

SILK Laser continues growth trajectory

Key Q1 FY22 highlights (vs Q1 FY21):

- Network cash sales up 14% to \$23.5 million, adjusted for lost trading days due to closed clinics during COVID lockdowns (down 4% unadjusted), and comparing against an exceptionally strong prior year comparable period that had been rebounding after nationwide COVID 19 shutdowns
- Like-for-like sales up 2%, adjusted for lost trading days due to closed clinics (down 14% unadjusted)
- Strong growth in body and injectables categories, with service mix evolving as planned
- Online sales of SILK's skincare brands up more than 700% to \$189k
- Integration of ASC Group on track; upon acquisition, 64% of its clinic network was closed due to COVID lockdowns (financial performance not included in Q1 sales metrics above given ~4 weeks ownership)
- Received Australian Growth Company of the Year's 'Health & Life Sciences' 2021 Award.

Adelaide, South Australia: 21 October 2021 – SILK Laser Australia Limited (ASX: SLA), one of Australia and New Zealand's largest specialist non-surgical aesthetics clinic networks, is pleased to provide an update on the performance of its business over the 3 months ended 30 September 2021 (Q1 FY22).

SILK trading performance (excluding ASC Group)

(\$m unless otherwise stated)	Q1 FY22	Q1 FY21	% change
Network cash sales (adjusted for lost trading days) ¹	23.5	20.7	+14%
Network cash sales (unadjusted)	23.5	24.6	-4%
Like-for-like sales (adjusted for lost trading days) ²	20.4	20.0	+2%
Like-for-like sales (unadjusted)	20.4	23.8	-14%

Notes:

1. Adjusted for lost trading days means that the prior year comparator has been adjusted downwards to the same number of trading days for those clinics that have been affected by mandatory lockdowns due to COVID 19.
2. Like-for-like sales includes sales of clinics that were open (ignoring temporary closures due to COVID 19) as of 1 July 2020.

Commenting on the Company's trading performance over Q1 FY22, SILK Founder and Managing Director Martin Perelman said:

"We are pleased with how the business has performed over the first three months of FY22. While COVID lockdowns again held back sales growth as clinics were forced to close, on an adjusted basis we saw strong momentum in key growth categories, resulting in overall positive like-for-like sales growth. In particular, SILK experienced strong growth across its body and injectables categories, and exceptional growth in online sales of our skincare brands.

"On 31 August 2021 we completed the acquisition of the ASC Group, comprising Australian Skin Clinics and The Cosmetic Clinic in New Zealand. This acquisition cements SILK's position as a major player in the Australian non-surgical aesthetic industry and supports our offshore expansion. The integration is going well, we have already met many of our new franchise partners and we're looking forward to delivering on the strategic benefits we see from bringing the businesses together.

"We continue to provide our clients with more choice, more innovation and most importantly, better service and results, and were delighted to receive Australian Growth Company of the Year's 'Health & Life Sciences' 2021 Award. With lockdown restrictions now easing, we are clearly seeing pent-up demand flow through into forward bookings."

Across SILK and ASC, the majority of NSW clinics achieved the equivalent of approximately two-weeks' worth of trade within the first week of opening post-removal of COVID lockdowns. Cosmetic Injectables, as has happened previously, performed far above expectations driven by strong waitlists and the strength of SILK's injecting teams.

SILK's service mix continues to evolve with a growing position in inject and body categories. With 43 clinics now offering Coolsculpt and 33 offering Emsculpt, the service mix change is occurring as expected. SILK will continue to roll out these service offerings across its network.

SILK has opened 3 new clinics in FY22 YTD, increasing the size of its clinic network to 118 clinics.

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This announcement has been authorised for release by the Board of Directors of SILK Laser Australia Limited.

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About SILK Laser

Founded in 2009, SILK is one of Australia's largest specialist clinic networks, offering a range of non-surgical aesthetic products and services. SILK's five core offerings comprise laser hair removal, cosmetic injectables, skin treatments, body contouring and skincare products.

For further investor-related information, please visit www.silk laser.com.au/investors.

For business information, please visit www.silk laser.com.au, www.australianskinclinics.com.au, and www.thecosmeticclinic.co.nz.