

# ADOREBEAUTY GROUP

RESULTS PRESENTATION | H1 FY22

15 February 2022



# DELIVERING STRONG REVENUE GROWTH

## RECORD REVENUE DRIVEN BY VALUABLE RETURNING CUSTOMERS

**\$113.1M**

**REVENUE**  
+18% ON PCP  
+47% 2-YEAR CAGR

**33.1%**

**GROSS PROFIT MARGIN**  
+0.6 PPTs ON PCP

**Market leader<sup>5</sup>**  
in fast-growing  
\$1.3b online  
beauty &  
personal care  
category

**Strong start to  
FY22** with multiple  
record trading  
days & strong AOV  
growth



**\$3.8M**

**EBITDA<sup>1</sup>**  
-27% ON PCP  
+44% 2-YEAR CAGR

**\$25.1M**

**CASH<sup>2</sup>**  
-14% ON PCP

**Online destination  
of choice** for  
brand partners  
and loyal  
returning  
customers who  
increase in value  
each year

**Re-investing in  
strategic  
initiatives** to drive  
sustainable, long-  
term growth

**876k**

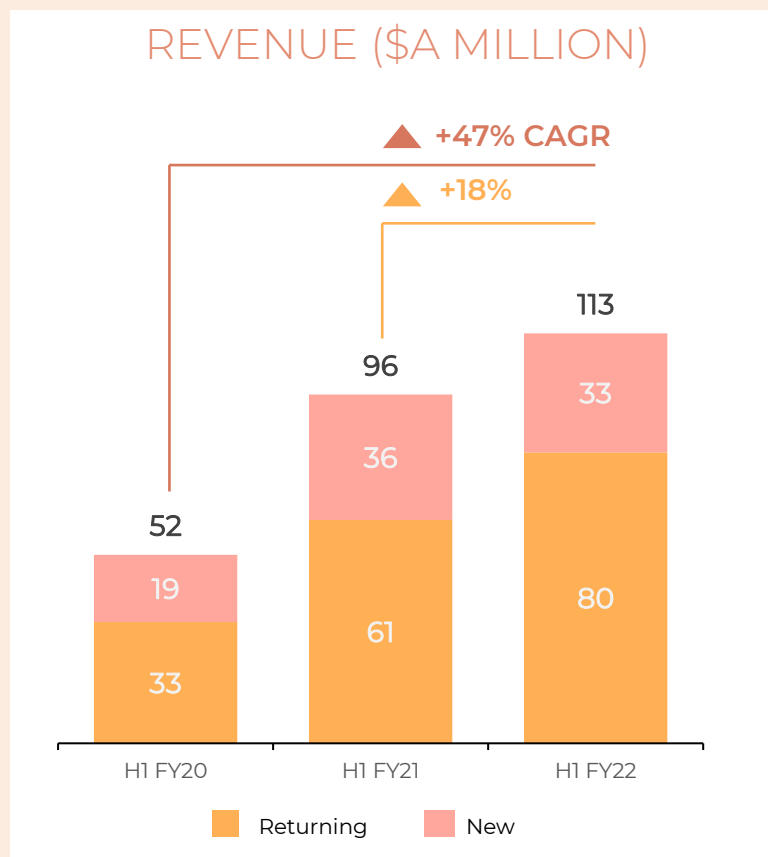
**ACTIVE CUSTOMERS<sup>3</sup>**  
+13% ON PCP  
+43% 2-YEAR CAGR

**+56%**  
**RETURNING CUSTOMERS<sup>4</sup>**

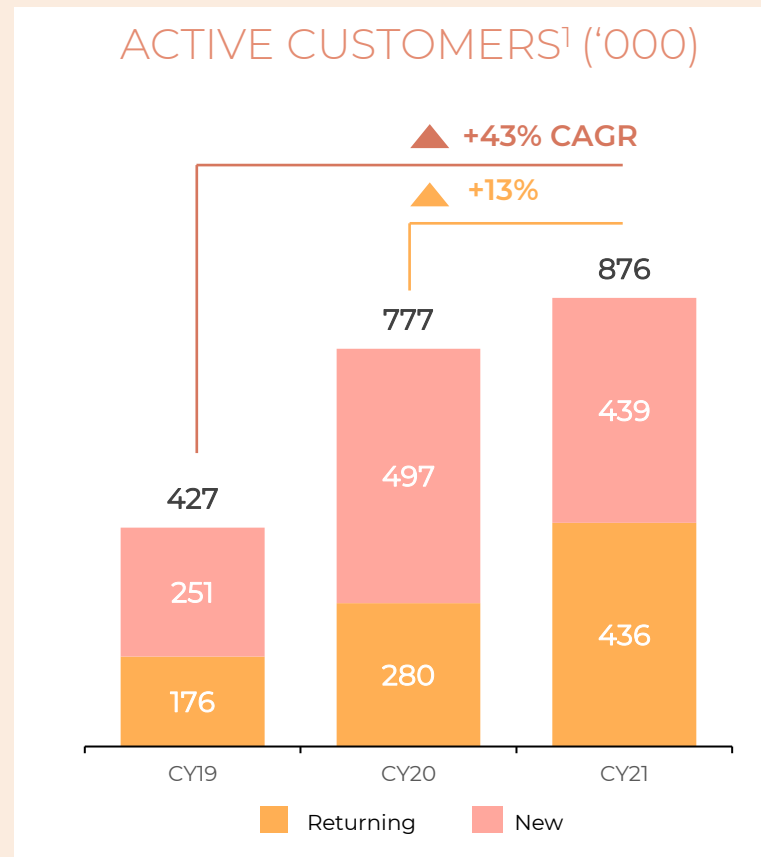
1. Historical proforma adjustments are detailed in the appendix. EBITDA margin in line with guidance provided in FY21 results media release on 30<sup>th</sup> August 2021 "Adore Beauty expects to maintain a 2-4% EBITDA margin in the short to medium term while reinvesting to drive above market growth".
2. Balance as 31 December 2021 compared to 30 June 2021.
3. Active customers refer to customers who have ordered in the last 12 months; comparison of CY21 to CY20.
4. Returning customers are customers who have previously placed an order on the Adore Beauty website; comparison of CY21 to CY20.
5. Adore Beauty is the leading pureplay online beauty retailer in Australia, based on management estimates.

# MORE RETURNING CUSTOMERS, SPENDING MORE

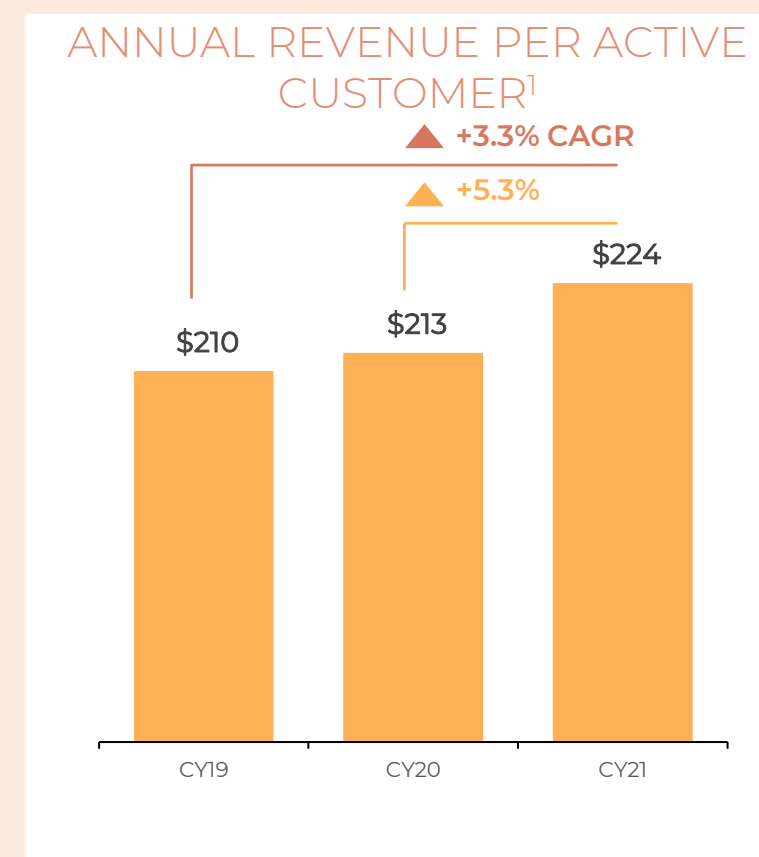
## EXPANDING SHARE OF WALLET



Returning customers driving strong revenue growth, accounting for 71% of revenues (up from 64% in H1 FY21)



Sustainably growing active customer base, driven by 56% growth in returning customers, who become increasingly valuable over time



Higher annual revenue per active customer reflecting larger proportion of returning customers and strong Average Order Value (AOV) growth

1. Active customers refer to customers who have ordered in the last 12 months, comparison of CY21 to CY20.

# SUBSCRIPTION-LIKE RETENTION RATES AFTER YEAR 2

## CREATING MORE LOYAL RETURNING CUSTOMERS

- COVID lockdowns accelerated new customer acquisition and returning customer repurchase
- Transition out of lockdown seeing return to more sustainable growth rates off elevated base
- Returning customer growth of 56% on PCP (2-year CAGR of 58%), offset 12% decline in new customers
- CY21 aggregated retention<sup>1</sup> of 56.2%, down 9.3ppts on PCP and up 2ppts on CY19, reflects cycling of larger proportion of new customers acquired during COVID
- Strategic initiatives to reduce year-one churn and improve retention, including Mobile App and Loyalty

### SUPERIOR LOYALTY METRICS OVER TIME<sup>2</sup>

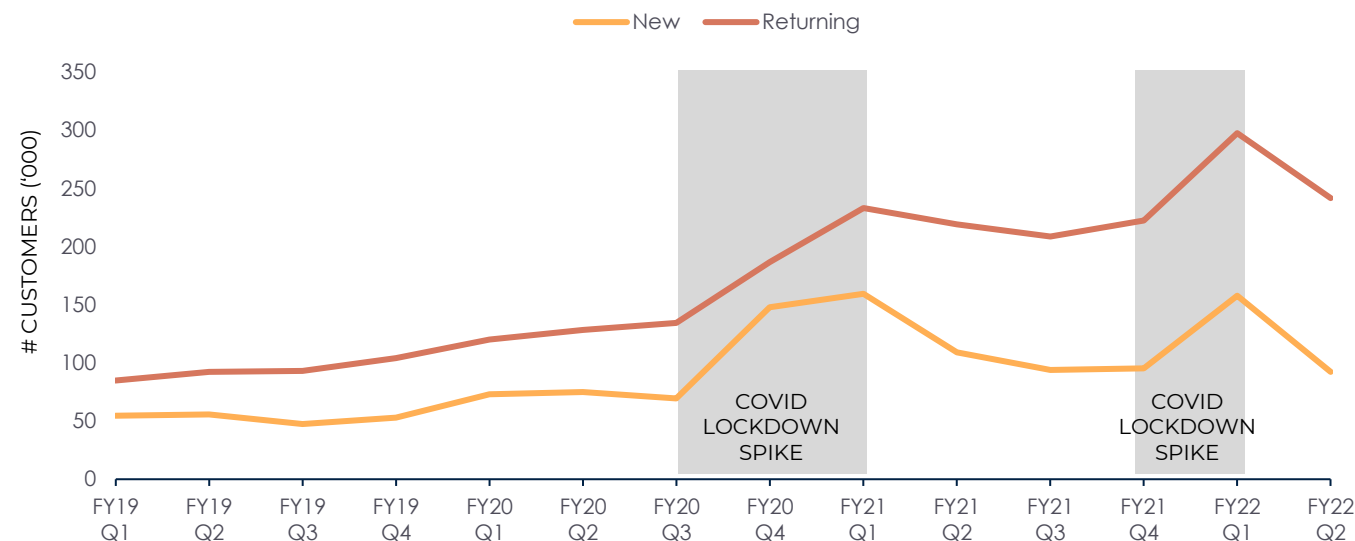
**71%**

of revenue from returning customers who order from us on average



1. Aggregated active customer retention rate = (Active Customers as at the end of the relevant year – Active Customers acquired during the relevant year) divided by Active Customers as at the commencement of the relevant year.  
2. Returning customer period of H1 FY22; Average order frequency period of CY18-CY21.

### NUMBER OF CUSTOMERS

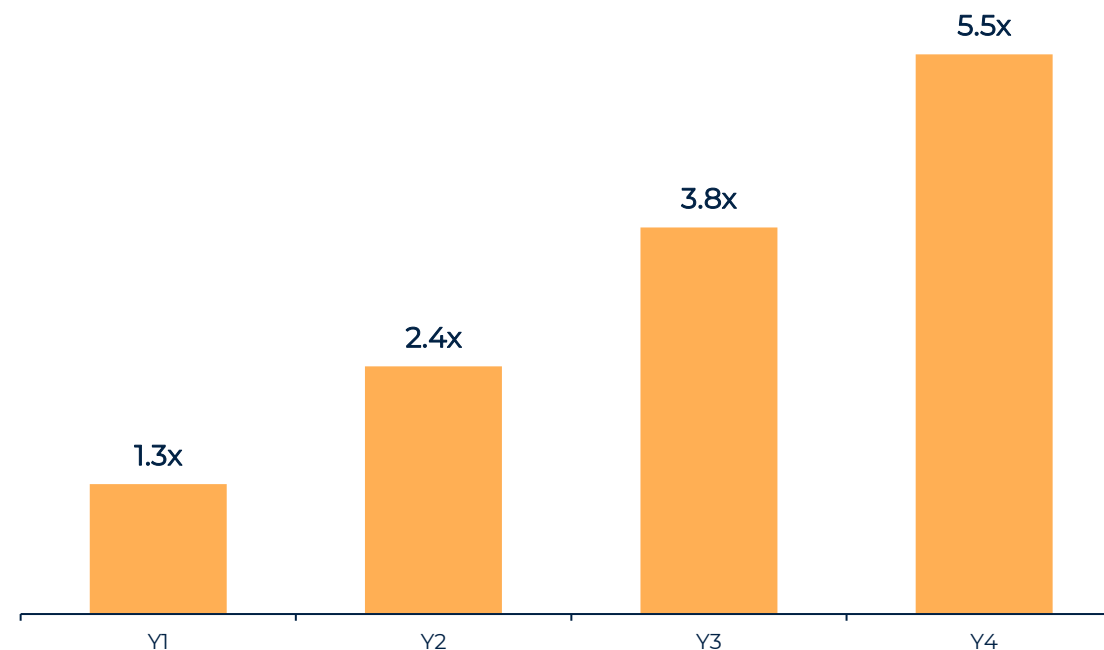


# CUSTOMER LIFETIME VALUE IS STRONG & GROWING

CONTENT AND LOYALTY STRATEGY SUPPORTING RETENTION, REDUCING RELIANCE ON PAID CHANNELS

- Key ratio to measure customer acquisition and engagement is LTV (Lifetime Value) / CAC (Customer Acquisition Cost)<sup>1</sup>
- Strong unit economics
  - CY18-CY21 average LTV/CAC continues to recover investment in just under one year (CY21 LTV/CAC was 0.9)
  - Return on investment continues to grow over time, with year four LTV more than five times acquisition cost
- Investing in a disciplined, data-driven way to acquire and retain customers; working with brand partners to scale brand funded marketing
- Content engagement strategy and loyalty-focused strategic initiatives (Loyalty program and Mobile app) supporting engagement, retention and LTV growth
  - Investing in “owned” channels with media and content that supports discovery and fulfilment, driving higher customer loyalty and growth in returning customers
  - Reduces reliance on competitive paid channels, which are showing price volatility at present

CY18 – CY21 AVERAGE LTV/CAC<sup>1</sup> BY YEAR



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 brand awareness above the line (ATL) spend) over a period of time per new customer acquired during that period.

# STRONG PROGRESS ON STRATEGIC PRIORITIES

## KEY INITIATIVES LAY FOUNDATIONS FOR LONG-TERM GROWTH

### STRATEGIC PRIORITY

### H1 FY22 OUTCOMES DELIVERED



#### Mobile app

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

- ✓ Content-first app delivering increased engagement, conversion and AOV
- ✓ Scaling well, Q1 delivered 5.6% of revenue increasing to 7.9% of revenue in Q2



#### Loyalty

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

- ✓ Member sign-ups exceeding expectations, >95% of most valuable tier
- ✓ Hosted multiple sold-out ticketed virtual events
- ✓ Industry recognition, nominated for Inside Retail Loyalty Program of the Year



#### Grow brand awareness and owned marketing channels

Aim to reach the millions that haven't yet heard of us; increase brand awareness to 80%+, and build sustainable marketing platform

- ✓ Industry-leading organic website traffic share<sup>1</sup> and 16.5% growth in content-driven impressions<sup>2</sup>
- ✓ ~3.4 million podcast downloads<sup>3</sup>, launched two new podcasts, nominated for Australian Podcast Awards Best Branded Content Podcast



#### Range authority and Related adjacencies

Grow core product range and target related verticals that we believe our customers will respond to, and that stay true to our brand voice

- ✓ Onboarded 14 new brands
- ✓ Strong growth in adjacent categories, Fragrance grew 43% on PCP to 4.1% of total revenue, Korean Beauty grew 98% on PCP to 2.2% of total revenue



#### Private label

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

- ✓ Curated third-party brand and Adore Beauty branded packs resonating with customers, launched bundle offerings
- ✓ On track to launch first Private Label skincare brand in Q4

1. As at end of H1 FY22. Analysis of share of Share of Voice (SOV) for shared keywords/terms compared with peer competitor set including department stores, omnichannel specialists and pureplay retailers. Source: Accuranker (<https://www accuranker.com>)

2. Content-driven impressions measures total consumption of podcast episodes, social content views (Instagram, Facebook, YouTube and Tiktok) including videos, posts, articles, tutorials and educational longer form videos.

3. Downloads since launch to 31 December 2021. Source Omny podcast platform.



# FINANCIAL PERFORMANCE

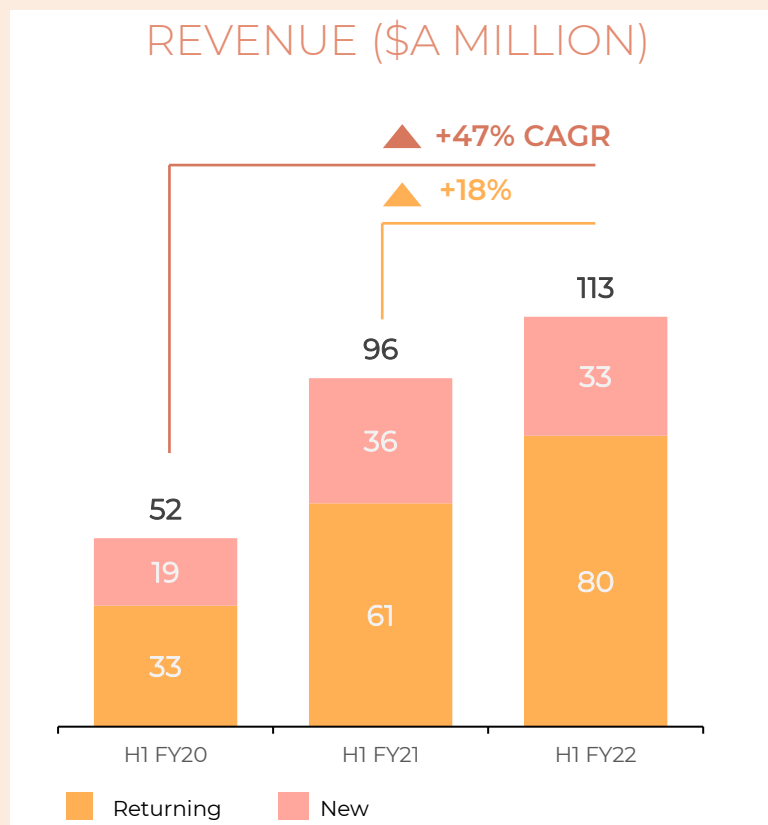
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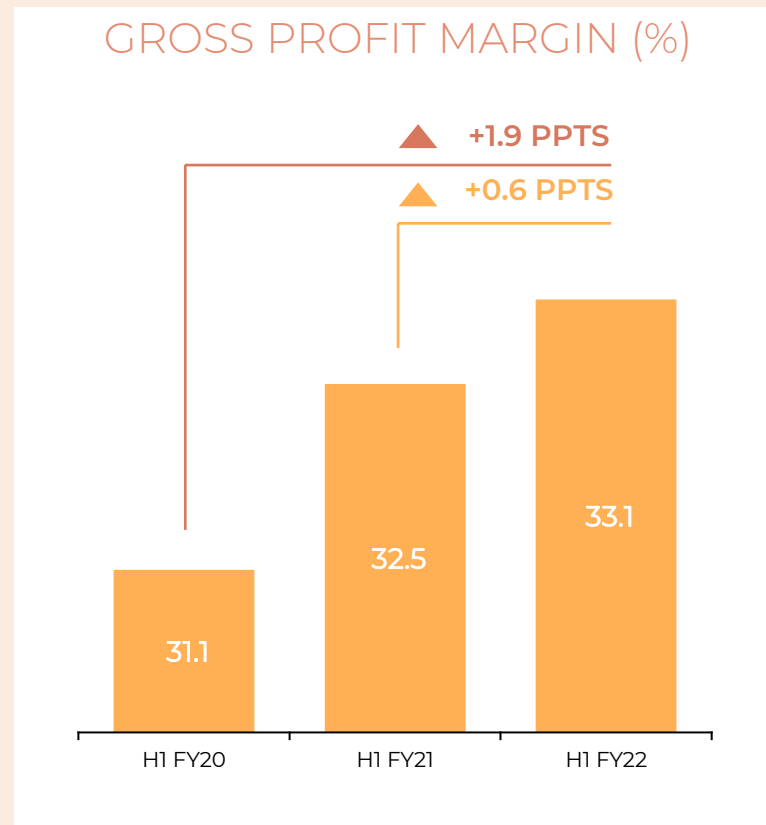
# FINANCIAL PERFORMANCE

## RECORD HALF-YEAR REVENUE



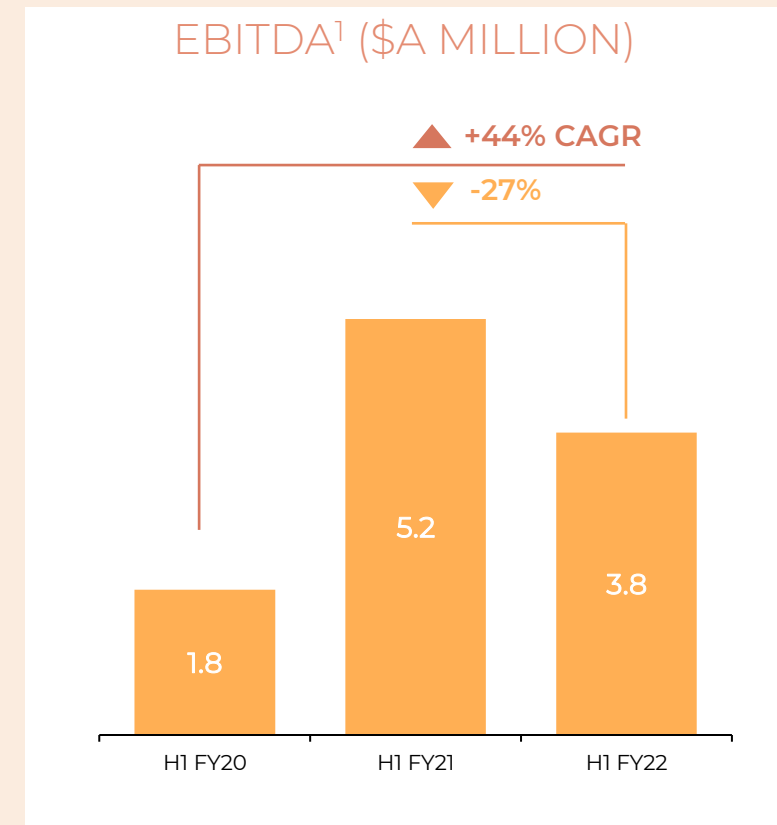
#### Strong, consistent revenue growth

- Returning customers increasingly valuable, accounting for 71% of revenue (up from 64% in H1 FY21)
- Multiple record trading days, including in November post lockdown



#### Improving gross profit margin

- Driven by improved supplier terms, brand funding



#### Investing in strategic initiatives

- EBITDA of \$3.8 million, 2-year CAGR of 44%
- EBITDA margin of 3.3%, in line with guidance<sup>2</sup>
- Re-investing in strategic priorities to accelerate growth trajectory

1. Historical proforma adjustments are detailed in the appendix.  
2. EBITDA margin in line with guidance provided in FY21 results media release on 30th August 2021 "Adore Beauty expects to maintain a 2-4% EBITDA margin in the short to medium term while reinvesting to drive above market growth".



# INCOME STATEMENT

STRONG REVENUE GROWTH ENABLING RE-INVESTMENT IN STRATEGIC PRIORITIES

A\$M	H1FY20	H1FY21	H1FY22
Revenue	52.0	96.2	113.1
Cost of sales	(35.8)	(64.9)	(75.7)
Gross Profit	16.2	31.2	37.4
<i>Gross Profit Margin</i>	<i>31.1%</i>	<i>32.5%</i>	<i>33.1%</i>
Employee costs	(4.9)	(8.5)	(10.7)
Marketing and advertising costs	(5.7)	(11.9)	(15.9)
Other costs	(3.7)	(5.6)	(7.1)
EBITDA <sup>3</sup>	1.8	5.2	3.8
<i>EBITDA Margin</i>	<i>3.5%</i>	<i>5.4%</i>	<i>3.3%</i>
Depreciation and amortisation	(0.6)	(0.7)	(0.9)
EBIT	1.3	4.5	2.9
Interest	(0.1)	(0.1)	(0.1)
Profit before tax	1.2	4.4	2.8
Income tax expense	(0.4)	(1.3)	(0.8)
Profit after tax (NPAT)	0.9	3.1	2.0

## Record revenue result

- Revenue up 18% on PCP to \$113.1m; 2-year CAGR of 47%
- Average Order Value (AOV) up 5.4% on PCP to \$106.7<sup>1</sup> and Average Order Frequency (AOF) in line with PCP at 2.1

## Gross profit margin up to 33.1%

- Gross profit margin up 0.6 percentage points on PCP to 33.1%, driven by improved supplier terms and brand funding

## Re-investing to drive growth

- Operating costs as a % of revenue up 2.7 percentage points on PCP, reflecting strategic investment in marketing and people
- Marketing as a % of sales increased 1.6 percentage points on PCP to 14%, in line with expectations
  - ATL brand awareness campaigns and cost increases across paid marketing channels
  - CAC<sup>2</sup> recovered in just over a year of acquiring customer
  - Growing focus on “owned” channels to effectively manage costs and reduce reliance on paid marketing
  - Continued scaling of brand funded marketing
- EBITDA<sup>3</sup> of \$3.8m (2-year CAGR of 44%);
  - EBITDA Margin of 3.3% in line with guidance, reflecting continued investment in strategic priorities

1. Average Order Value and Average Order Frequency refers to number of orders in last 12 months, period of CY21.

2. CAC CY21.

3. Historical proforma adjustments are detailed in the appendix. EBITDA margin in line with guidance provided in FY21 results media release on 30<sup>th</sup> August 2021 “Adore Beauty expects to maintain a 2-4% EBITDA margin in the short to medium term while reinvesting to drive above market growth”.

# BALANCE SHEET

WELL-FUNDED FOR GROWTH, CAPITAL EFFICIENT

A\$M as at	30 June 2021	31 Dec 2021
Cash and cash equivalents	29.0	25.1
Inventory	14.9	21.9
Other current assets	3.7	5.1
Other assets (non-current)	8.7	8.6
Total assets	56.4	60.8
Trade and other payables	19.5	21.4
Other current liabilities	1.5	1.8
Other liabilities (non-current)	1.1	1.0
Total liabilities	22.1	24.2
Net assets	34.3	36.6

- Well-funded with a closing cash balance of \$25.1 million and no debt
- Capital efficient business model
- Disciplined management of inventory and payables
- Increase in inventory reflects diligent forward planning for strong revenue growth and seasonal supplier closures
  - Inventory turnover in line with PCP due to prudent stock management
  - Inventory down \$4.8m in January 2022, in line with expectations
  - Out of stocks in line with PCP; limited impact from global supply chain issues
- Flexibility to pursue strategic initiatives to drive long-term growth

H1 FY22  
STRATEGIC PRIORITIES  
PROGRESS

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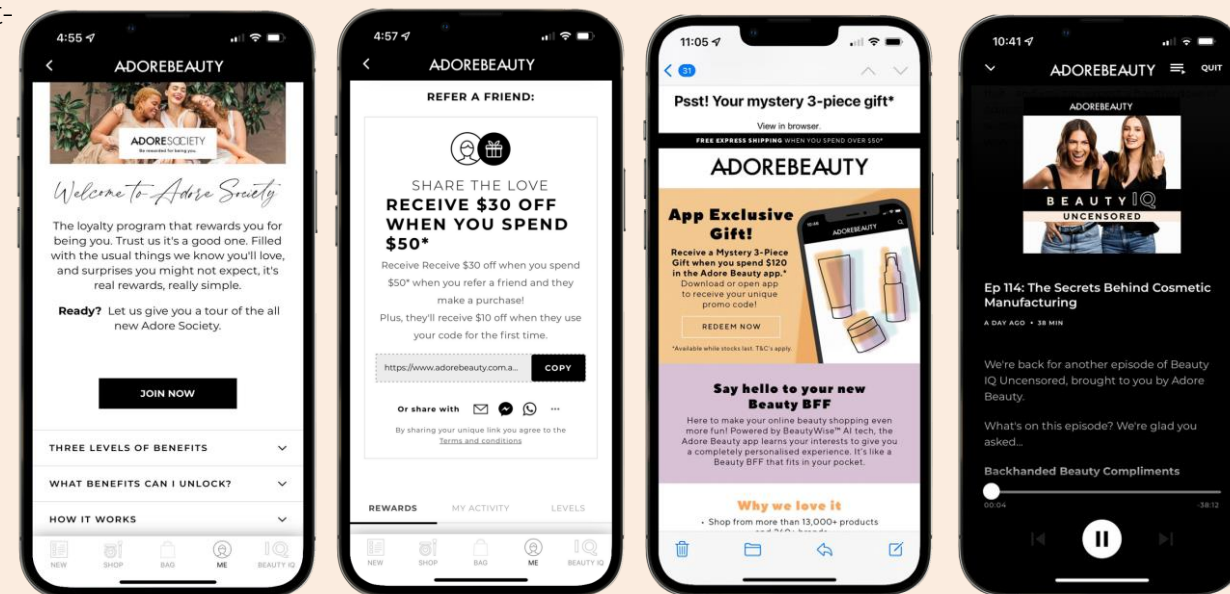
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# MOBILE APP EXCEEDING EXPECTATIONS

## HIGHER LEVELS OF ENGAGEMENT, CONVERSION & AOV

- Native iOS and Android mobile app launched in FY21; built in a content-first way to engage, retain and grow customer LTV
- Scaling user base contributed 5.6% of revenue in Q1, increasing to 7.9% in Q2
- Driving higher levels of engagement, conversion and AOV
- BeautyWise™ AI technology provides unique personalised shopping experience and captures customers' interests and preferences
- Acts as an owned marketing channel to distribute content
- H1 initiatives focused on promoting download and adoption, such as integration with loyalty program, listen to podcast in-app, gift with purchase, and refer a friend rewards
- Next phase to include further content integration, and enhancing personalisation to drive retention, loyalty and lifetime value



### Obsessed

Adore Beauty deserves absolutely every single star. Excuse me while I get back on the app for the fourth time this week.  
-A,maniiZmum

### Finally!

So happy that one of my favourite online stores now has an app! First time purchasing through here and it was a smooth process.  
-Daaaaaaa01

### LOVE LOVE This!!

Love this app – the articles, the blogs, the content – Adore has a great shopping experience, this app adds to this...  
-Ted231

4.8/5



APP RATING<sup>1</sup>

1. iOS app store rating, sourced 20 January 2022, rating based on >4,000 reviews

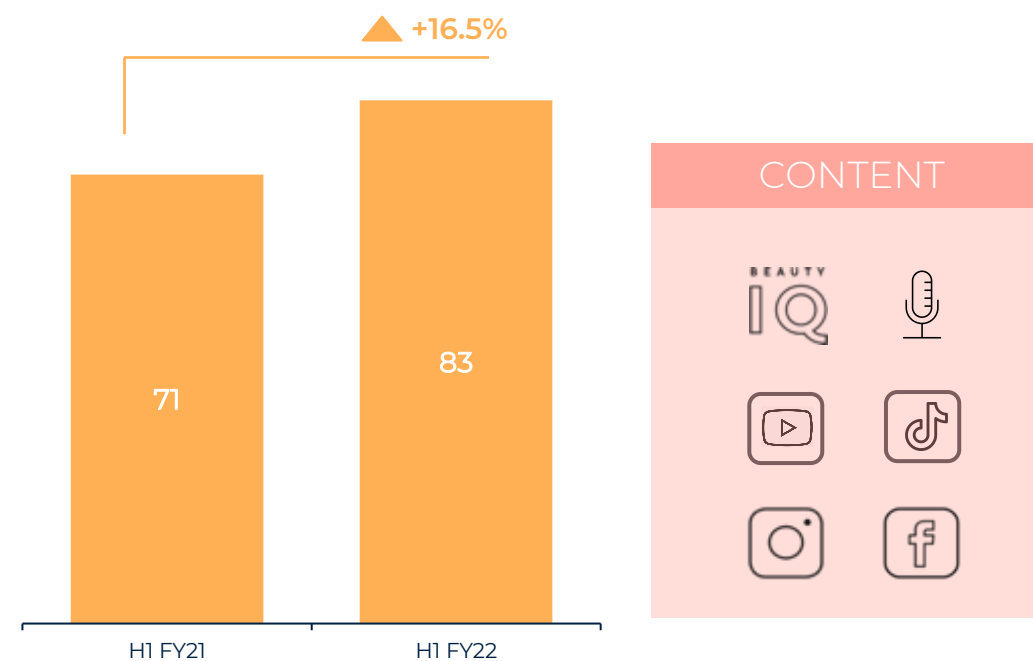
# INVESTING IN 'OWNED' MARKETING CHANNELS

CONTENT FOCUS SHOWING STRONG EARLY RESULTS IN REDUCING RELIANCE ON PAID CHANNELS

## H1 FY22 OWNED MARKETING HIGHLIGHTS

- Disciplined investment in content engagement, brand building, and growing organic channels, is showing strong early results.
- Industry-leading organic traffic share – Adore Beauty is ~2X the average competitor<sup>1</sup>
  - Underpinned by 16.5% growth in content-driven impressions in H1<sup>2</sup>
- Mobile app is scaling well, contributed 5.6% of revenue in Q1, increasing to 7.9% in Q2
- Podcast downloads grew to ~3.4m<sup>3</sup>; launched two new podcasts; experimenting with engaging content solutions including livestream shopping, podcast lives, loyalty masterclasses and Preezie guided navigation tool
- Marketing as a % of sales was in line with expectations at 14% (up 13% on PCP), despite an industry-wide c.45% increase in paid channel cost per click (CPC) over the last year<sup>4</sup>
  - Investments in organic channels are helping to minimise impacts of industry marketing cost inflation

## CONTENT DRIVEN IMPRESSIONS (MILLION)



1. As at end of H1 FY22. Analysis of share of Share of Voice (SOV) for shared keywords/terms compared with peer competitor set including department stores, omnichannel specialists and pureplay retailers. Source: Accuranker (<https://www accuranker.com>)

2. Content-driven impressions measures total consumption of podcast episodes, social content views (Instagram, Facebook, YouTube and Tiktok) including videos, posts, articles, tutorials and educational longer form videos.

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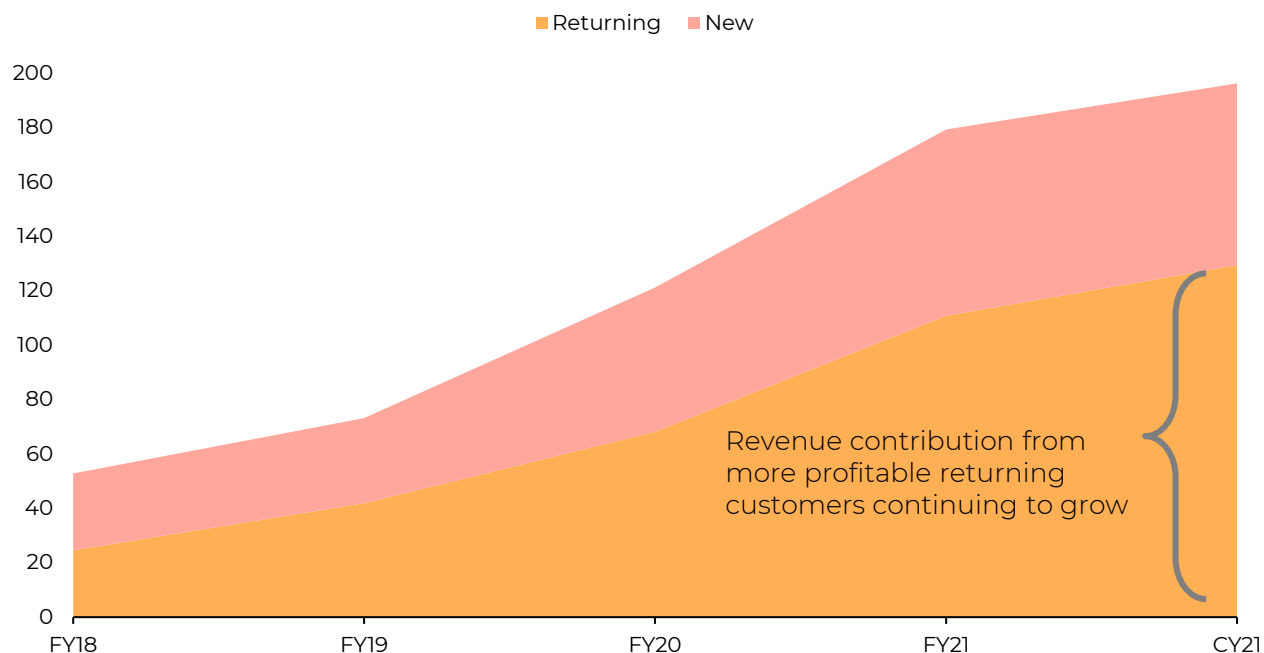
4. Source "The great digital ad price hike: Google and Facebook prices climb 45% on average", Mi3, Sam Buckingham Jones, sourced 6<sup>th</sup> February 2022, <https://www.mi-3.com.au/16-08-2021/draft-digital-ad-prices-rocket-skyward-forcing-social-spend-re-think>



# OPERATIONAL INITIATIVES SUPPORTING SCALE AND RESULTS

## HIGH LEVELS OF CUSTOMER SATISFACTION AND RETENTION

### REVENUE CONTRIBUTION BY NEW & RETURNING CUSTOMERS (A\$ MILLION)



### KEY H1 FY22 ACHIEVEMENTS

- Owned inventory and customer fulfilment centre enables responsive management of customer volumes and stock
- Scale to support peak periods, recorded multiple record trading days incl. November (post lockdown) with >15k orders received
- Increased planning capability, prudent stock management and deep brand relationships ensured inventory turnover in line with PCP even with revenue growth and some limited global supply chain challenges
- Launched additional shifts, flexible teams and safety measures such as smart badges to deliver customer experience with increased volumes, and enable safe work during COVID period

### CUSTOMER SATISFACTION

4.9/5

★★★★★  
GOOGLE RATING<sup>1</sup>

1. As at 19/01/2022 sourced as per <https://www.google.com/shopping/customerreviews/merchantreviews?q=adorebeauty.com.au>, rating based on >29,000 reviews.

# LEADING THE WAY IN SUSTAINABILITY & DIVERSITY

## DIVERSE REPRESENTATION AND REDUCING ENVIRONMENTAL FOOTPRINT



### KEY H1 FY22 ACHIEVEMENTS

#### DIVERSITY AND INCLUSION



- Recognised as an Inclusive Employer by the Diversity Council of Australia
- Industry-leading representation of women in leadership; majority women Board, leadership team, and managers

#### PACKAGING



- 100% of packaging and void fill is recycled and recyclable
- Volumetric technology reducing cardboard usage
- Introduced new smaller box size to reduce cardboard usage, currently accounts for ~25% of orders

#### SUSTAINABLE OPERATIONS



- Installed onsite cardboard compactor, recycled >34 tonnes of cardboard
- Implemented partnership to recycle soft plastic into reusable products

# STRATEGY AND OUTLOOK

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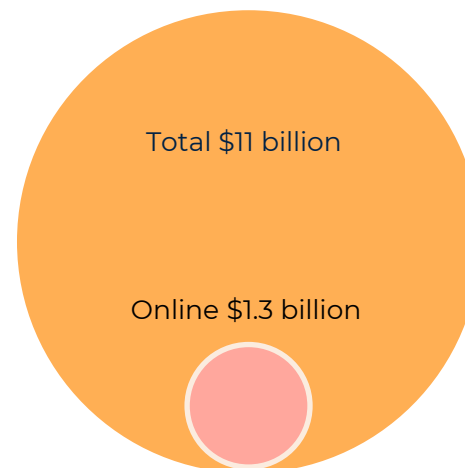
# OPERATING IN \$11.2B BEAUTY AND PERSONAL CARE MARKET

## MARKET LEADER IN FASTEST GROWING SEGMENT

- Beauty and Personal Care (BPC) in Australia is an \$11.2b market, with forecast CAGR of +3.8% to 2024<sup>1</sup>
- Online BPC sales account for \$1.3b, or 11.4% of total market<sup>1</sup>
  - Adore Beauty is the market leader in online beauty with a 13% market share
- Online BPC is growing faster than the broader market at a forecast +26% CAGR to 2024<sup>1</sup>
- While early in the online adoption curve, online BPC is benefitting from several macro tailwinds:
  - COVID-19 has accelerated the shift from in-store to digital channels
  - Entrance of digital-native Millennials and Gen Z
  - Australian online sales significantly under-penetrated compared to US and UK

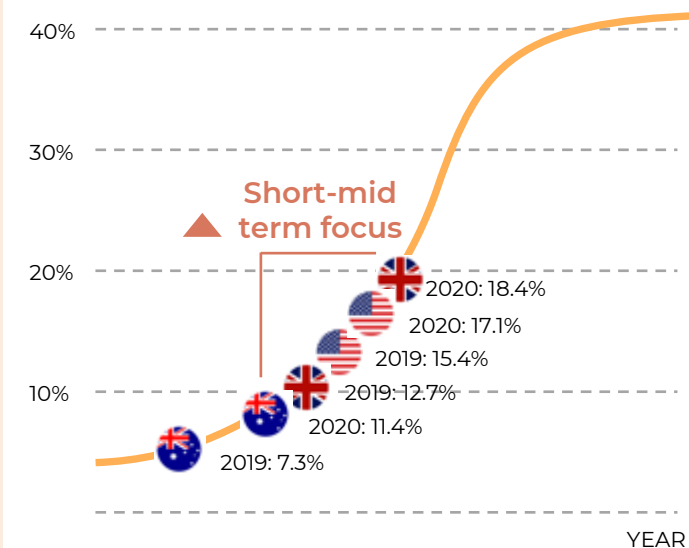
### Large addressable market

### AUSTRALIAN BEAUTY AND PERSONAL CARE MARKET 2020<sup>1</sup>



### Early in the online adoption curve and undergoing accelerated structural shift

### BEAUTY AND PERSONAL CARE ONLINE ADOPTION CURVE<sup>1</sup>

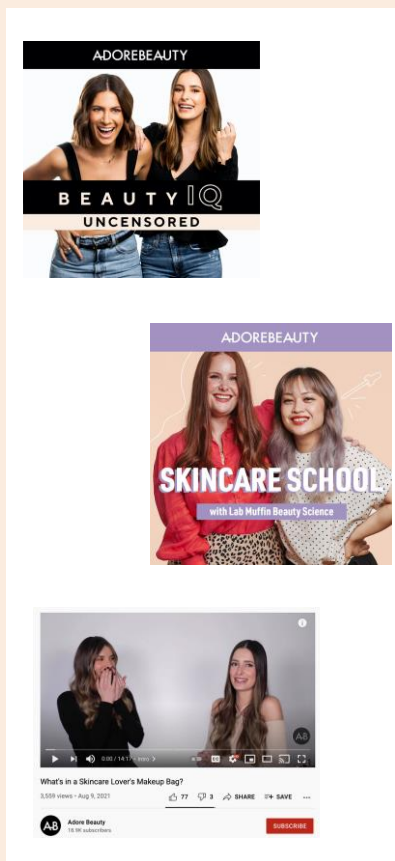


1. Frost & Sullivan - The Online Retail Market (Australia and New Zealand) – June 2021.



# INTEGRATED CONTENT AND E-COMMERCE PLATFORM

CONTENT, RANGE & EXCEPTIONAL CUSTOMER EXPERIENCE A SIGNIFICANT COMPETITIVE MOAT



ADOREBEAUTY  
BEAUTY IQ  
UNCENSORED

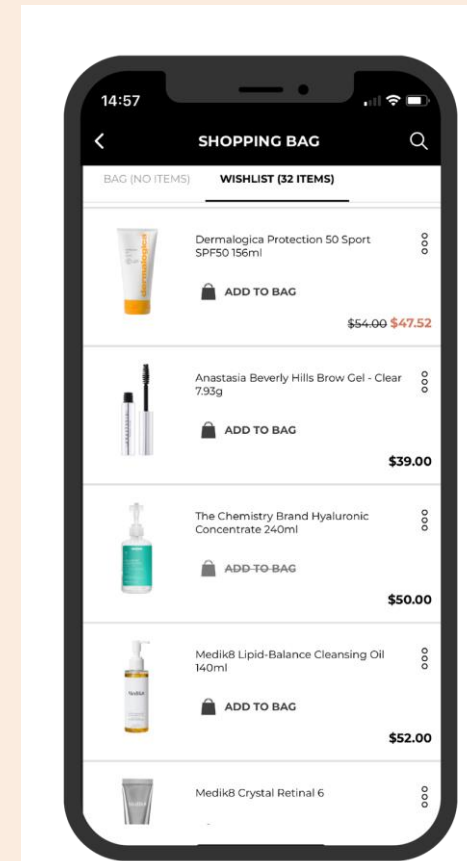
ADOREBEAUTY  
SKINCARE SCHOOL  
with Lab Muffin Beauty Science

What's in a Skincare Lover's Makeup Bag?  
3,558 views · Aug 9, 2021

ADOREBEAUTY  
10.46  
LATEST BEAUTY  
IQ

Are Clay Cleansers an Instagram Gimmick?  
Here's What Our Editor Thinks  
10 HOURS AGO  
- SKIN CARE

ENGAGING CONTENT OWNING THE DESTINATION FOR BEAUTY DISCOVERY

14:57  
SHOPPING BAG

BAG (NO ITEMS) WISHLIST (32 ITEMS)

	Dermologica Protection 50 Sport SPF50 156ml	000
	Anastasia Beverly Hills Brow Gel - Clear 7.93g	000
	The Chemistry Brand Hyaluronic Concentrate 240ml	000
	Medik8 Lipid-Balance Cleansing Oil 140ml	000
	Medik8 Crystal Retinal 6	000

ADD TO BAG \$54.00 \$47.52

ADD TO BAG \$39.00

ADD TO BAG \$50.00

ADD TO BAG \$52.00

FULFILMENT THROUGH A SEAMLESS ECOMMERCE EXPERIENCE



# FOCUSED ON GROWING MARKET SHARE AND CEMENTING ONLINE MARKET LEADERSHIP

## STRATEGIC PRIORITY

## FOCUS AREAS

1

### RANGE AUTHORITY

- Build compelling product range and deepen brand partnerships
- Launch and scale private label

2

### BEST ONLINE TRANSACTION EXPERIENCE

- Improve user experience and site conversion
- Expand data driven personalisation

3

### CONTENT LED CUSTOMER ENGAGEMENT

- Scale and embed Mobile App and Loyalty program
- Grow brand awareness and owned marketing channels



# WE ARE PURSUING A GROWTH STRATEGY

## INVESTING IN STRATEGIC INITIATIVES TO GROW FASTER THAN THE MARKET



# FY22 OUTLOOK

- Adore Beauty continues to benefit from the structural shift to online, which combined with new customer growth, high levels of retention, and growing brand awareness, strongly positions the Company for future growth.
- The overall positive trading momentum seen in the first half has continued into the second half (H2), with revenue growth over the first six weeks of H2 increasing 14% on PCP<sup>1</sup>. However, the Company notes that there is ongoing uncertainty given the current COVID situation.
- Adore is executing a clear and robust growth strategy to cement its online market leadership position, and it is well positioned to capture market share in a large and growing market benefitting from structural tailwinds.
- Adore reaffirms its target to achieve an EBITDA margin of 2-4% in the short to medium term while reinvesting to drive above market growth. In the longer term, as the business grows, scale benefits are expected to increase operating leverage and deliver further EBITDA margin expansion.



1. Revenue based on unaudited management accounts. Comparison of 1 January 2022 – 11 February 2022 against PCP.

# MARKET LEADERSHIP IN ONLINE BEAUTY

WITH A SIGNIFICANT GROWTH OPPORTUNITY SUPPORTED BY STRUCTURAL TAILWINDS



**Market leader<sup>1</sup>** in a large addressable market with a significant growth opportunity

**Strong start to FY22** with multiple record trading days & strong AOV growth

**Online destination of choice** for brand partners and loyal, sticky returning customers who increase in value each year

**Strong execution of strategic initiatives** to drive sustainable growth



1. Adore Beauty is the leading pureplay online beauty retailer in Australia, based on management estimates.



# QUESTIONS

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# APPENDIX

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# PROFORMA ADJUSTMENTS TO STATUTORY INCOME STATEMENT

A\$M	Statutory Actual			Pro-forma Actual		
	H1 FY20	H1 FY21	H1 FY22	H1 FY20	H1 FY21	H1 FY22
Revenue	52.0	96.2	113.1	52.0	96.2	113.1
Cost of sales	(35.8)	(64.9)	(75.7)	(35.8)	(64.9)	(75.7)
Gross Profit	16.2	31.2	37.4	16.2	31.2	37.4
<i>Gross Profit Margin</i>	31.1%	32.5%	33.1%	31.1%	32.5%	33.1%
Employee costs	(5.1)	(9.2)	(10.7)	(4.9)	(8.5)	(10.7)
Marketing and advertising costs	(5.7)	(11.9)	(15.9)	(5.7)	(11.9)	(15.9)
Other costs	(6.7)	(10.9)	(7.1)	(3.7)	(5.6)	(7.1)
EBITDA	(1.4)	(0.8)	3.8	1.8	5.2	3.8
<i>EBITDA Margin</i>	-2.6%	-0.8%	3.3%	3.5%	5.4%	3.3%
Depreciation and amortisation	(0.6)	(0.7)	(0.9)	(0.6)	(0.7)	(0.9)
EBIT	(1.9)	(1.5)	2.9	1.3	4.5	2.9
Interest	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Profit/(loss) before tax	(2.0)	(1.5)	2.8	1.2	4.4	2.8
Income tax expense <sup>1</sup>	(1.2)	4.1	(0.8)	(0.4)	(1.3)	(0.8)
Profit/(loss) after tax (NPAT)	(3.2)	2.5	2.0	0.9	3.1	2.0

A\$M	H1 FY20	H1 FY21	H1 FY22
Statutory NPAT	(3.2)	2.5	2.0
IPO and listing costs <sup>2</sup>	0.0	5.3	
One-off transaction costs <sup>2</sup>	3.7	0.7	
Capitalised development cost <sup>3</sup>	0.2		
Public company costs <sup>4</sup>	(0.6)		
Total pro-forma adjustments	3.3	6.0	
Pro-forma tax effective rate applied to pro-forma PBT	0.8	(5.4)	
Pro-forma NPAT	0.9	3.1	2.0

1. This adjustment represents the impact of tax adjustments raised in respect of the historical accounting pro forma adjustments.

2. This adjustment reflects the removal of specific historical one-off transaction costs and IPO costs.

3. This adjustment reflects the impact of the capitalisation of IT development costs in respect of specifically identified employees in historical periods to align with treatment from FY21 onwards.

4. This adjustment reflects the incremental costs associated with being a publicly listed company assuming these costs were incurred over the historical periods.

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