

ADOREBEAUTY

GROUP

RESULTS PRESENTATION | H1 FY21



RECORD HALF, EXCEEDED PROSPECTUS FORECAST

H1 FY21 Summary

\$96.2M

REVENUE

+85% ON PCP
+8% ON PROSPECTUS¹

32.5%

GROSS PROFIT MARGIN

+1.4 PPTs ON PCP
+0.5 PPTs ON PROSPECTUS

Market leader⁵

in a large
addressable
market with a
significant
growth
opportunity

Record half
exceeding
prospectus
forecast¹ with
strong active
customer growth

5.4%

EBITDA MARGIN²

+1.9 PPTs. ON PCP
+1.7 PPTs. ON PROSPECTUS

\$25.9M

CASH³

+113% ON PCP

**Online
destination of
choice** for
customers and
brand partners

**Strategic
initiatives**
to drive
sustainable
growth

777k

ACTIVE CUSTOMERS

+82% ON PCP⁴
+7% ON PROSPECTUS

276k

NEW CUSTOMERS

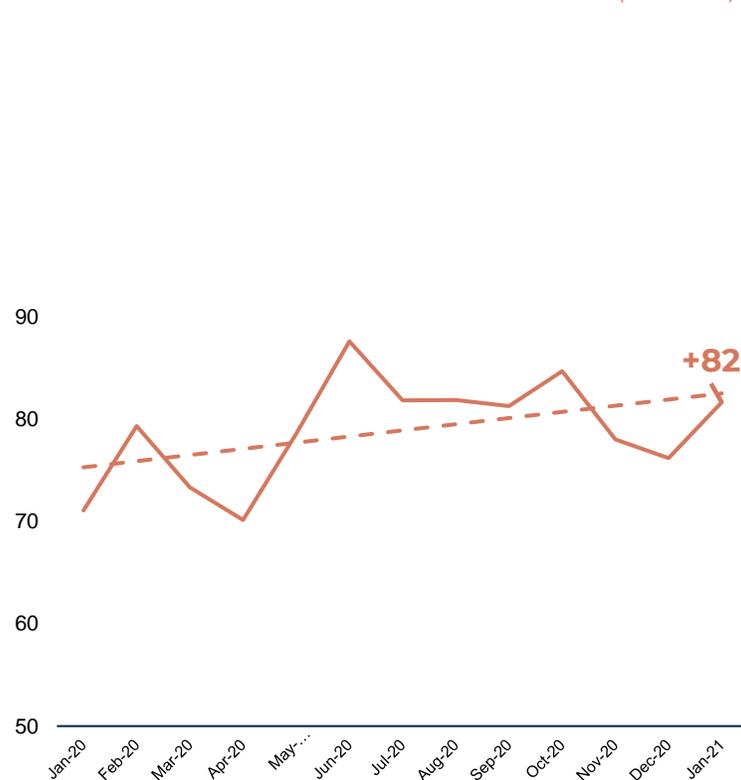
+84% ON PCP
+10% ON PROSPECTUS



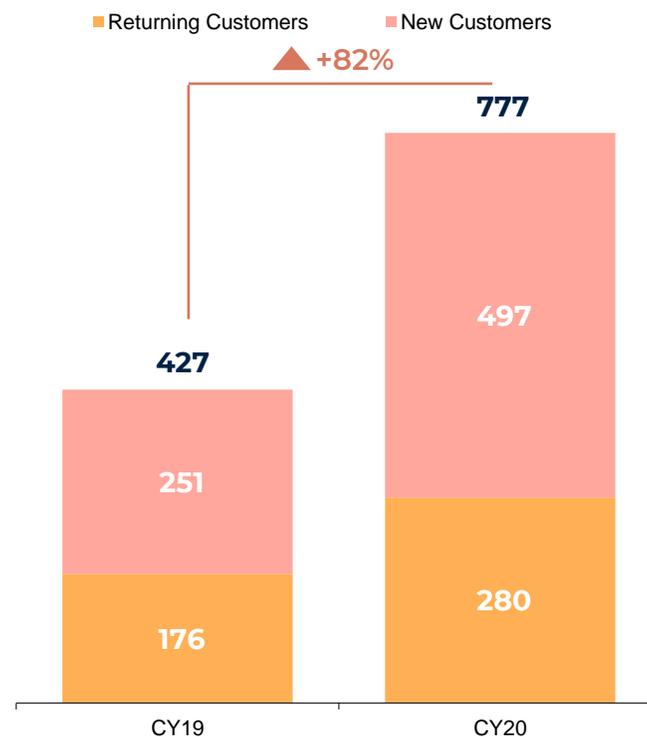
1. Also exceeded trading update revenue forecast of \$95.2M, update issued 1 December 2020.
2. Proforma adjustments are detailed in the appendix.
3. Balance as at December 31, 2020.
4. Active customers refer to customers who have made an order in the last 12 months, comparison of CY20 to CY19.
5. Adore Beauty is the leading pureplay online beauty retailer, based on management estimates based on third party industry reports (2019, 2020), supplier data (2019), website traffic data (2020), and third party and internal customer data (2019, 2020).

DELIVERED STRONG PERFORMANCE IN KEY OPERATIONAL METRICS

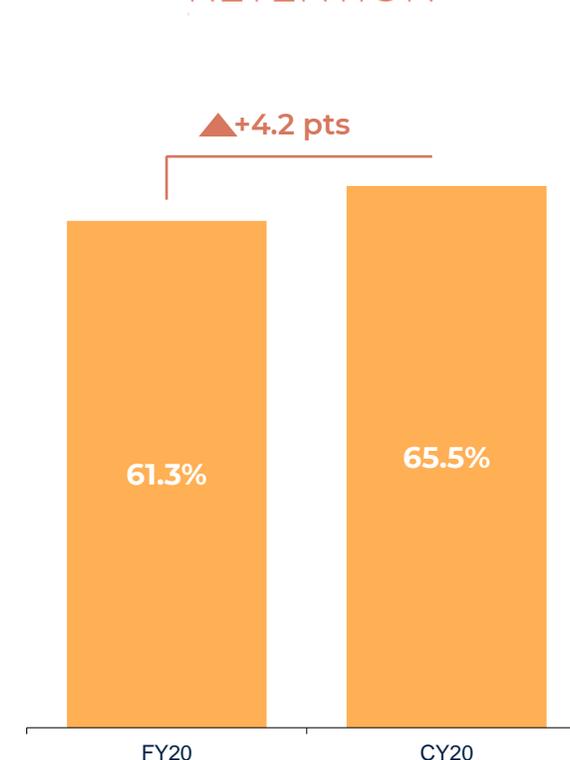
CUSTOMER SATISFACTION (NPS¹)



ACTIVE CUSTOMERS² ('000)

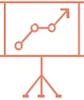


RETENTION³



1. The Net Promoter Score is ascertained by sending an email to customers who have placed two orders or more with Adore Beauty (i.e. not every customer is invited to participate in the Net Promoter Score survey). These customers are asked 'how likely are you to recommend Adore Beauty to friends or family?', based on a scale of 0 to 10. Net promoter scores range from -100 to +100.
 2. Active customers refer to customers who have made an order in the last 12 months.
 3. Aggregated active customer retention rate = (Active Customers as at the end of the relevant financial year – Active Customers acquired during the relevant financial year) divided by Active Customers as at the commencement of the relevant financial year.

DELIVERED CONTINUED STRONG PERFORMANCE IN THE METRICS WE CARE MOST ABOUT

<p>#1 PUREPLAY ONLINE BEAUTY RETAILER IN AUSTRALIA¹</p>	<p> 260+ BRANDS²</p> <p> 10.8k+ PRODUCTS²</p>	<p>2 COUNTRIES CURRENTLY OPERATE IN AUSTRALIA AND NEW ZEALAND</p> 
<p> 4.9/5 GOOGLE RATING BASED ON 24,944 REVIEWS³</p> <p> 82/100 NET PROMOTER SCORE⁴</p>	<p> 777k+ ACTIVE CUSTOMERS⁵</p> <p> 65.5% CUSTOMER RETENTION⁶</p> <p> 46.6m+ WEBSITE SESSIONS⁷</p>	<p> 1.2m ANNUAL ORDERS⁸</p> <p> 1 day SAME DAY 4PM DISPATCH</p>
<p> 185 EMPLOYEES⁹</p> <p> ~100 WAREHOUSE STAFF</p>	<p> c.\$165.3m CY20A REVENUE</p> <p> 58% p.a. REVENUE CAGR FY18-CY20</p>	<p> 4,000 sqm WAREHOUSE</p> <p> 10,800+ ORDERS PACKED IN ONE DAY¹⁰</p>

1. Management estimates based on third party industry reports (2019, 2020), supplier data (2019), website traffic data (2020), and third party and internal customer data (2019, 2020).

2. Adore Beauty website 3 As at 9/2/2021 sourced as per <https://www.google.com/shopping/customerreviews/merchantreviews?q=adorebeauty.com.au> 4. NPS as at 1 Jan 2021; NPS score is driven off an email sent to customers who have placed 2 orders i.e. not every customer is invited to participate in the NPS statistics 5 Active customers refer to customers who have made an order in the last 12 months 6 Aggregated active customer retention rate = (Active Customers as at the end of the relevant financial year – Active Customers acquired during the relevant financial year) divided by Active Customers as at the commencement of the relevant financial year 7. Adore Beauty website for CY20 8. Metric is based on CY20 9. As at Dec-20 includes employees and contractors 10. Cyber weekend day sale (November 2020).

MARKET
OPPORTUNITY



WHO WE ARE



Overview

- Australia's number one pureplay online beauty retailer¹
- Founded in 2000, entered the New Zealand market in 2019 and listed on the ASX in October 2020
- Disrupted the traditional beauty model by transforming the online beauty shopping experience and creating a destination for consumers
- Compelling offering of over 260 brands and 10,800+ products offering a combination of prestige, masstige, professional, hard-to-find cult and niche brands

Premium Brand Portfolio

SKINCARE	aspect dermalogica®	SKINCEUTICALS® SK-II	ALPHAH The Ordinary.
HAIR	ghd good hair day	ELEVEN™ AUSTRALIA KEVIN.MURPHY	AVEDA KÉRASTASE PARIS
MAKE UP	MAC ESTÉE LAUDER	benefit SAN FRANCISCO	GIORGIO ARMANI MAKE UP FOR EVER
WELLNESS / FRAGRANCE	GIORGIO ARMANI 	Welle©™ YVES SAINT LAURENT	

1. Management estimates based on third party industry reports (2019, 2020), supplier data (2019), website traffic data (2020), and third party and internal customer data (2019, 2020).

LARGE, HIGHLY ENGAGED CUSTOMER BASE POWERED BY A STRONG CONTENT AND SOCIAL PLATFORM

CY20 TRAFFIC AND DATABASE HIGHLIGHTS

DIGITAL

46.6m website sessions¹
Launched Mobile App
in November 2020



CONTENT

2.4 million Beauty IQ
content impressions¹
1.4 million total
downloads of
BeautyIQ podcast²



SOCIAL

~7.4M social
media reach³



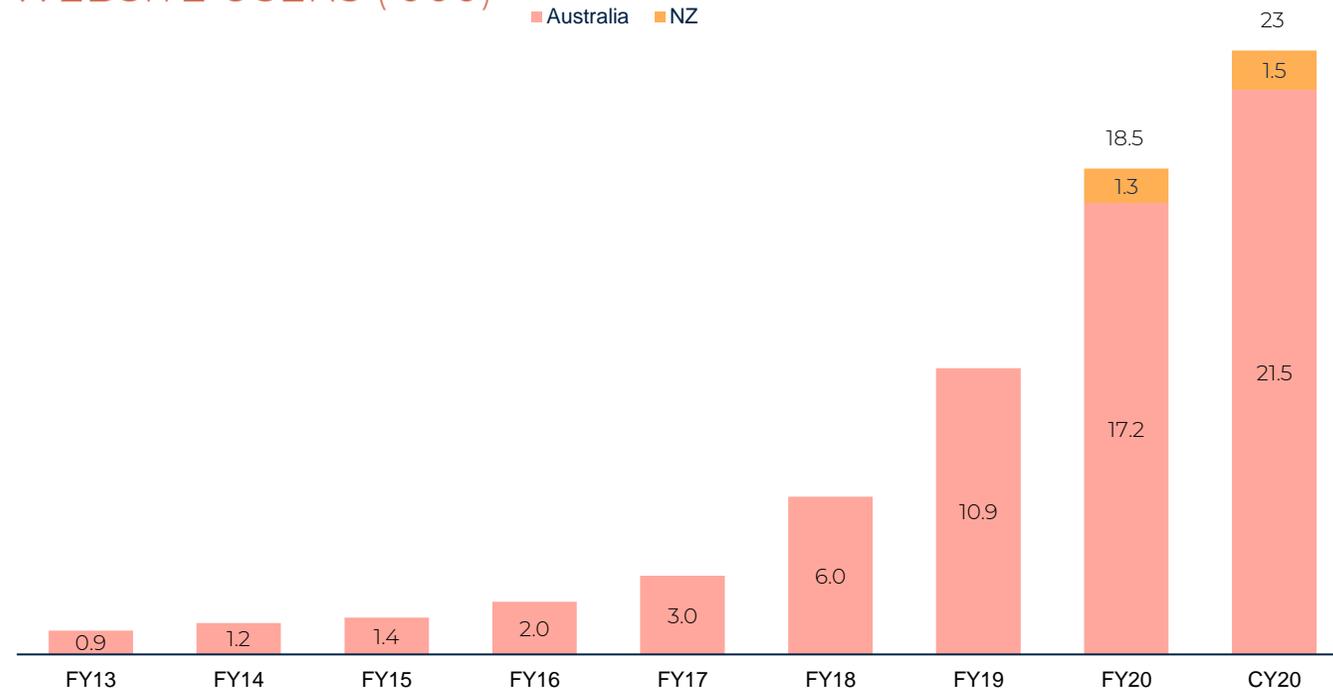
ACTIVE CUSTOMERS

777k Active
customers⁴,
including 497k
new customers in
CY20



WEBSITE USERS ('000)

■ Australia ■ NZ



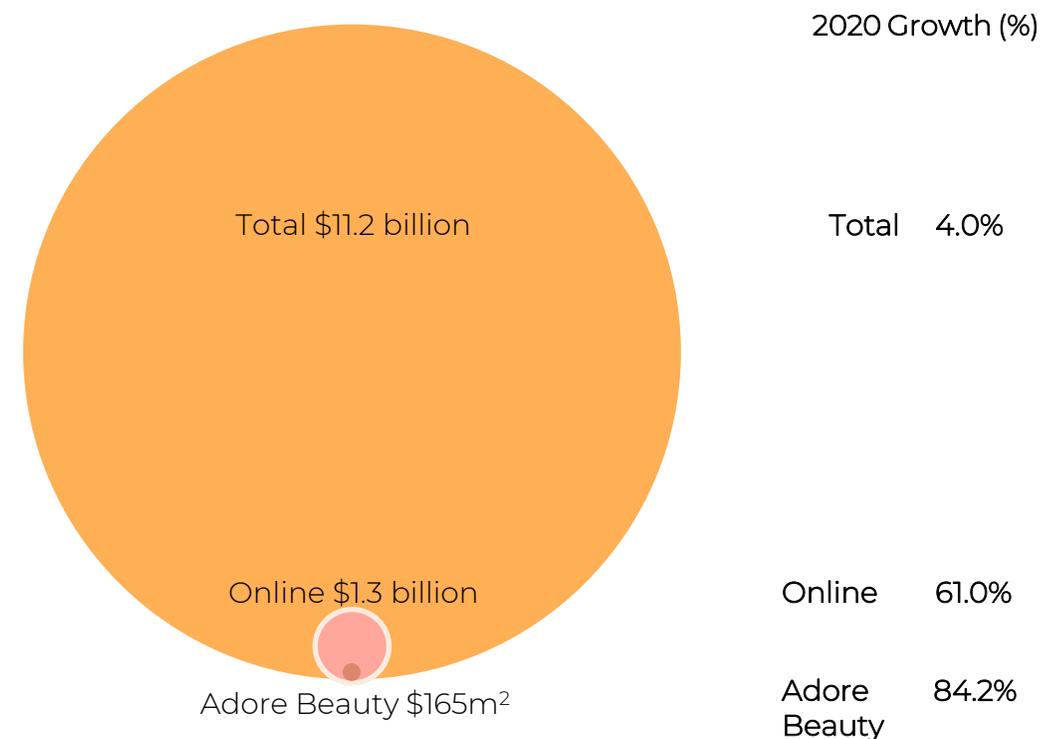
1. Adore Beauty website, CY20.
2. Podcast metrics as at 31 December 2020 from all streaming platforms.
3. Social reach metric for CY20 across paid Facebook channel.
4. Active customers refer to customers who have made an order in the last 12 months, measure for CY20.

LARGE AND GROWING ADDRESSABLE MARKET SUPPORTED BY STRUCTURAL TAILWINDS

Adore Beauty is a market leader in the BPC market in Australia, and has a strong track record of growing faster than the market

- Beauty and personal care (BPC) market in Australia is \$11.2bn, with forecast CAGR of +3.6% to 2024¹
- Online BPC sales account for 11.4% of the total BPC market today, and it is forecast to grow at a +26% CAGR to 2024¹
- There are several structural trends driving strong market growth:
 - Structural shift to online accelerated by COVID-19
 - Entrance of digital-native Millennials and Gen Z into market
 - Increasing importance of online channel to premium beauty brands
 - Global beauty trends including premiumisation (with prestige/premium growing 88% faster than mass)³, and increased focus on skin care⁴

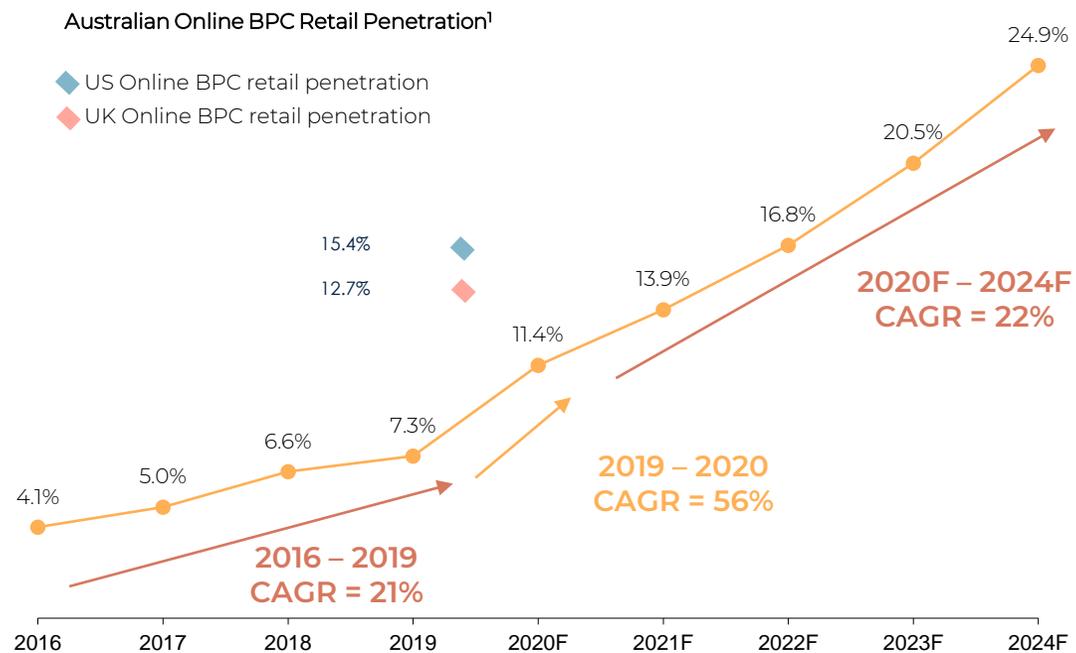
AUSTRALIAN BEAUTY AND PERSONAL CARE MARKET FORECAST 2020¹



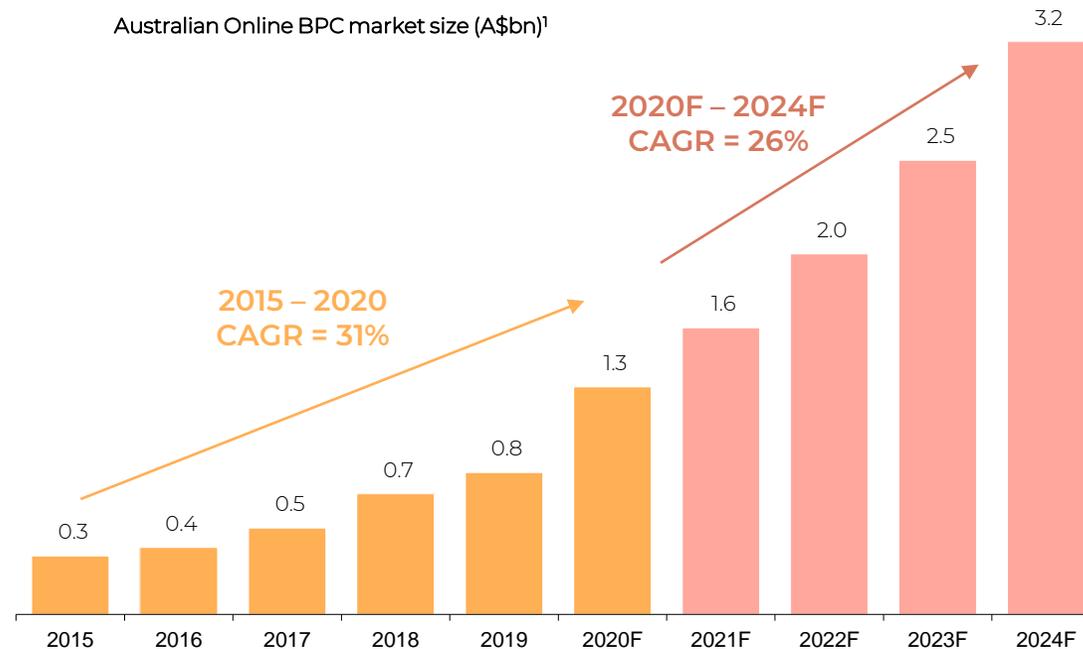
1. Frost & Sullivan - The Online Retail Market (Australia and New Zealand) - September 2020.
 2. Adore Beauty CY2020 Revenue.
 3. Euromonitor International - Beauty and Personal Care in Australia, June 2020.
 4. Skincare products account for 27% of sales as per Frost & Sullivan - The Online Retail Market (Australia and New Zealand) - September 2020.

ACCELERATED STRUCTURAL SHIFT TO ONLINE

COVID-ACCELERATED ONLINE PENETRATION...



DRIVING STRONG ONLINE GROWTH AND A SHIFT AWAY FROM BRICKS & MORTAR



1. Frost & Sullivan - The Online Retail Market (Australia and New Zealand) - September 2020.

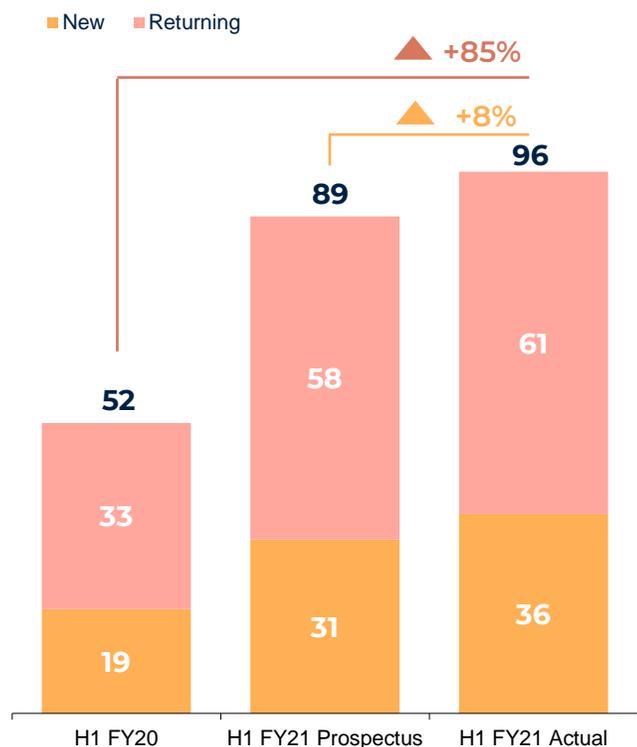
RECORD BY
PERFORMANCE



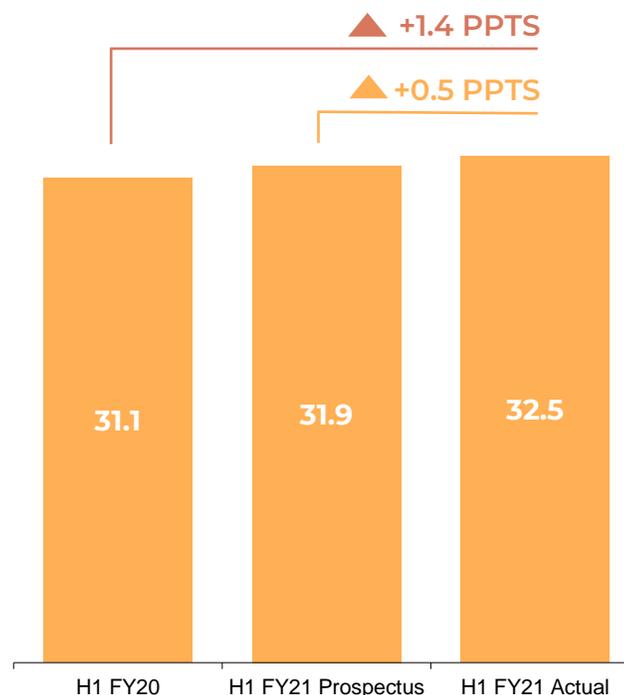
H1 DELIVERED STRONG PERFORMANCE

IN ALL FINANCIAL METRICS, EXCEEDING PROSPECTUS FORECAST

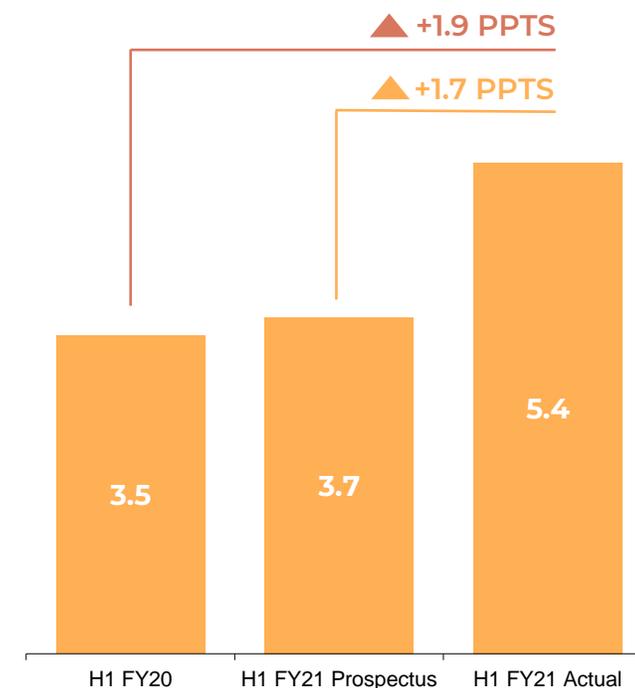
REVENUE¹ (\$A MILLION)



GROSS PROFIT MARGIN (%)



EBITDA MARGIN² (%)



1. Also exceeded trading update revenue forecast of \$95.2M, update issued 1 December 2020.
 2. Proforma adjustments are detailed in the appendix. Trading update issued 1 December 2020 noted anticipated positive impact on EBITDA for H1 FY21F.

INCOME STATEMENT

Adore Beauty delivered record H1 FY21 performance with strong growth exceeding prospectus forecast

A\$M	H1 FY20	H1 FY21
Revenue	52.0	96.2
Cost of sales	(35.8)	(64.9)
Gross Profit	16.2	31.2
<i>Gross Profit Margin</i>	31.1%	32.5%
Employee costs	(4.9)	(8.5)
Marketing and advertising costs	(5.7)	(11.9)
Other costs	(3.7)	(5.6)
EBITDA ²	1.8	5.2
<i>EBITDA Margin</i>	3.5%	5.4%
Depreciation and amortisation	(0.6)	(0.7)
EBIT	1.3	4.5
Interest	(0.1)	(0.1)
Profit/(loss) before tax	1.2	4.4
Income tax expense	(0.4)	(1.3)
Profit/(loss) after tax (NPAT)	0.9	3.1

Record revenue ahead of prospectus forecast

- Revenue of \$96.2m, 8% ahead of prospectus forecast of \$89M¹, up 85% on PCP
- Average order value (AOV) was above PCP at \$101.26 and Average Order Frequency (AOF) was in line with PCP at 2.1

Gross profit margin ahead of prospectus forecast

- Gross profit margin of 32.5%, ahead of prospectus forecast of 31.9%, up 1.4 percentage points on PCP, driven by improved supplier terms and brand funding

Operating costs favourable to prospectus forecast despite investment in brand awareness

- Operating costs as a % of Revenue were in line with PCP
- Marketing as a % of sales 12.4%, favourable to prospectus forecast of 12.8% even with investment in brand awareness
- Operating leverage driven by tight management of fixed costs, even with investment in strategic priorities (Mobile app, Private label, Tech and data and Brand awareness)

Record profitability driven by margin expansion, ahead of prospectus forecast

- EBITDA² of \$5.2m, 58% ahead of prospectus forecast of \$3.3m, up 188% on PCP; increased EBITDA margin from 3.5% in PCP to 5.4%, ahead of prospectus forecast of 3.7%

1. Also exceeded trading update revenue forecast of \$95.2M, update issued 1 December 2020.
2. Proforma adjustments are detailed in the appendix. Trading update issued 1 December 2020 noted anticipated positive impact on EBITDA for H1 FY21F.

BALANCE SHEET

Adore Beauty is built on a debt-free and cash flow positive business model

- Strong balance sheet with a closing balance of \$25.9m and no debt
- Adore's business model is highly capital efficient and continues to operate a cash flow positive business
- Provides a solid platform to continue growing the business and flexibility to pursue identified strategic growth initiatives
- Inventory and credit metrics improved despite record results

A\$M as at	30 June 2020	31 December 2020
Cash and cash equivalents	16.6	25.9
Inventory	14.7	15.5
Other current assets	3.8	4.1
Other assets (non-current)	4.5	8.7
Total assets	39.6	54.2
Trade and other payables	17.2	18.3
Other current liabilities	6.2	2.6
Other liabilities (non-current)	0.8	0.5
Total liabilities	24.2	21.4
Net assets	15.3	32.7

STRONG TRACK RECORD OF GROWTH IN ALL KEY PERFORMANCE INDICATORS

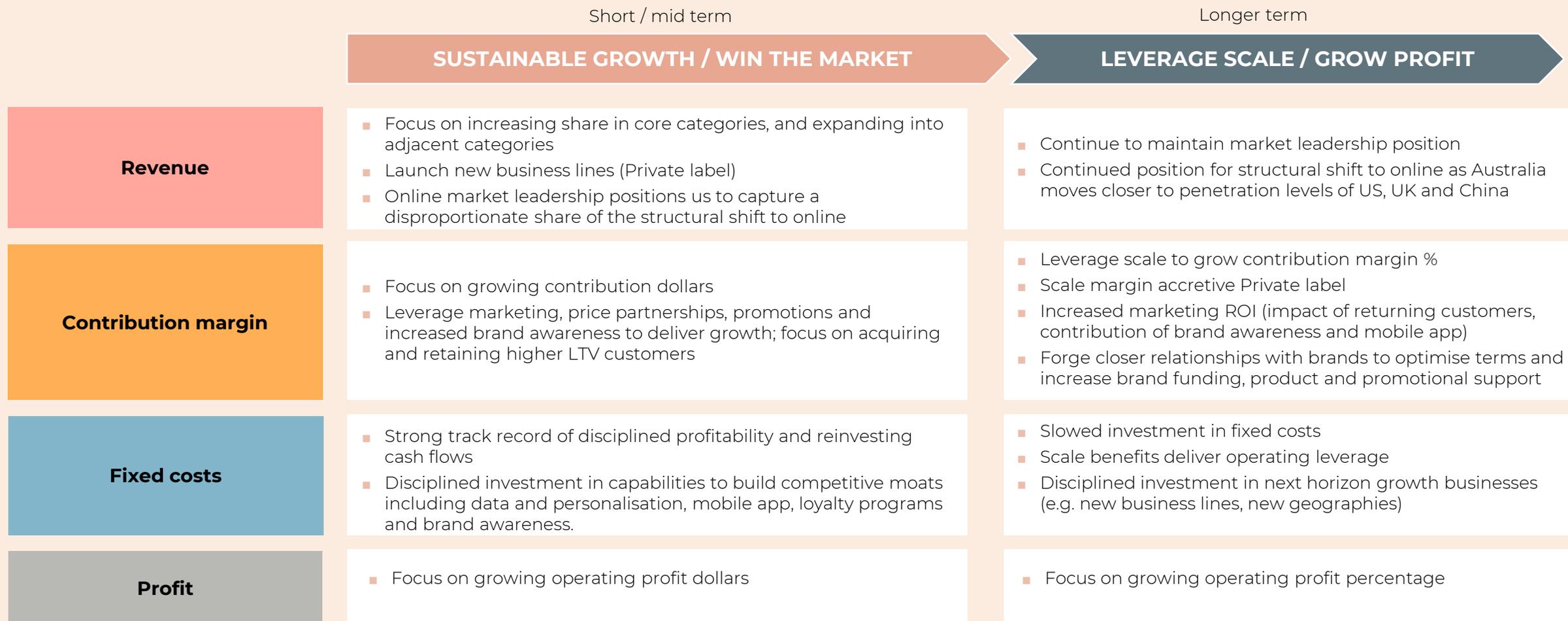
	Pro forma historical					CY20 (Actual)
	FY18	FY19	CY19	FY20		
# new customers ('000)	189	212	251	371		497
# retained customers ('000)	87	146	176	219		280
# total active customers ('000) ¹	276	358	427	590		777
Active customer retention ²	55.6%	53.0%	54.2%	61.3%		65.5%
Average annual order frequency	2.0	2.1	2.1	2.1		2.1
Average order value (\$A)	97.4	97.5	100.1	100.5		101.26
Revenue growth on PCP	n/a	38.6%	40.1%	65.5%		84.2%
Gross margin	30.2%	30.0%	30.7%	31.8%		32.5%

1. Active customers refer to customers who have made an order in the last 12 months.

2. Aggregated active customer retention rate = (Active Customers as at the end of the relevant financial year – Active Customers acquired during the relevant financial year) divided by Active Customers as at the commencement of the relevant financial year.



WE ARE PURSUING A BALANCED GROWTH STRATEGY, WITH OPERATING LEVERAGE TO COME OVER TIME WITH SCALE BENEFITS



ONLINE
DESTINATION
OF CHOICE

ADOREBEAUTY



PROVIDING AN EXCEPTIONAL CUSTOMER EXPERIENCE IS OUR TOP PRIORITY

Relentless focus on customer experience has delivered consistently strong levels of customer satisfaction notwithstanding growing customer volumes and COVID-19 challenges

H1 Achievements

- Business model with owned inventory and customer fulfilment centre enabled responsive management of growth in customer volumes
- Met 4pm delivery promise during peak sales events
- Extended same day delivery cut off to 4pm (industry leading)
- Expanded customer service operating hours
- Launched new courier partner in key lanes to deliver improved service levels with data integration to provide real time order tracking
- Trialed data integration for AI-assisted transactional chat support

H2 Focus Areas

- Pilot expansion of express shipping to additional product categories
- Promoting sustainability within Adore Beauty with the elimination of plastic bubble wrap from orders
- Full launch of data integration for AI-assisted transactional chat support

CUSTOMER SATISFACTION (NPS¹)

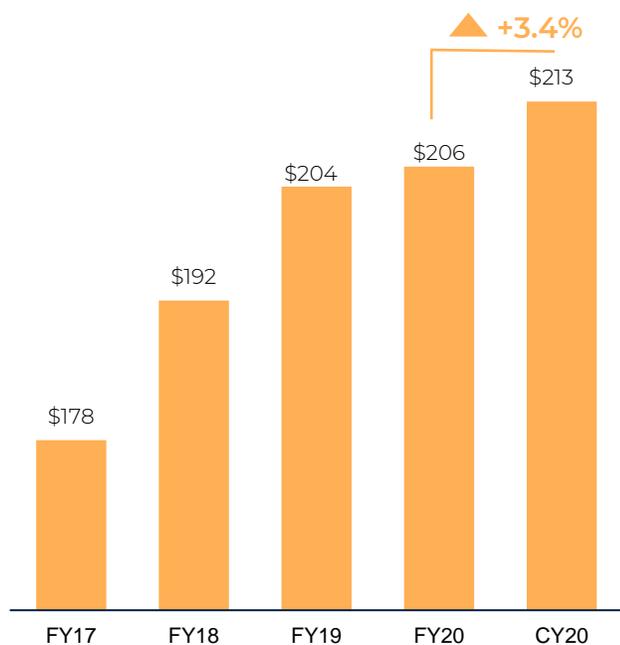
+82



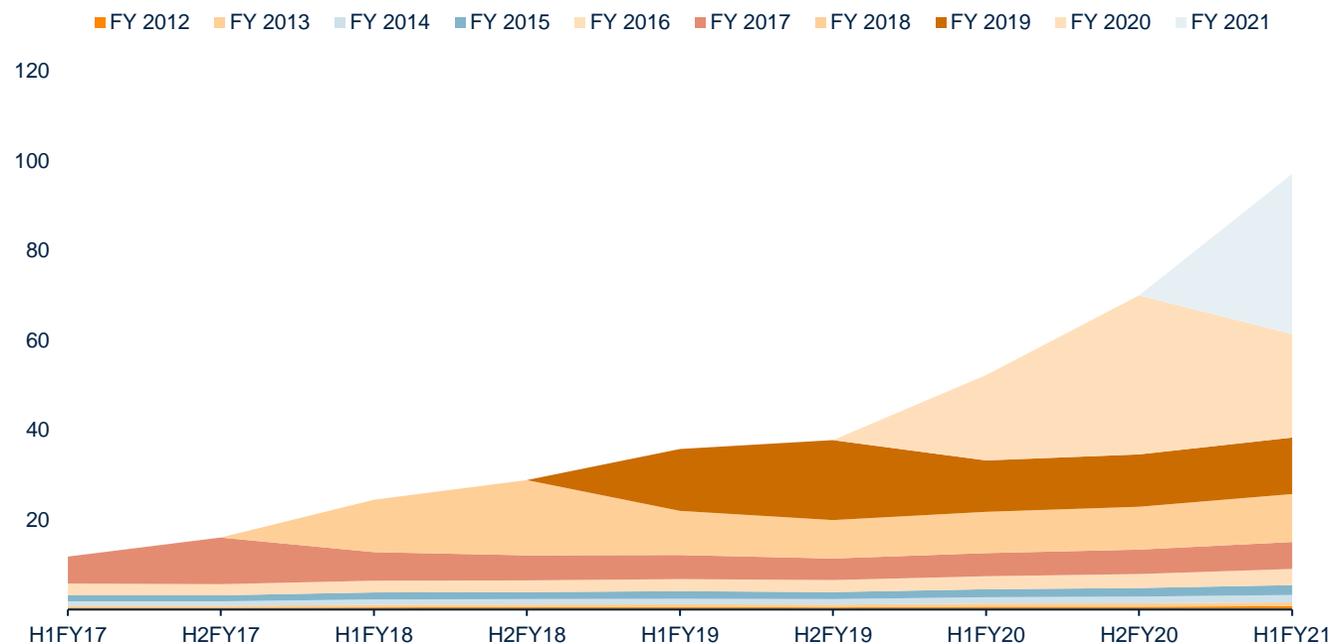
1. The Net Promoter Score is ascertained by sending an email to customers who have placed two orders or more with Adore Beauty (i.e. not every customer is invited to participate in the Net Promoter Score survey). These customers are asked 'how likely are you to recommend Adore Beauty to friends or family?', based on a scale of 0 to 10. Net promoter scores range from -100 to +100.

DELIVERED STRONG GROWTH IN CUSTOMER AND REVENUE METRICS

ANNUAL REVENUE PER ACTIVE CUSTOMER¹



REVENUE CONTRIBUTION BY CUSTOMER COHORT (\$A MILLION)



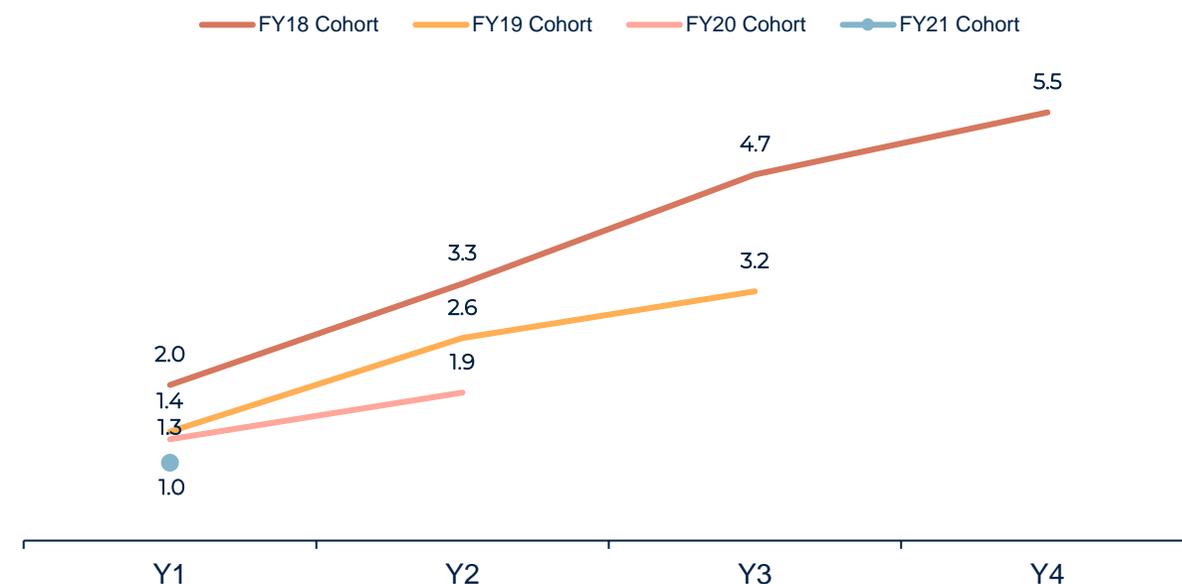
1. Active customers refer to customers who have made an order in the last 12 months. Revenue per active customer = Last 12 months divided by Active Customers.

DATA-DRIVEN INVESTMENT IN CUSTOMER ACQUISITION

Adore Beauty's marketing strategy is to grow market share through increasing brand awareness, driving new customer acquisition, and increasing customer retention and lifetime value

- Marketing and Advertising costs incurred are an investment in our customer acquisition and engagement
- Strong unit economics - for the FY18-21 cohorts, the average CAC for each cohort is recovered within one year of acquiring the customer and LTV/CAC continues to grow over time
- Based on the success of the June pilot, the TV campaign was expanded this half to further drive brand awareness
- Marketing as a % of sales of 12.4%, favourable to prospectus forecast of 12.8% even with increased investment in brand awareness (TV campaign). As the business continues to scale, marketing as a % of sales is expected to reduce
- We will continue to invest in a disciplined, data-driven way to acquire new customers given we believe these cohorts will deliver similar accretive benefits and LTV growth

LTV / CAC¹ - RETURN ON CUSTOMER ACQUISITION COSTS



1. LTV (Lifetime Value) is calculated as the cumulative contribution margin (where contribution margin is gross profit margin less bank and merchant fees) generated from the relevant customer cohort, net of customer churn for that cohort. CAC (Customer Acquisition Cost) represents the total advertising expense (this is a fully loaded advertising cost, including cost related to acquiring new and retargeting returning customers, and also includes ATL spend) over a period of time per new customer acquired during that period. LTV/CAC ratio as at 31 December 2020 – full year result will reflect full impact of returning customers.

STRATEGIC INITIATIVES AND OUTLOOK



STRONG PROGRESS ON OUR LONG-TERM GROWTH STRATEGY

We are executing on a clear strategy based on sustainably growing market share from a position of strength through driving brand awareness, new customer acquisition and returning customer retention

KEY INITIATIVE

PROGRESS SINCE IPO

EXISTING BUSINESS



Grow brand awareness

Aim to reach the millions that haven't yet heard of us and build trust and connection to drive traffic and conversion; increase brand awareness to +80%

▶ Expanded national ATL campaign, increased brand awareness by 33% to 52%



Leverage data

Grow conversion, engagement and LTV through increased leveraging Adore Beauty's deep customer data set

▶ Built out data capability, launched delivery tracking capabilities



Launch app

Build content-first mobile app to expand use of machine learning to combine technology and personalisation through data

▶ Adore Beauty Mobile App soft launched in Nov 2020, on track for hard launch H2 FY21

Loyalty

Create the most rewarding loyalty program in ANZ by enriching the customer experience

▶ On track to launch loyalty program in H2 FY21

NEW BUSINESS



Adjacencies

Target related verticals that we believe our customers will respond to, and that stay true to our brand voice

▶ Launched 33 new brands, including building out 10 brands in Fragrance category



Private label

Leverage customer knowledge, data and experience to tailor brands and products for identified gaps in the target market and increase financial margins

▶ Pilot test in Dec 2020 of Adore Beauty branded accessories, on track to launch first Private Label products H1 FY22

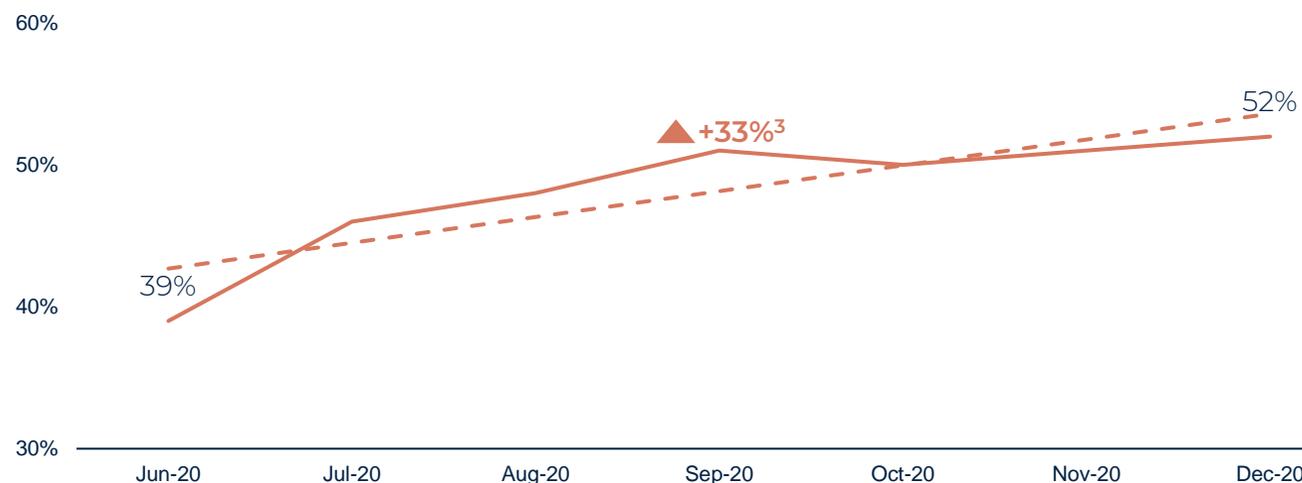
H1 FY21 STRATEGIC INITIATIVES – BRAND AWARENESS CAMPAIGN

Extension of TV campaign coupled with strong performance in key social channels increased brand awareness by 33% to 52%

H1 FY21 MARKETING HIGHLIGHTS

<p>DIGITAL</p> <p>WEBSITE MOBILE APP EMAIL</p> <p>LAUNCHED NOVEMBER 2020</p>	<p>CONTENT</p> <p>LIVE CHAT & SERVICE PODCAST BEAUTY BLOG</p> <p>~930k H1 FY21 DOWNLOADS¹ +84%</p>
<p>SOCIAL</p> <p>INSTAGRAM 4.9M+ YOUTUBE VIEWS² FACEBOOK</p>	<p>OFFLINE</p> <p>EVENTS & PARTNERSHIP TVC LOYALTY</p> <p>EXTENDED TV CAMPAIGN IN NOVEMBER 2020</p>

BRAND AWARENESS



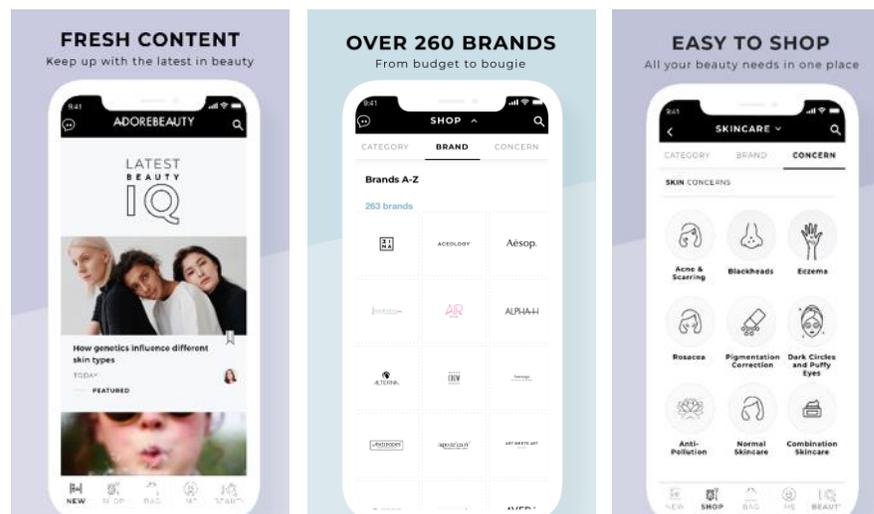
1. Podcast metrics as at 31 December 2020 from all streaming platforms.
 2. Measurement comparison from May 2020 to December 2020.
 3. June 20 to Dec 20 growth. Aided brand awareness is measured via a panel of randomly selected consumers across Australia (n=1500) surveyed monthly.

H1 FY21 STRATEGIC INITIATIVES – MOBILE APP LAUNCH

Continue to leverage data to innovate the digital shopping experience - successfully launched the first phase of the Adore Beauty Mobile App

LAUNCH AND DEVELOPMENT

- Soft launched in November 2020, the Mobile App is expected to be an important future growth driver for the business
- Based on customer feedback we continue to optimise and evolve our App, full launch in H2 FY21
- Longer term, our integration with Google Firebase enables us to expand our use of machine learning including improved personalisation and targeting



KEY FEATURES

- Mobile App was built in content-first way to engage, retain and grow customer LTV
- Launched Native Mobile App (both iOS and Android), provides access to a full suite of online payment methods including buy-now-pay-later
- Customers can shop our articles, guides and routines including adding entire routines to cart
- BeautyWise™ AI technology provides a truly unique personalised shopping experience and captures customers' interests and preferences
- Acts as an owned marketing channel to distribute our content

H1 FY21 STRATEGIC INITIATIVES – PRIVATE LABEL DEVELOPMENT



- In December 2020 we launched a pilot project featuring six Adore Beauty branded products including cosmetic bags and facial rollers / gua sha
- We are leveraging a combination of joint venture and agencies to progress the projects at speed, as we build out our internal capabilities
- We are on track to launch the first two exciting Private label offerings:
 - Project V is a skin care line expected to be launched in Q2 FY22
 - Project X is a hair care line expected to be launched in Q3 FY22



TRUSTED PARTNERSHIPS WITH BRANDS UNDERPIN OUR STRATEGY

H1 FY21 BRAND PARTNER HIGHLIGHTS

Build out range authority

- Expanded diverse brand portfolio - onboarded 33 new brands, including Nak haircare, Trophy Skin and Grown Alchemist
- Built out adjacent Fragrance category which grew to 3.3% of sales, compared to 2.5% in PCP
- Extended brand exclusivity - 55 brands under full or channel exclusivity and/or restrained operation

Increasing importance of online channel for brand partners

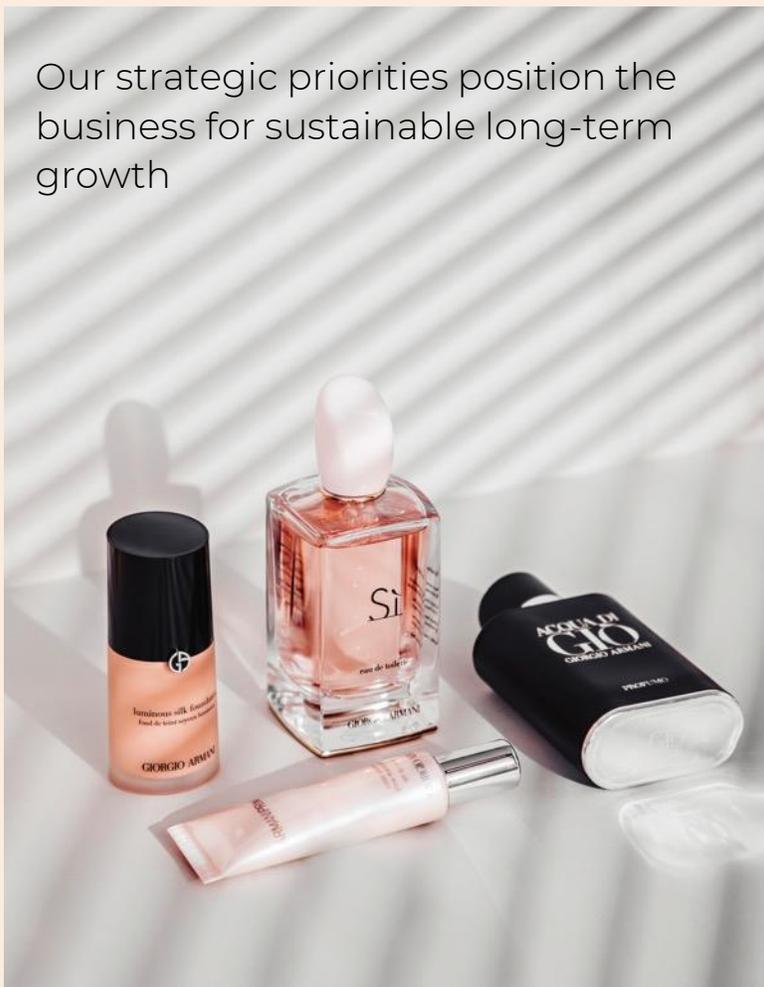
- Online channel is increasing in strategic importance to our brand partners, and brands are increasingly partnering with us to grow through increased co-marketing support and exclusive products (including promotional support)

Deepen strategic partnerships with brands

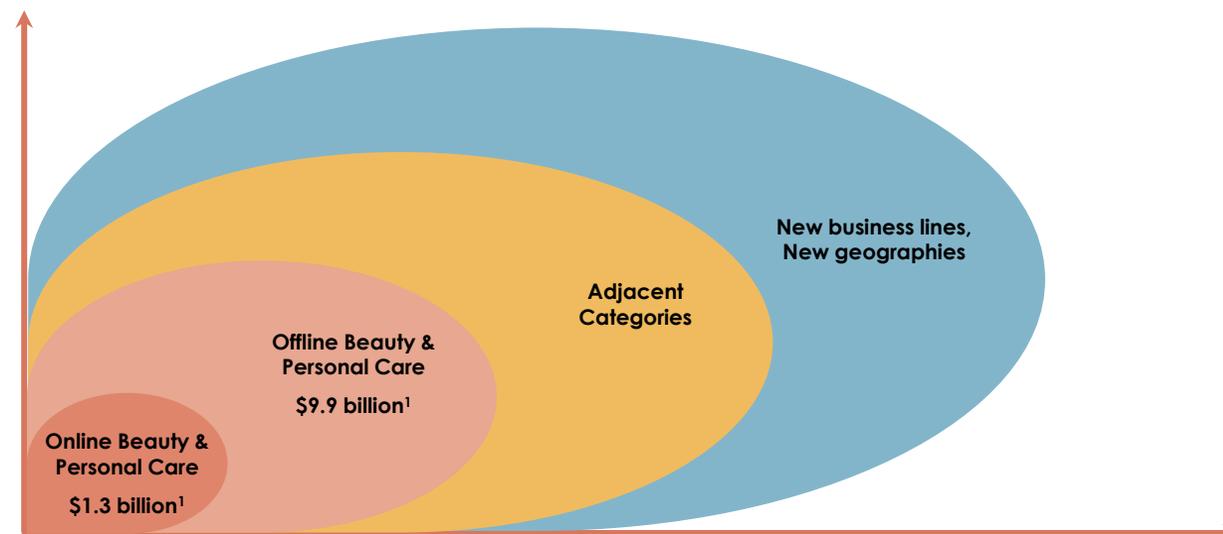
- Unique in the beauty category as a data-enriched integrated digital media, content, marketing and e-commerce platform
- Scale benefits allowing us to forge closer relationships with suppliers for optimised terms
- Leveraging data to provide customer insights - commenced pilot of data insights dashboard

SETTING UP THE BUSINESS FOR FUTURE GROWTH

Our strategic priorities position the business for sustainable long-term growth



SIZE OF MARKET OPPORTUNITY



HORIZON 1

Maintain market leadership and grow share

HORIZON 2

Grow brand awareness, position for continued transition to online as Australia approaches US, UK penetration levels

HORIZON 3

Scale current adjacencies (Fragrance, Wellness, Sex)
Add further adjacencies

HORIZON 4

Launch Private label
Scale NZ market

H2 FY21 Strategic Priorities

1. 2020 forecast market size, Frost & Sullivan - The Online Retail Market (Australia and New Zealand) - September 2020

TRADING UPDATE AND OUTLOOK

- Adore Beauty experienced record levels of growth in the first half of FY21. As COVID-19 related restrictions ease we expect to deliver full year FY21 revenue growth above pre-COVID levels given the continued structural shift to online and strong retention of new customers acquired over the peak COVID period.
- We are executing a clear strategy to cement our online market leadership position, and we are well positioned to capture market share in a large and growing market benefitting from structural tailwinds.
- As the business grows, we expect scale benefits to increase operating leverage and deliver further EBITDA margin expansion.



ADORE BEAUTY IS AUSTRALIA'S #1 PUREPLAY ONLINE BEAUTY RETAILER WITH A SIGNIFICANT GROWTH OPPORTUNITY SUPPORTED BY STRUCTURAL TAILWINDS

Market leader¹

in a large, addressable market with significant growth opportunity

- Adore Beauty's online market leadership¹ positions us to capture market share in a large and growing market benefitting from structural tailwinds

Record half exceeding prospectus forecast with strong active customer growth

- Revenue ahead of prospectus forecast and pcp
- Multiple record trading days including Afterpay Day (Aug) and Cyber Weekend (Nov), promotions were 100% brand funded
- Increased Active customers
- Increased Gross profit margin
- EBITDA ahead of prospectus forecast and pcp; increased EBITDA margin

Online destination of choice for customers and brand partners

- Delivered consistently strong customer satisfaction levels
- Increased co-marketing support, access to exclusive products and promotions with brand partners

Strategic initiatives to drive sustainable growth

- Increased brand awareness
- Launched Mobile App (Nov 2020)
- Piloted Private Label branded accessories offering (Dec 2020)
- Onboarded 33 new brands including scaling fragrance

QUESTIONS



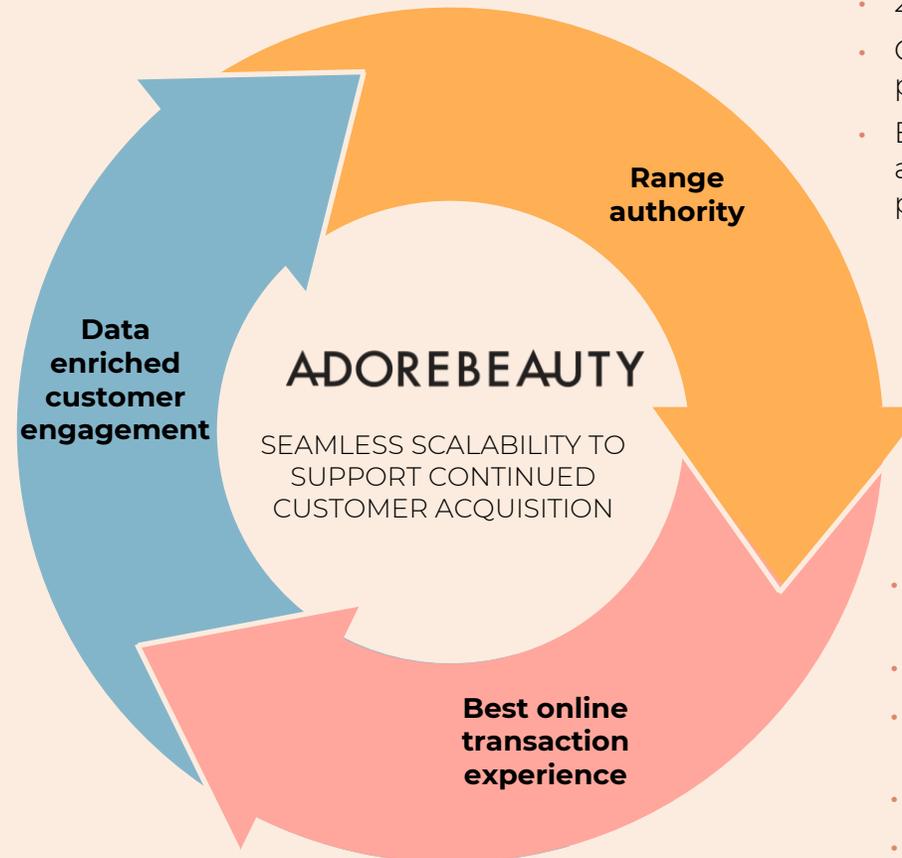
APPENDICES



MARKET LEADERSHIP IN ONLINE BEAUTY

Adore Beauty has a unique customer value proposition

- Integrated content, marketing and eCommerce retail platform
- Customer-led engagement (Beauty IQ, rich content etc.)
- Education to support decision-making
- Satisfied, loyal, repeat customers
- Increasing basket size and high repeat purchase



- 260+ brands and 10.8k+ products (incl. exclusives)
- Compelling range in Australia and New Zealand: premium, salon and niche
- Beauty destination: Able to provide brands with access to a large, engaged customer base and strong marketing platform

- Instant gratification through live expert chat, seamless experience and fast delivery
- AI led personalisation and recommendations
- Free delivery, free express (over \$50), 90 day returns
- Fast dispatch times and 99.9%¹ pick accuracy
- Value-adds, promotions, samples and benefits, free Tim Tam with every order

1. Based on proportion of returns for pick and pack errors (being 0.01% of orders).

PROFORMA ADJUSTMENTS TO STATUTORY INCOME STATEMENT

A\$M	Statutory Actual		Pro-forma Actual	
	1HFY20	1HFY21F	1HFY20	1HFY21F
Revenue	52.0	96.2	52.0	96.2
Cost of Sales	(35.8)	(64.9)	(35.8)	(64.9)
Gross Profit	16.2	31.2	16.2	31.2
<i>Gross Profit Margin</i>			31.1%	32.5%
Employee costs	(5.1)	(9.2)	(4.9)	(8.5)
Marketing and advertising costs	(5.7)	(11.9)	(5.7)	(11.9)
Other costs	(6.7)	(10.9)	(3.7)	(5.6)
EBITDA	(1.4)	(0.8)	1.8	5.2
Depreciation and amortization	(0.6)	(0.7)	(0.6)	(0.7)
EBIT	(1.9)	(1.5)	1.3	4.5
Interest	(0.1)	(0.1)	(0.1)	(0.1)
Profit/(loss) before tax	(2.0)	(1.5)	1.2	4.4
Income tax benefit/(expense) ¹	(1.2)	4.1	(0.4)	(1.3)
Profit/(loss) after tax (NPAT)	(3.2)	2.5	0.9	3.1

A\$M	1HFY20	1HFY21F
Statutory NPAT	(3.2)	2.5
IPO and listing costs ²	-	5.2
One-off transaction costs ³	3.7	0.7
Capitalised development costs ⁴	0.2	-
Public company costs ⁵	(0.6)	-
Total proforma adjustments	3.2	5.9
Proforma tax effective rate applied to proforma PBT ⁵	0.8	(5.4)
Net Profit loss/after tax	0.9	3.1



1. This adjustment represents the impact of tax adjustments raised in respect of the accounting pro forma adjustments, and includes adjustments made to reverse the one-off impact of the creation of a tax consolidated group in Adore Beauty
2. IPO and listing costs reflects costs in relation to the Offer that are expensed in accordance with AAS.
3. This adjustment reflects the removal of specific one-off transaction costs incurred in the historical periods, arising in relation to the acquisition by Tate BidCo of share in Adore Opco during the FY20 financial year. The adjustment in 1H FY21 relates to the expensing loan share arrangements entered into with qualifying managers arising in shares in Adore Opco by Tate Bidco with the only vesting condition being the achievement of a liquidity event.
4. This adjustment reflects the impact of the capitalisation of IT development costs in respect of specifically identified employees in historical periods and is adjust in order to align with accounting treatment that has been applied in respect of these same cost from 1H FY21
5. This adjustment reflects the incremental costs associated with being a publicly listed company and includes Board and governance costs, incremental audit, tax, legal and compliance related costs, and ASX listing fees assuming these costs were incurred over the historical periods presented

DISCLAIMER

This presentation has been prepared by Adore Beauty Group Limited ACN 636 138 988 (Company). This presentation contains summary information about the Company and its subsidiaries (Group) and the business conducted by the Group as at 23 February 2021. The information in this presentation is general information and in summary form and does not purport to be complete or comprehensive. This presentation should be read in conjunction with the Company's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange.

This presentation is not and should not be considered, and does not contain or purport to contain, an offer, invitation, solicitation or recommendation with respect to the purchase or sale of any securities in the Company (Securities) nor does it constitute financial product or investment advice (nor taxation or legal advice) nor take into account your investment objectives, taxation situation, financial situation or needs. This presentation does not constitute an advertisement for an offer or proposed offer of Securities. Neither this presentation nor anything contained in it shall form the basis of any contract or commitment and it is not intended to induce or solicit any person to engage in, or refrain from engaging in, any transaction nor is it intended to be used as the basis for making an investment decision.

The material contained in this presentation may include information, data, estimates and projections derived from publicly available sources or other third party sources that have not been independently verified by the Company. No representation or warranty is made as to the accuracy, completeness or reliability of the information. Estimates and projections involve risks and uncertainties and are subject to change based on various factors.

To the fullest extent permitted by law, no representation or warranty (expressed or implied) is given or made by any person (including the Company) in relation to the accuracy or completeness of all or any part of this presentation and no responsibility for any loss arising in any way (including by negligence) from anyone acting or refraining from acting as a result of the material contained in this presentation is accepted by the Company.

An investor must not act on the basis of any matter contained in this presentation but must make its own assessment of the Group and conduct its own investigation and analysis. The information in this presentation is subject to change without notice. The Company has no obligation to update or correct this presentation, except as required by law.

A number of figures, amounts, percentages, estimates and calculations of value in this presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this presentation.

All dollar values are in Australian dollars (A\$), unless otherwise stated.

The operating and historical financial information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of the Company's views on the Group's future performance or condition. You should note that past performance of the Group cannot be relied upon as an indicator of (and provides no guidance as to) future Group performance.

This presentation may contain forward-looking statements with respect to the operations and businesses of the Company. The assumptions underlying these forward-looking statements involve circumstances and events that have not yet taken place, and which are subject to uncertainty and contingencies outside the Company's control. Readers are cautioned not to place undue reliance on any forward-looking statements. The Company does not undertake any obligation to publicly release the result of any revisions to forward-looking statements in this presentation or to otherwise update forward-looking statements, whether as a result of new information, future events, or otherwise, after the date of this presentation, except as required by law.

ADOREBEAUTY

AUSTRALIA'S ONLINE BEAUTY STORE

ADOREBEAUTY.COM.AU