

MARKET RELEASE

SILK Laser on track for \$20M EBITDA, ahead of analyst consensus

Year-to-date Q3 FY22 highlights (vs YTD Q3 FY21):

- Network cash sales up 91% to \$116.6 million, including 7 months of ASC/TCC¹
- Like-for-like cash sales, adjusted for lost trading days due to COVID lockdowns, up 4%
- Injectables category continues to show its resilience and underpin repeat revenue growth, now comprising 45% of network cash sales
- Received 5-star franchise rating on the Australian Franchise Rating Scale, the only franchisor in personal health and beauty to achieve this rating
- Expects to deliver FY22 EBITDA² of at least \$20 million

Adelaide, South Australia: 28 April 2022 – SILK Laser Australia Limited (ASX: SLA), one of Australia and New Zealand's largest specialist non-surgical aesthetics clinic networks, recorded a 91% increase in network cash sales for the 9 months ended 31 March 2022, reflecting the inclusion of ASC/TCC for 7 months and like-for-like cash sales up 4% to \$101.6 million.

Trading through challenging macroeconomic conditions, including Covid-19, record rain events along Australia's east coast, and a national labour shortage, SILK's performance highlights the underlying fundamental strength of the business, including a substantial proportion of revenue coming from Injectable services (45%). The Injectables category generates higher transaction values, higher margins and repeat purchases.

Commenting on the Company's trading performance, SILK Founder and Managing Director Martin Perelman said: "The foundations of the SILK business are strong, especially as we continue to expand our service mix - growing the share of the Injectables category that is especially resilient, even in a tough operating environment."

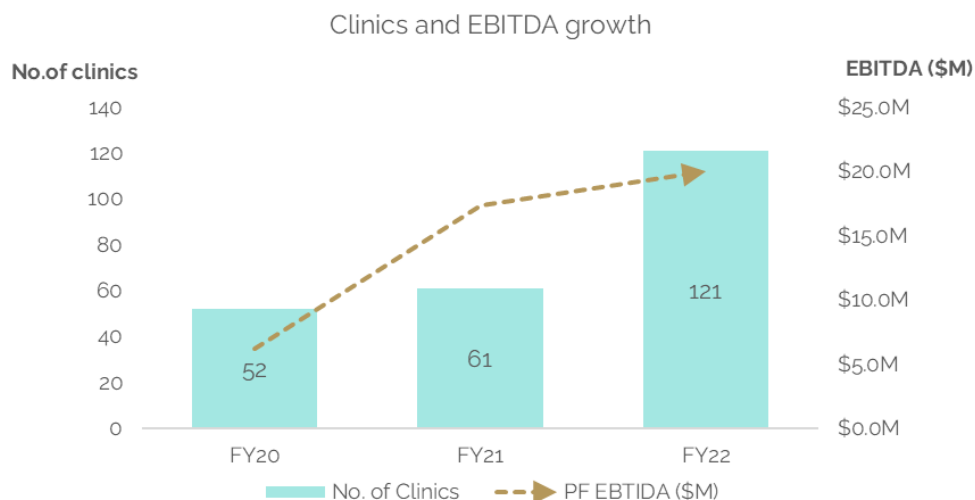
SILK recently scored a 5-star franchise rating on the Australian Franchise Rating Scale³. SILK is the first health and beauty brand to be recognised as a high performing brand. In New Zealand, TCC also recently took out the Best Emerging Business category at the Westpac Auckland awards.

¹ Australian Skin Clinics (ASC) and its New Zealand subsidiary, The Cosmetic Clinic (TCC) were acquired effective 1 September 2021

² EBITDA represents Earnings Before Interest Depreciation and Amortisation, adjusted for business combination expenses and other non-recurring items and is calculated on a post IFRS 16 basis.

³ Ratings are allocated after a fact-based assessment conducted across seven key categories by business intelligence and information advisory firm FRANData

SILK's strong franchise partner network continues to expand. We have opened 3 clinics so far this calendar year, and expect to continue with an opening rate of 6 to 10 new clinics in the next 12 months. Since FY20, the SILK network has grown from 52 clinics generating \$6.2 million of EBITDA, to 121 clinics across Australia and New Zealand that are forecast to deliver FY22 EBITDA of at least \$20 million.



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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. SILK recently scored a 5-star franchise rating on the Australian Franchise Rating Scale. SILK is the first health and beauty brand to be recognised as a high performing brand. For further information, please visit www.silklaser.com.au/investors