unique opportunity to reach **"tight" regions**

With Vision Van at the nucleus of data transfers through the supply chain, the Vision Network is born

Vision Network
Iterative data-driven innovation cycle

VISION VAN

With Vision Van at the nucleus of data transfers through the supply chain, the Vision Network is born

Vision Network

Iterative data-driven innovation cycle

OEM MANUFACTURERS

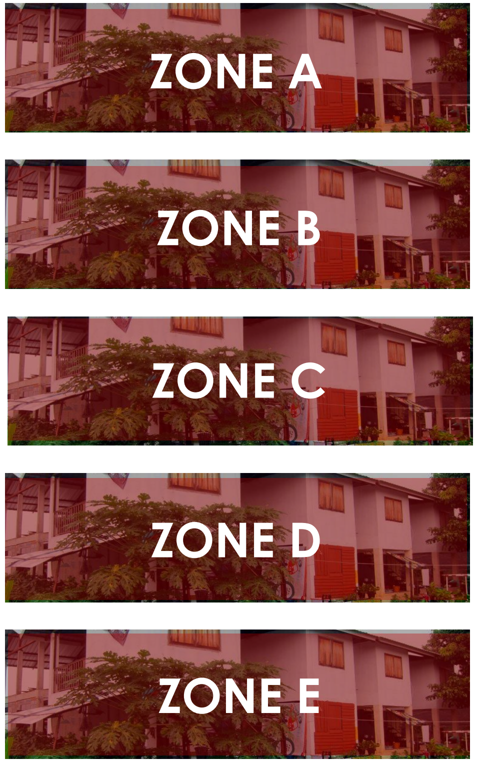
FRAMES MANUFACTURER

LENS MANUFACTURER

First-hand information on rising trends

VISION VAN

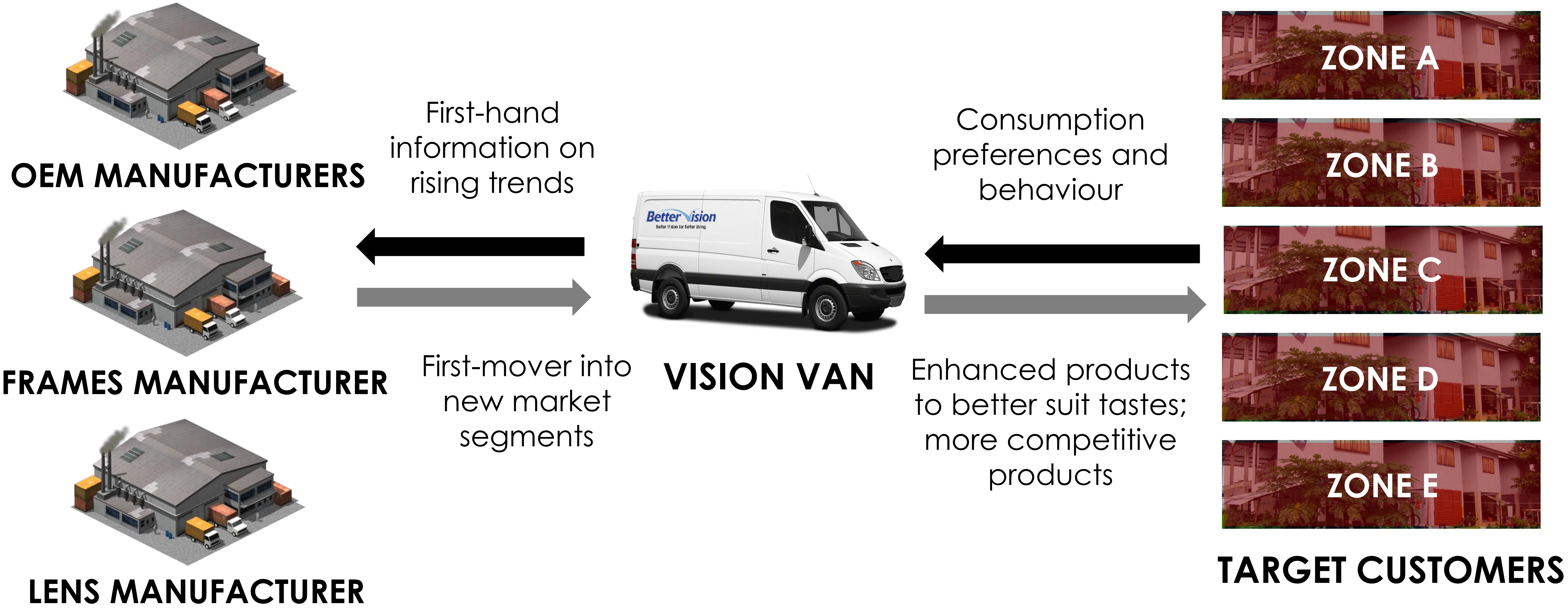
Consumption preferences and behaviour



TARGET CUSTOMERS

With Vision Van at the nucleus of data transfers through the supply chain, the Vision Network is born

Vision Network
Iterative data-driven innovation cycle



While Vision Van enables successful business expansion, its success is limited without closing the consumption loop …

Vision Venture’s Integrated Supply Chain

Effective Customer Outreach
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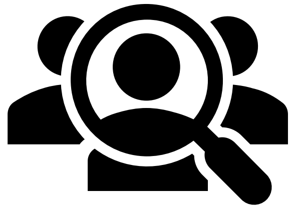


TARGET CUSTOMERS

Data Loop
Unique and quick transfers allow for fast manufacturing product enhancements, keeping **Vision Ventures always one step ahead**

While Vision Van enables successful business expansion, its success is limited without closing the consumption loop …

CASE STUDY: TESLA'S INTEGRATED VALUE CHAIN

- Tesla is known for its extensive integration of various aspects
- Tesla was able to maintain control over product quality, innovation, and the overall customer experience
- These were its foundations to success and its weapon to stay ahead of the game

Key Takeaway: Much like Tesla, Vision Ventures is primed to be the market leader in its field by <u>leveraging its integrated systems</u>

Vision Network establishes an iterative loop within Vision Venture by facilitating data-driven innovation and insight, and bringing that to the target customer

KEY QUESTION

How can Better Vision leverage its USP to compete better and faster against competitors, solidifying its position in the market?

IMPACTS

- Leverages the Vision Van to close the loop in its ecosystem
- Target customer lock-in is assured through iterative deliveries of forward-looking products that constantly meets customers' needs

Better Vision

Better Visions' GTM Strategy is 2 pronged – Vision Van and Vision Network

VV's Goal	To be the **all-in-one go-to eyecare solution provider** in Thailand	
Objective	To increase **accessibility** …	To develop a **competitive edge** …
GTM Strategy	**VISION VAN** Mobile store format that brings tailored solutions to the community	**VISION NETWORK** Iterative data-driven innovation cycle

Impact	**2m** Customers reached by 2028E	**>x2** Revenue by 2027E	**22%** Net margin expansion in 2028E

Impact

Our strategies utilise Better Vision's expertise and is implementable within 5 years

	'23	2024				2025				2026				2027				2028			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Vision Vans	Store revamps and procuring vans	★ Launch of Vision Vans and tracking of success				★ Plan to launch into Bangkok Metropolitan area, perform similar pre-steps				Monitor progress and look out for expansion areas				Progressive step up of strategy for sustained growth							
Vision Network	Setting up of internal databases	★ Adoption and scale																			

Legend

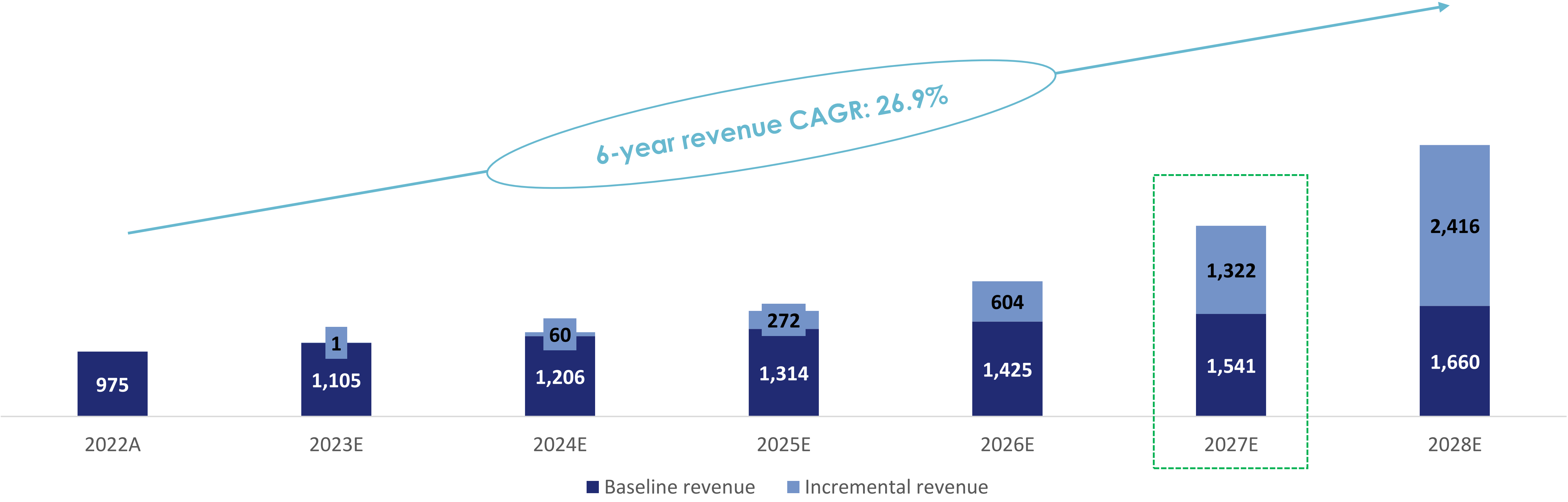
★ Milestones

Immediate next steps

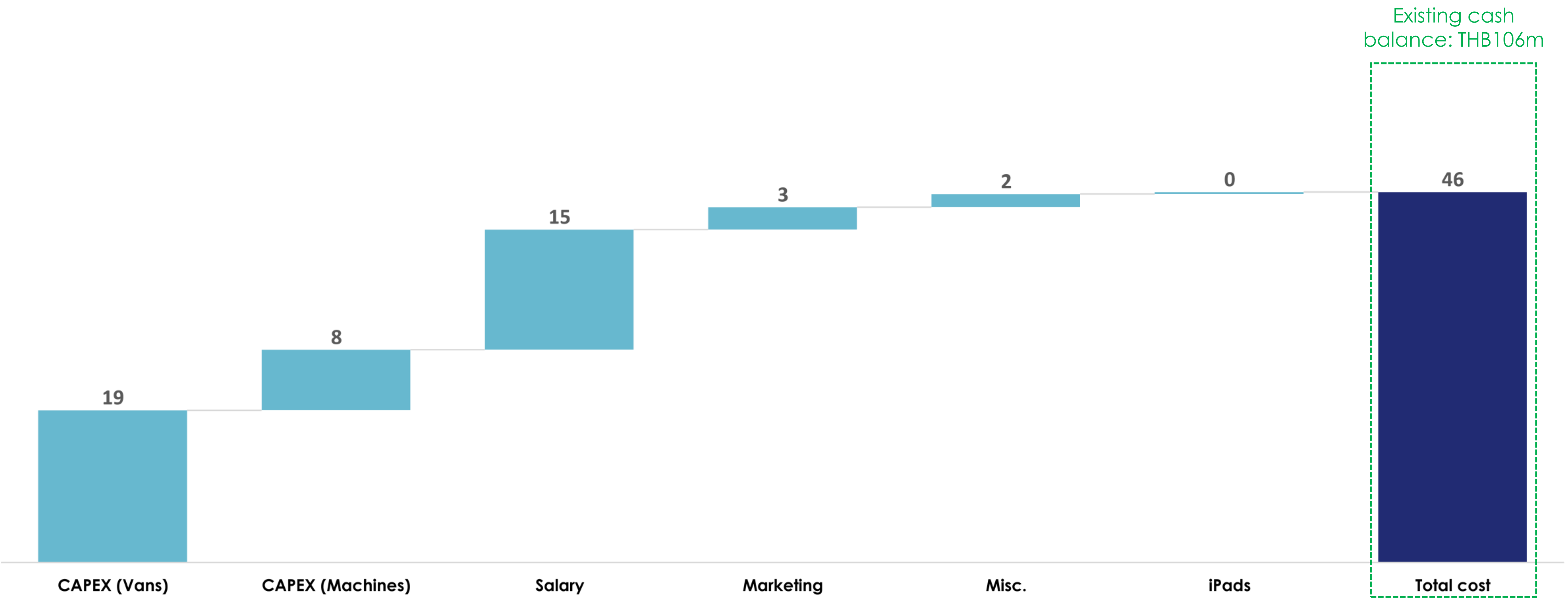
1. Begin the process of hiring staff
2. Purchase necessary vehicles and machinery
3. Set up Vision Network

Better Vision can double its top-line growth by 2027E and unlock a 22% value in margin expansion

Net margin	5.7%	5.6%	6.6%	9.2%	13.0%	19.4%	25.3%



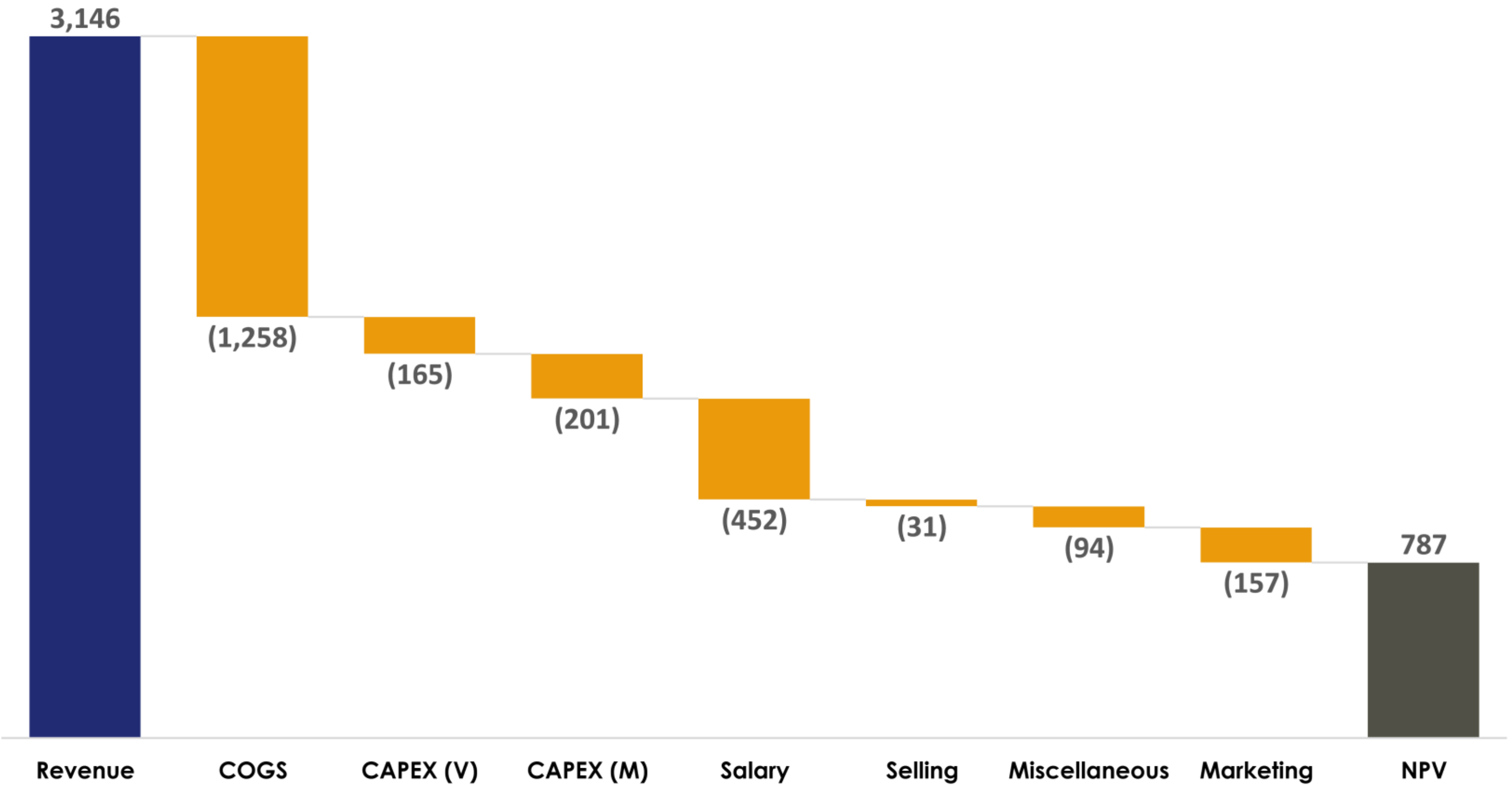
To successfully tap into a new customer segment, Better Vision will need to incur approximately THB46m in 2024E, which is below its cash position of ~THB106m



Headroom of ~THB60m ensures that Better Vision's liquidity position is well-preserved

Better Vision

Vision Van and Vision Network will enable Better Vision to achieve a 5-year NPV of THB787m



Key Revenue Drivers

1. **THB1,850** average ticket size
2. **10% y-o-y growth** in average ticket size from Vision Network
3. **10 Vision Vans** in 2024E, to step up **to 150 Vision Vans** in 2028E

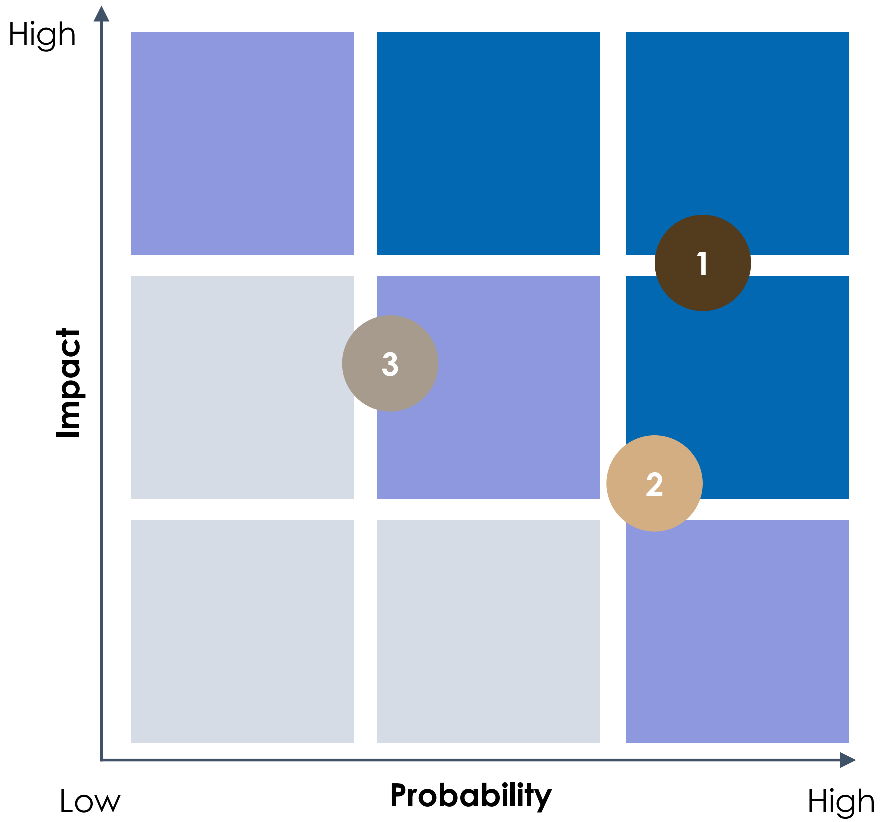
Key Cost Drivers

1. **THB2m** all-in van costs
2. **1%** Shohuay commission fees
3. **10 years** useful life for depreciation

Key KPIs: **2m** Customers reached by 2028E | **>x2** Revenue by 2027E | **22%** Net margin expansion in 2028E

Better Vision

Identified Risks and Mitigation Strategies



	Risks	Mitigation Strategies
1	Ineffective communication by KOLs and employees	Regular mid-term reviews to ensure KOLs and employees are on task
2	Inability to utilize kiosks appropriately especially for digitally-illiterate audiences	Simplified instructional menu pasted at the side of the kiosks to hand-hold users
3	Possibility of data leakage from data platform	Have data encrypted with user log-in details to trace data leaks via blockchain

Appendix

Main deck:

Title slide
Executive Summary
Better Vision's USP
Better Vision's ability to compete
Understanding Better Vision's unique proposition
Better Vision's positioning
Key Question 1
Target market for GTM strategy
Target market for GTM strategy
Segmentation: Elderly and middle aged
Same as above
Same as above
Same as above
Same as above
Same as above
Consumer needs
Total Addressable Market and Serviceable Addressable Markets
Answer to Key Question
Understanding Better Vision's ideal customer
BV's Competitor Analysis
Key Questions 2 and 3

Introducing our strategies
Developing new touchpoints
Same as above
Same as above
Action to standalone stores
Revamp of standalone stores
Significant grounds being untapped by BV
Key Insight

Main deck:

Recommendation overview: Vision Van
Vision Van
What is Vision Van?
Vision Van – Suite of Products and Services
Mint's customer journey
Mint's customer journey – continued
Mint's customer journey – continued
Mint's customer journey – continued
Mint's customer journey – continued
Case Study: Mobile Dental Clinics
Vision Van: Selection Methodology
Vision Van: Chosen Target Market
Vision Van: How to Enter
Vision Van: Impacts
Vision Network
Vision Network: Closing the Consumption Loop
Same as above
Vision Network: Data transfers
Vision Network: Successful expansion
Vision Network: Iterative Loop
Impact
Implementation timeline
Cost projections
5 year NPV projections
Risk and Mitigation strategies

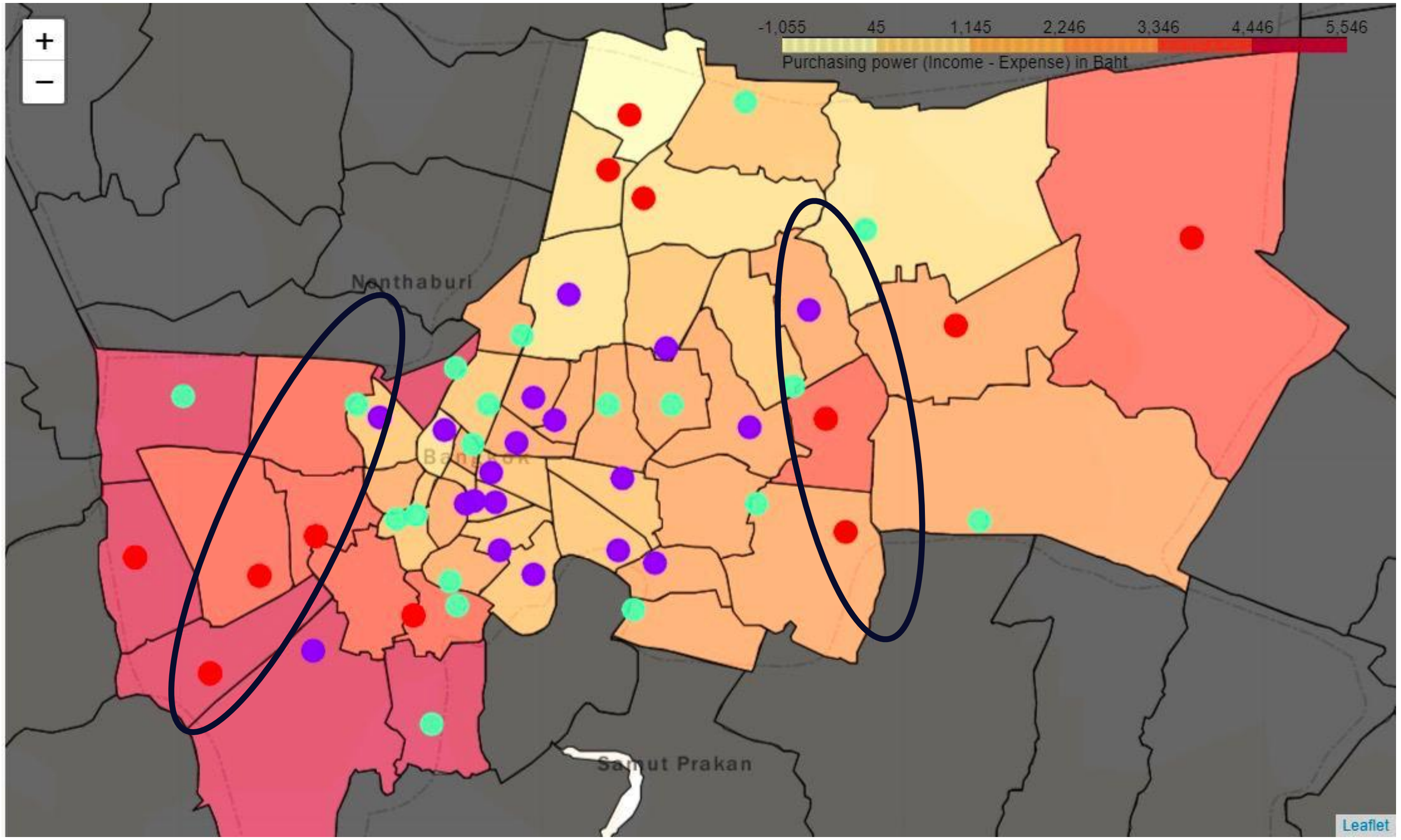
Appendix:

Appendix 1: Population Density Study
Appendix 2: Market Growth of Eyewear Market

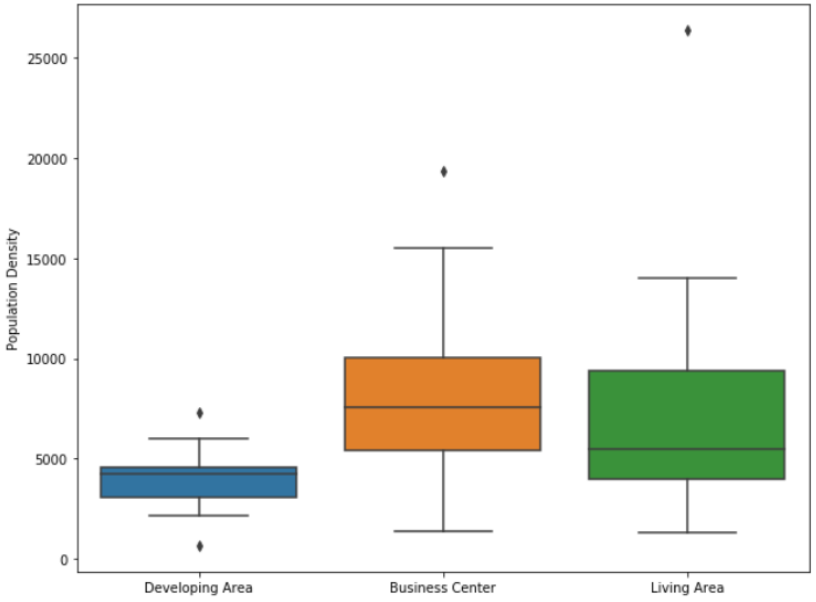
Appendix:

Appendix 3: Forecasted Growth Rates
Appendix 4a: Map of Better Vision stores
Appendix 4b: Map of Owndays stores
Appendix 4c: Map of Top Charoen stores
Appendix 4d: Map of KT Optic stores
Appendix 4e: Competitor Analysis Details
Appendix 5: Advantages of Sho Huay stores
Appendix 6a: SAM of Middle Aged Middle Income
Appendix 6b: SAM of Elderly Middle Income
Appendix 7: Elderly middle-income population being insufficient
Appendix 8: Financial model

Appendix 1: Population Density Study



The middle of the city (purple dot), another group surrounding the first group and spreading around the city (light-green dot) and the last one at the edge of the city (red dot).



Opening new types of business to remote areas, which might not have similar business idea before is a good idea since as they have savings and the problem of distance is solved by mobility of our solution

Appendix 2: Why Offline Channels?

Table 7 Distribution of Eyewear by Format: % Value 2018-2023

% retail value rsp

	2018	2019	2020	2021	2022	2023
Retail Channels	100.0	100.0	100.0	100.0	100.0	100.0
- Retail Offline	96.4	96.1	95.0	94.6	95.6	95.6
-- Grocery Retailers	2.8	2.8	2.9	3.2	3.3	3.3
--- Convenience Retail	2.8	2.8	2.9	3.2	3.3	3.3
-- Non-Grocery Retailers	93.1	92.8	91.5	90.7	91.7	91.7
--- General Merchandise Stores	9.3	9.2	7.8	7.2	9.0	9.1
---- Department Stores	9.3	9.2	7.8	7.2	9.0	9.1
--- Health and Beauty Specialists	82.2	81.9	81.8	81.7	81.0	80.8
---- Pharmacies	0.8	0.8	0.8	0.8	0.7	0.7
---- Optical Goods Stores	79.4	79.2	79.2	79.3	78.6	78.3
---- Health and Personal Care Stores	2.0	2.0	1.8	1.6	1.7	1.7
--- Leisure and Personal Goods Specialists	1.6	1.7	1.8	1.9	1.7	1.8
-- Direct Selling	0.5	0.5	0.6	0.6	0.6	0.6
- Retail E-Commerce	3.6	3.9	5.0	5.4	4.4	4.4
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Source: Euromonitor International

Appendix 3: Forecasted Growth Rates

Table 10 Forecast Sales of Eyewear by Category: % Volume Growth 2023-2028

% volume growth

	2023/24	2023-28 CAGR	2023/28 Total
Sunglasses	5.0	4.2	22.6
Spectacles	6.5	5.9	33.1
Contact Lenses and Solutions	6.0	6.3	35.7
Eyewear	6.1	6.1	34.6

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

Table 11 Forecast Sales of Eyewear by Category: % Value Growth 2023-2028

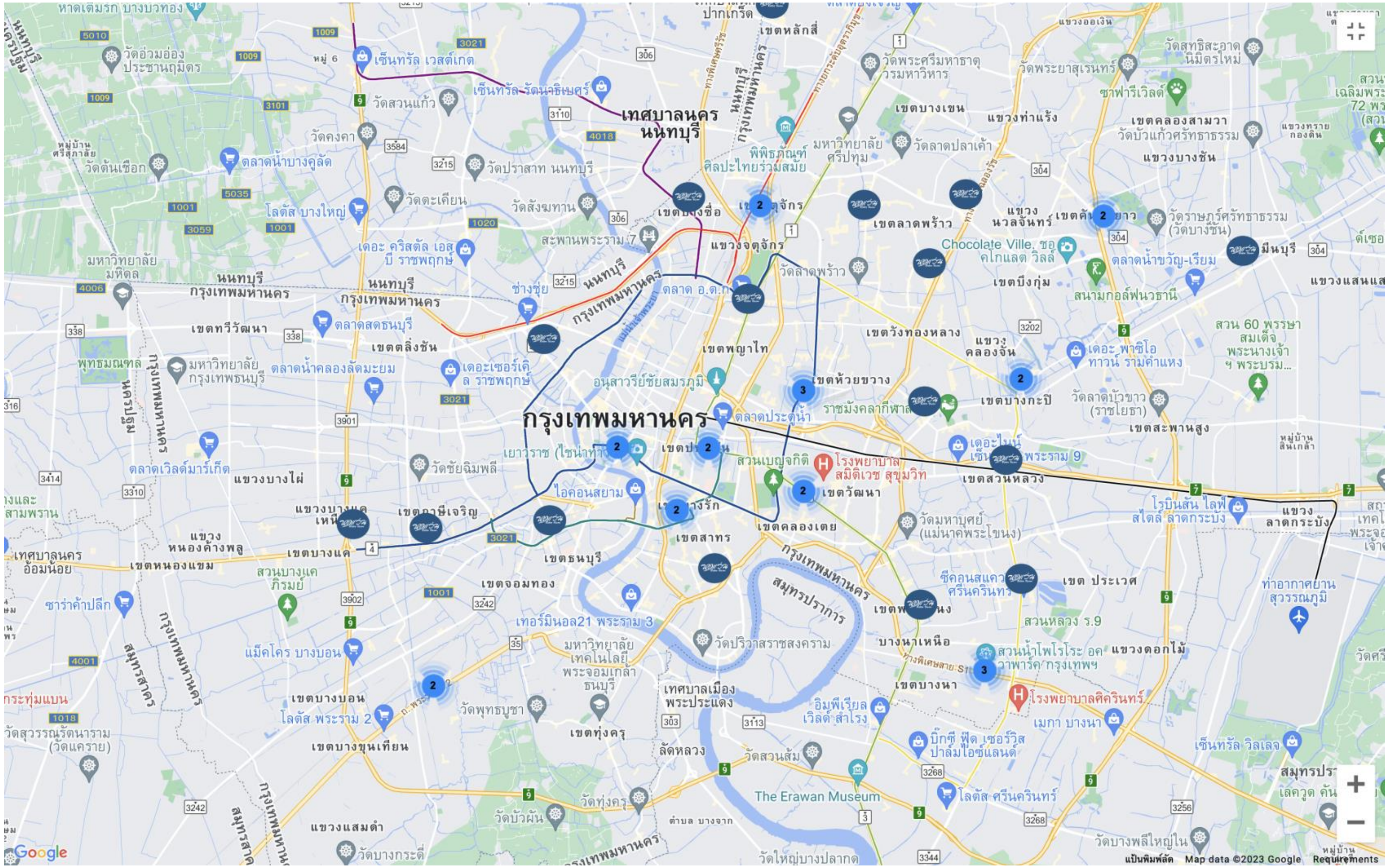
% constant value growth

	2023/2024	2023-28 CAGR	2023/28 Total
Sunglasses	6.4	5.3	29.8
Spectacles	7.6	6.6	37.7
Contact Lenses and Solutions	9.3	8.3	49.3
Eyewear	7.5	6.5	37.2

Source: Euromonitor International from trade associations, trade press, company research, trade interviews, trade sources

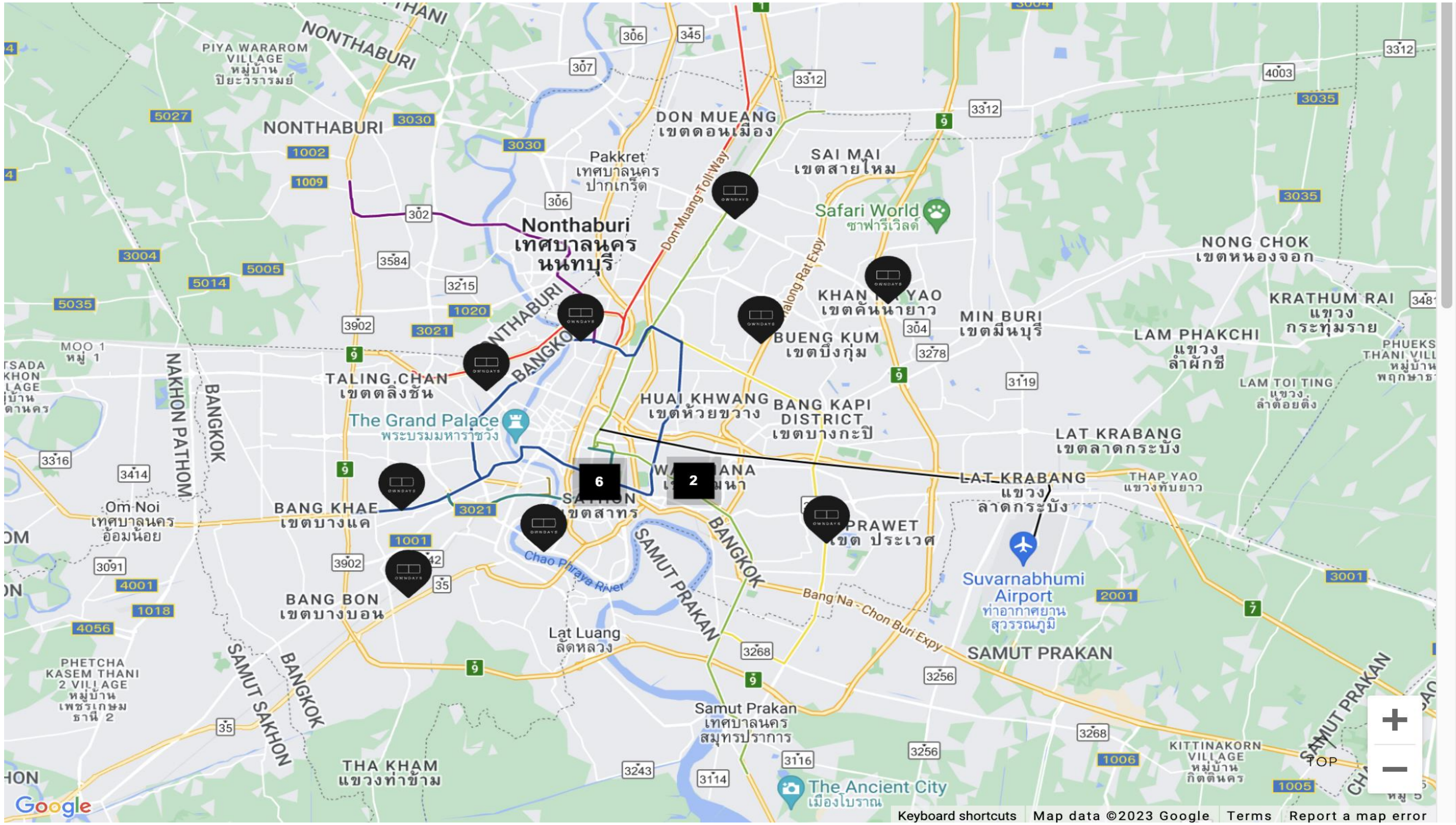
Source: Euromonitor International

Appendix 4a: Map of Better Vision stores



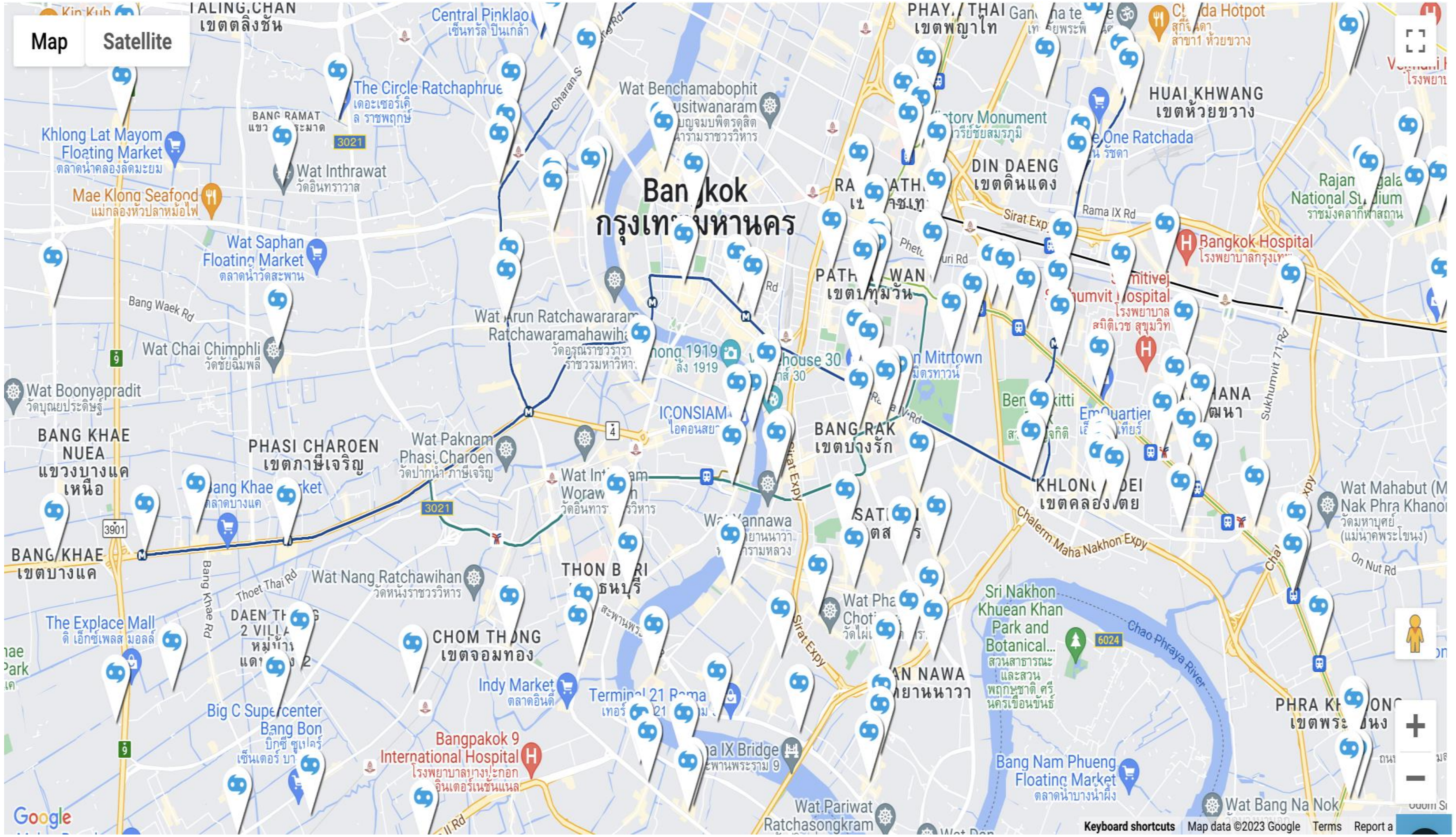
Source: Better Vision Website

Appendix 4b: Map of Owndays stores



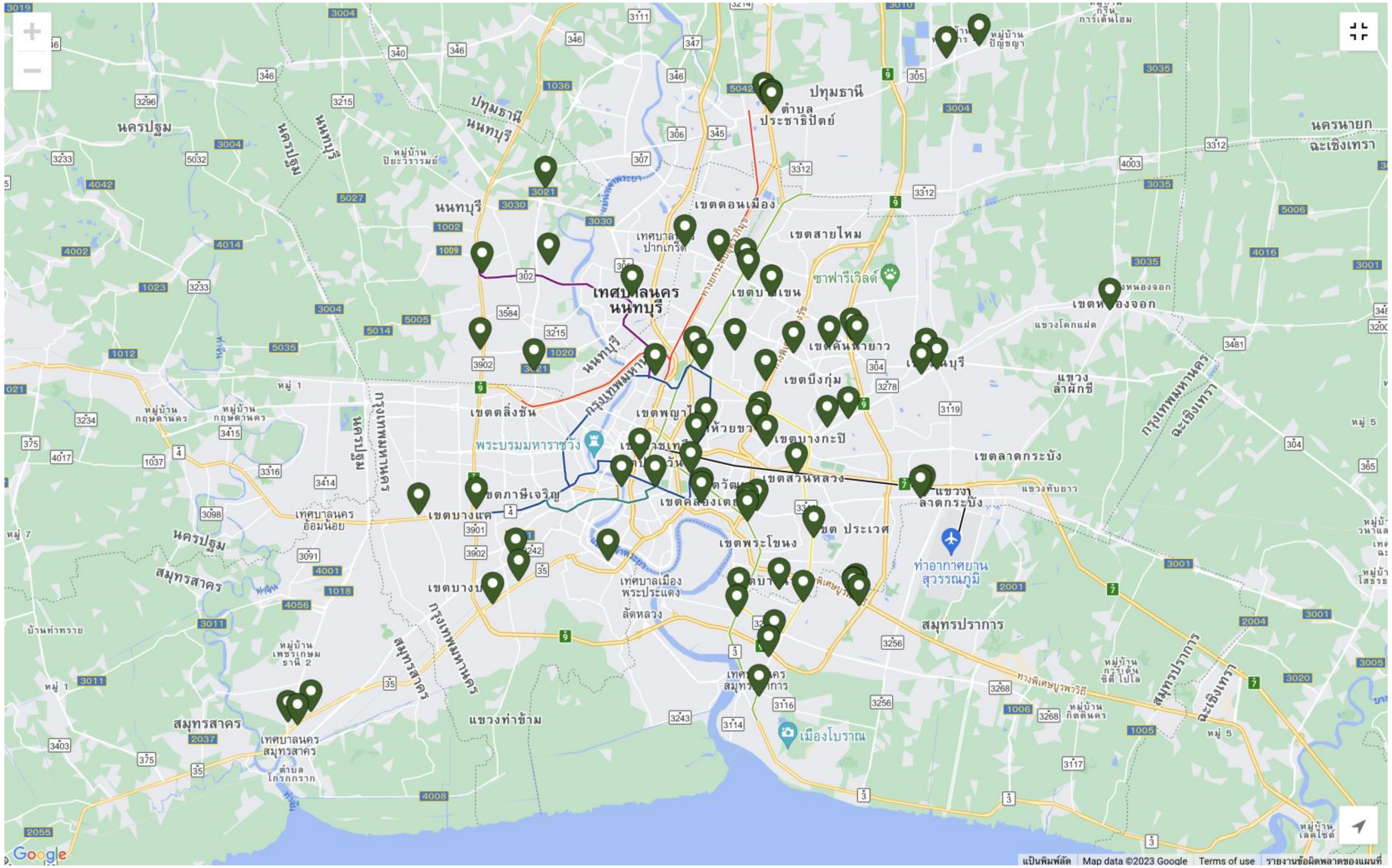
Source: Owndays Website

Appendix 4c: Map of Top Charoen stores



Source: Top Charoen Website

Appendix 4d: Map of KT Optic stores



Source: KT Optic Website

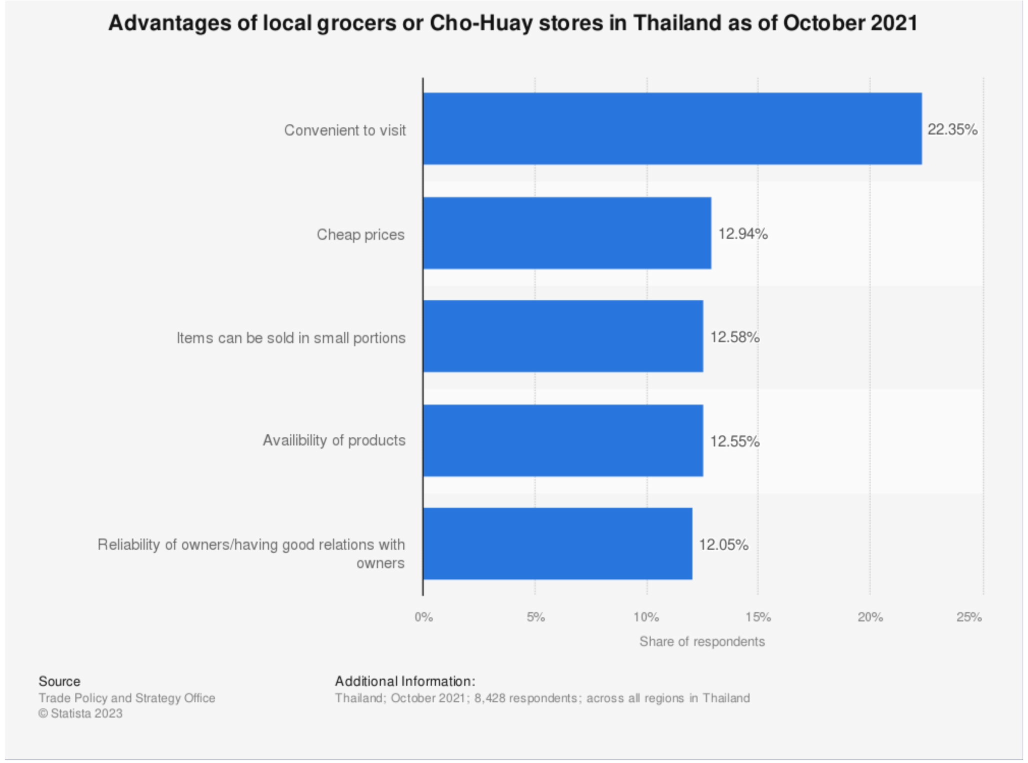
Appendix 4e: Competitor Analysis

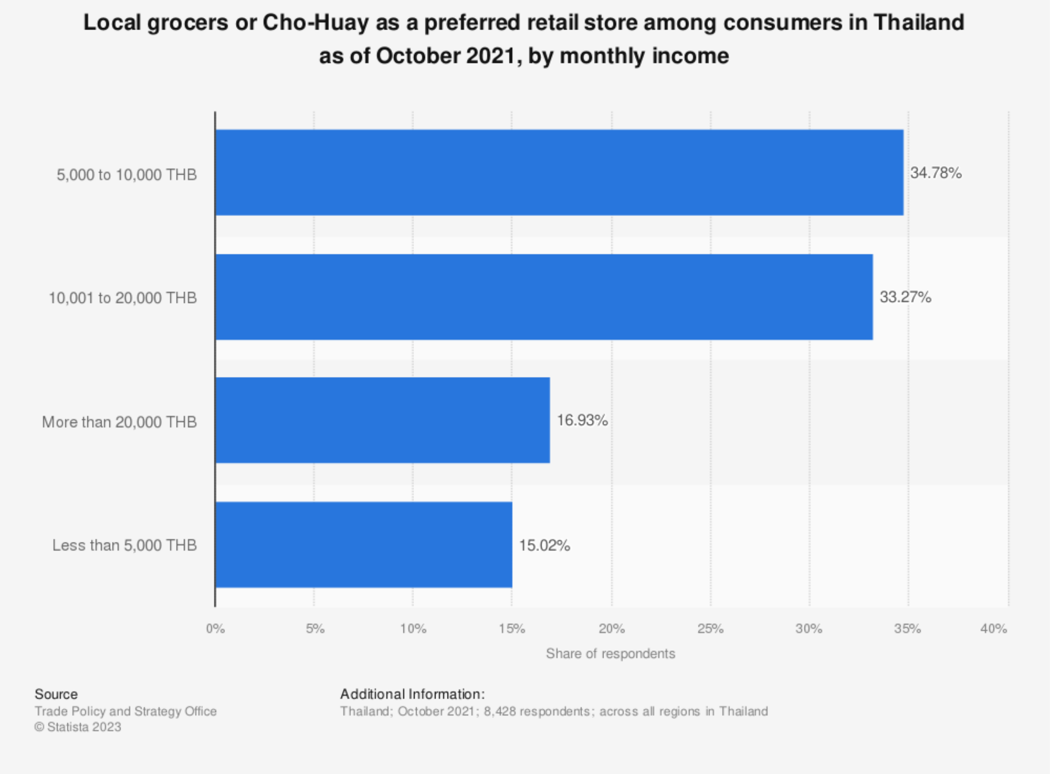
Accessibility			
Criteria:	Geographical coverage of stores	Perception of affordability	Score
Weights:	50%	50%	
Better Vision	3	1	**2**
KT Optic	5	5	**5**
Owndays	3	5	**4**
Top Charoen	5	5	**5**

Product Market Fit					
Criteria:	Practicality	Comfortable yet durable	Service quality	Brand reputation	Score
Weights:	25%	25%	25%	25%	
Better Vision	3	5	5	5	**4.5**
KT Optic	4	2	3	3	**3**
Owndays	4	4	4	3	**3.75**
Top Charoen	4	4	4	5	**4.25**

Note: Refers to the total population aged from 60+, representing the elderly group consumers in Bangkok,

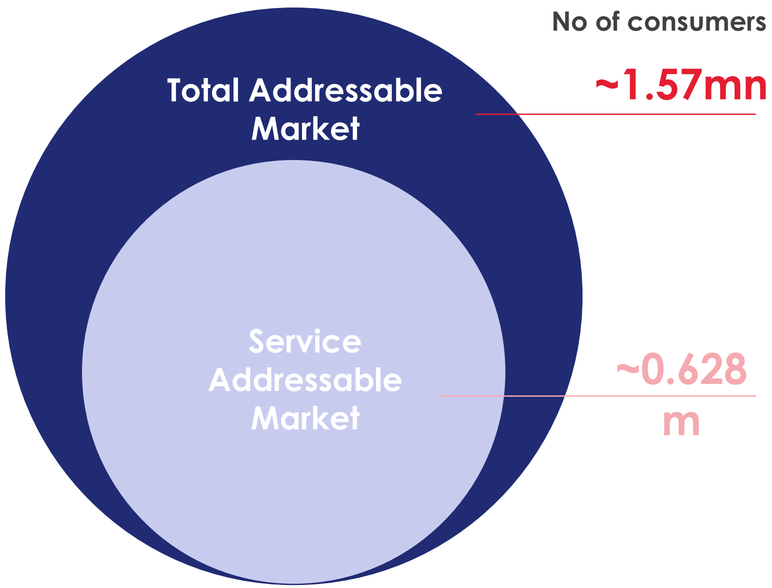
Appendix 5: Sho Huay Stores





Appendix 6a: Middle-Aged Middle-Income Tabulation

Massive addressable market opportunity for the middle-aged middle income



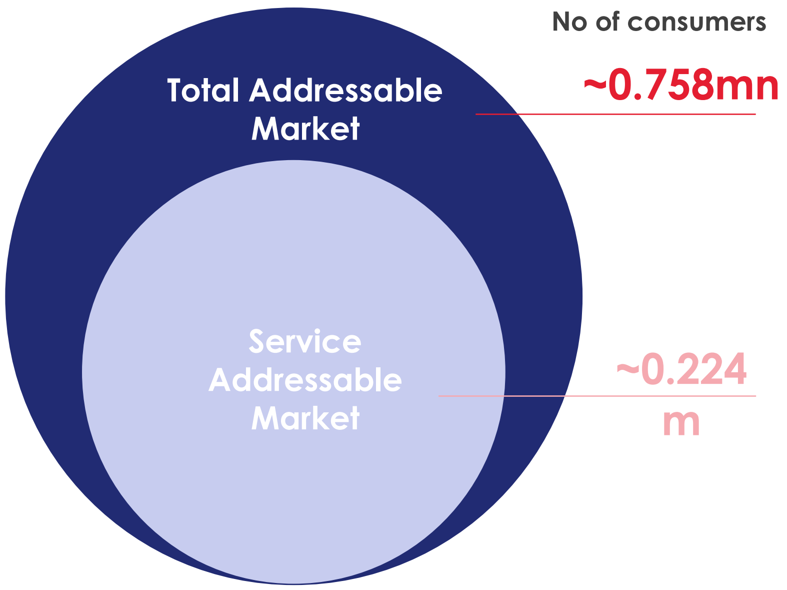
Approach to calculation:

1. Identify the total number of consumers that are in the middle-income group (62.6%) that falls within the middle age group (2.502 million)
2. Apply a penetration rate for the middle-aged group of 40% to identify the addressable market by Better Vision

Note: Refers to the total population aged from 30-59, representing the middle-aged group consumers in Bangkok,

Appendix 6b: Elderly Middle-Income Tabulation

Massive addressable market opportunity for the middle-aged middle income

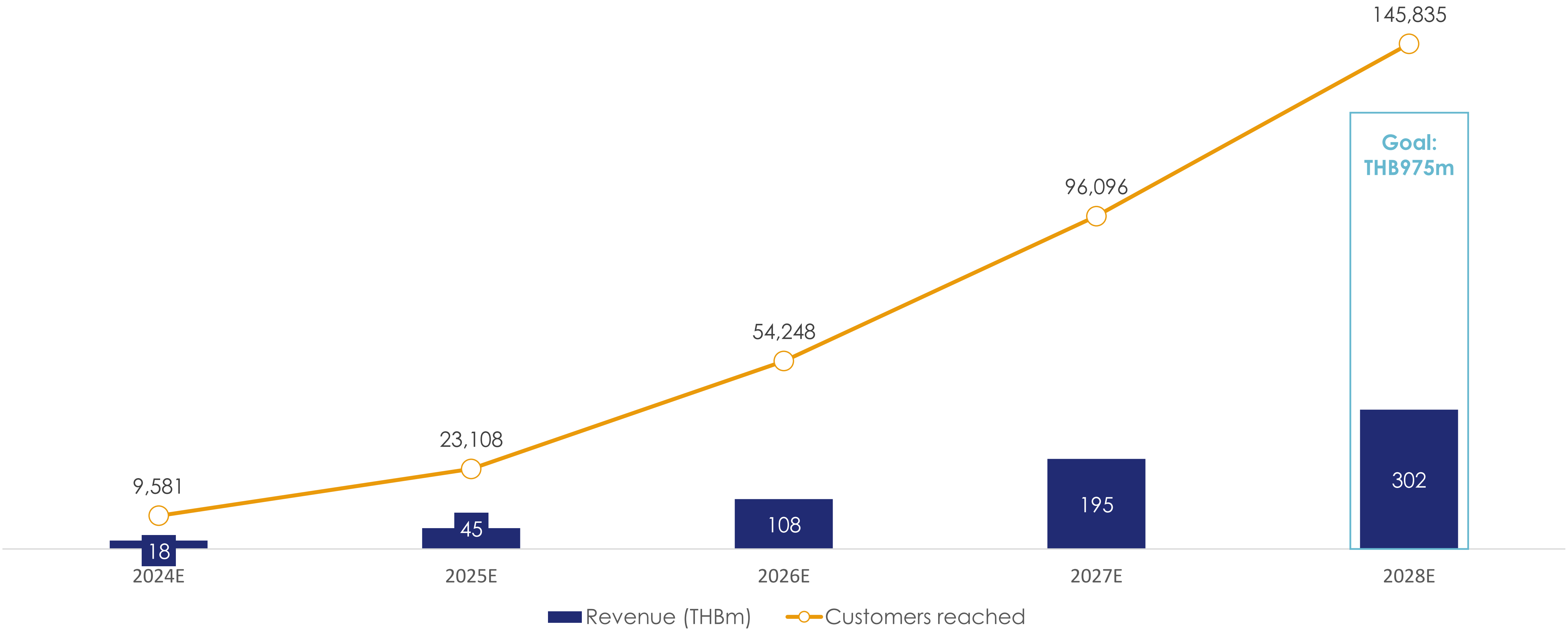


Approach to calculation:

1. Identify the total number of consumers that are in the middle-income group (62.6%) that falls within the elderly age group (1.210 million)
2. Apply a penetration rate for the middle-aged group of 30% to identify the addressable market by Better Vision

Note: Refers to the total population aged from 60+, representing the elderly group consumers in Bangkok,

Appendix 7: Elderly middle-income population is not sufficient to achieve BV's goals of doubling revenues in 3–5 years



Note: Refers to the total population aged from 60+, representing the elderly group consumers in Bangkok,

Appendix 8: Financial Model

	Units	2022A	2023E	2024E	2025E	2026E	2027E	2028E	Source
Income Statement									
Baseline revenue	THBm	975	1,105	1,206	1,314	1,425	1,541	1,660	
(+) Incremental revenue from Vision Van	THBm			55	264	591	1,305	2,395	
(+) Incremental revenue from store re-organisation	THBm		1	5	9	13	17	21	
Total revenue	THBm		1,106	1,266	1,586	2,030	2,863	4,076	
% baseline growth	%		*13.3%*	*9.2%*	*8.9%*	*8.5%*	*8.1%*	*7.7%*	*Assume constant with eyewear industry in Tha*
% incremental revenue growth	%		*13.4%*	*14.5%*	*25.2%*	*28.0%*	*41.0%*	*42.4%*	
% value-added growth	%		*0.1%*	*5.3%*	*16.3%*	*19.5%*	*32.9%*	*34.7%*	
Cost of sale	THBm	425	481	526	572	621	671	723	
Baseline gross profit	THBm	550	623	681	741	804	870	936	
(-) Costs associated with Vision Van	THBm			22	105	237	522	958	
Total gross profit	THBm	550	623	719	908	1,172	1,669	2,395	
% baseline gross margin	%	*56.4%*	*56.4%*	*56.4%*	*56.4%*	*56.4%*	*56.4%*	*56.4%*	*Assume constant*
% incremental gross margin	%		*56.4%*	*56.7%*	*57.3%*	*57.7%*	*58.3%*	*58.8%*	
% value-added gross margin	%		*0.0%*	*0.3%*	*0.8%*	*1.3%*	*1.9%*	*2.3%*	
SG&A	THBm	495	561	613	667	724	782	843	
% revenue	%	*50.8%*	*50.8%*	*50.8%*	*50.8%*	*50.8%*	*50.8%*	*50.8%*	*Assume constant*
Baseline net profit	THBm	55	62	68	74	81	87	94	
(-) Costs associated with Vision Van	THBm		*1*	22	95	184	333	521	
Total net profit	THBm		61	84	146	264	554	1,031	
% baseline net margin	%	*5.7%*	*5.7%*	*5.7%*	*5.7%*	*5.7%*	*5.7%*	*5.7%*	*Assume constant*
% incremental net margin	%		5.6%	6.6%	9.2%	13.0%	19.4%	25.3%	
% value-added net margin	%		-0.1%	1.0%	3.5%	7.4%	13.7%	19.6%	

Appendix 8: Financial Model

Store Re-organisation	Units	Assumptions	2022A	2023E	2024E	2025E	2026E	2027E	2028E	Source
Revenue										
Total Revenue	**THBm**		**975**							
Average ticket size per customer	THB	1,850		1,885	1,921	1,956	1,993	2,031	2,069	Average ticket size of frames and lens to grow in line with i
% growth	%			*1.9%*	*1.9%*	*1.8%*	*1.9%*	*1.9%*	*1.9%*	*Inflation rate of Thailand (Euromonitor)*
Total number of stores	#		100							
Stores in perimeter area	#		16	16	16	16	16	16	16	
Average revenue per store	THBm		10	10	10	10	11	11	11	
% growth due to format change	%			*0.5%*	*2.5%*	*2.5%*	*2.5%*	*2.5%*	*2.5%*	Increased growth due to word-of-mouth and network effe
Incremental revenue per store	THBm			0	0	1	1	1	1	
Total incremental revenue	**THBm**			**1**	**5**	**9**	**13**	**17**	**21**	
Costs										
Administrative expenses	THBm	15%		1						

Appendix 8: Financial Model

VisionVan	Units	Assumptions	2022A	2023E	2024E	2025E	2026E	2027E	2028E	Source
Revenue										
Revenue	**THBm**				**55**	**264**	**591**	**1,305**	**2,395**	
Average ticket size per customer	THB	1,850		1,885	1,921	1,956	2,188	2,449	2,740	Average ticket size of frames and lens to grow in line with i
% baseline growth	%			*1.9%*	*1.9%*	*1.8%*	*1.9%*	*1.9%*	*1.9%*	*Inflation rate of Thailand (Euromonitor)*
% growth from Vision Network	%						*10.0%*	*10.0%*	*10.0%*	
# of weeks in a year	#	52								
# of weekends	#	2								
Hours operating on a weekend	min	540								
# of weekdays	#	5								
Hours operating on a weekday	min	540								
% filled on a weekend	%				65.0%	70.0%	75.0%	85.0%	95.0%	
% filled on a weekday	%				15.0%	20.0%	25.0%	35.0%	45.0%	
Time taken for each purchase	min	20								
Annual customers on weekend / vision van	#				1,825	1,966	2,106	2,387	2,668	
Annual customers on weekday / vision van	#				1,053	1,404	1,755	2,457	3,159	
Annual total customers reached / vision van	#				2,878	3,370	3,861	4,844	5,827	
Vision vans purchased	#				10	30	30	40	40	
Total vision vans	#				10	40	70	110	150	
Total customers reached	#				28,782	134,784	270,270	532,818	873,990	

Appendix 8: Financial Model

Costs										
Cost of goods	**THBm**	**40%**			**22**	**105**	**237**	**522**	**958**	**Assume current COGS remain constant**
Average cost / van	THBm	2								Ronald Mcdonald Van Cost
Average cost / machine	THBm	1								
Useful life	#	10								
Total number of vans	#				10	40	70	110	150	
Total number of machines	#				10	40	70	110	150	
Total CAPEX for vans	THBm				15	45	45	60	60	
Total CAPEX for machines	THBm				8	30	53	83	113	
Van depreciation expense	THBm				2	6	11	17	23	
Machine depreciation expense	THBm				1	3	5	8	11	
Total depreciation expense	**THBm**				**2**	**9**	**16**	**25**	**34**	
Sales staff / van	#	1								
Optometrist / van	#	1								
Total sales staff	#				10	40	70	110	150	
Total optometrists	#				10	40	70	110	150	
Sales staff salary / person	THB			480,000	508,800	536,275	564,698	594,062	621,983	Glassdoor
% growth	%				*6.0%*	*5.4%*	*5.3%*	*5.2%*	*4.7%*	*Euromonitor*
Optometrist salary	THB			900,000	954,000	1,005,516	1,058,808	1,113,866	1,166,218	ERI
% growth	%				*6.0%*	*5.4%*	*5.3%*	*5.2%*	*4.7%*	*Euromonitor*
Total salary costs	**THBm**				**15**	**62**	**114**	**188**	**268**	
Shohuay commission fees	**THBm**	**1.0%**			**1**	**3**	**6**	**13**	**24**	
Miscellaneous fees	**TBHm**	**3.0%**			**2**	**8**	**18**	**39**	**72**	
Marketing costs	**THBm**	**5.0%**			**3**	**13**	**30**	**65**	**120**	
POS system (iPad)	THBm		23,900							
# per store / Vision Van	#		1							
Total number of Vision Vans	#				10	40	70	110	150	
Total iPads cost	**THBm**				**0**	**1**	**2**	**3**	**4**	
R&D costs	THBm				0					Average enterprise software costs

Appendix 8: Financial Model

Profit Leakage	Units	Assumptions		2022A	2023E	2024E	2025E	2026E	2027E	2028E	Source
Profit Leakage											
Revenue	THBm			975	1,105	1,206	1,314	1,425	1,541	1,660	
% growth	%				*13.3%*	*9.2%*	*8.9%*	*8.5%*	*8.1%*	*7.7%*	*Assume constant with eyewear industry in Thailand*
Revenue from in-house brands	THBm			195	276	362	460	570	693	830	
% in-house	%	*5.0%*		*20.0%*	*25.0%*	*30.0%*	*35.0%*	*40.0%*	*45.0%*	*50.0%*	*5% switching cost*
Revenue from external brands	THBm			780	829	845	854	855	848	830	
% external	%	*5.0%*		*80.0%*	*75.0%*	*70.0%*	*65.0%*	*60.0%*	*55.0%*	*50.0%*	*5% switching cost*
In-house gross margins	%	80.0%									Bloomberg - 20%/30% higher than external brands
External gross margins	%	55.0%									Current gross margin
Profit leakage saved	THBm				14	561	627	698	774	855	
Total profit leakage saved	THBm		3,530								

Appendix 8: Financial Model

WACC		Source
Risk-free rate	3.27%	Thailand's 10 year government bond
Beta	1.2	Regression on market index
Market risk premium	11.57%	Damodaran
Cost of equity	**17.16%**	
Cost of debt	5.27%	Damodaran
Corporate tax rate	20.00%	Damodaran
Net cost of debt	**4.22%**	
WACC	**10.69%**	