

ADOREBEAUTY

GROUP

Adore Beauty Group Limited
ABN 78 636 138 988

ASX ANNOUNCEMENT

19 July 2024

Business Update

Adore Beauty Group Limited (**ASX: ABY**) (**Adore Beauty** or **Company**), Australia's number one pureplay online beauty retailer¹, provides the following business and trading update for FY24.

Highlights:

- Annual revenue of \$195.7 million², up 7.4% on the prior corresponding period (PCP)³
- Record 519k returning customers⁴, up 5.8% on PCP
- 814k active customers⁵, up 1.6% on PCP
- FY24 EBITDA margin between 2.2-2.5%⁶

The Company delivered unaudited FY24 revenue of \$195.7 million, up 7.4% on the prior corresponding period - a strong result in a challenging retail environment.

Adore Beauty's continued focus on customer centricity has seen its returning customer base grow 5.8% to a record 519k.

Commenting on Adore Beauty's FY24 performance, CEO Tamalin Morton said, "Adore Beauty continues to deliver revenue and active customer growth, even as cost-of-living pressures impact consumer sentiment and trading conditions more broadly. Our solid performance over FY24 has reaffirmed the resilience of both our business and the beauty and personal care category, and we continue to focus on meeting customer needs, while growing both sales and profitability."

Adore expects to announce its audited FY24 financial results on 26 August 2024.

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iKOU acquisition

Adore Beauty is on track to complete the acquisition of Australian beauty and wellness brand iKOU, on 31 July 2024, in line with the announced timeline.

The first iKOU products are expected to be available on the Adore Beauty platform in August 2024.

The transaction is expected to be earnings per share (EPS) accretive in FY25.

A further update on this strategic acquisition will be provided to shareholders with the FY24 results.

CEO Appointment

The recruitment process to appoint a new CEO to replace Tamalin Morton is progressing well and is being led by an executive search firm, in conjunction with the Board.

As announced in April 2024, Ms Morton will remain as CEO until September 2024 and will take up a consulting role providing strategic advice to Adore Beauty beyond September 2024.

--Ends--

This announcement was authorised by the Board of Directors.

For more information, please contact:

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About Adore Beauty

Launched in 2000 as Australia's first beauty focused e-commerce website, with a vision to help customers feel more confident every day by delivering an empowering and engaging beauty shopping experience personalised to their needs. Adore Beauty has evolved to an integrated content, marketing and e-commerce retail platform that partners with a broad and diverse portfolio of more than 270 brands and over 13,000 products.

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Forward Looking Statements

Certain statements made in this release are forward-looking statements. These forward-looking statements are not historical facts but rather are based on Adore Beauty's current expectations, estimates and projections about the industry in which Adore Beauty operates, and beliefs and assumptions. Forward looking statements can generally be identified by the use of forward looking words such as 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'will', 'could', 'may', 'target', 'plan' and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on future earnings, distributions or financial position or performance are also forward looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Adore Beauty, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward -looking statements. Adore Beauty cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Adore Beauty only as of the date of this release. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements.

The forward-looking statements made in this release relate only to events as of the date on which the statements are made. Adore Beauty has no obligation to release publicly any revisions or updates to these forward looking statements to reflect events, circumstances or unanticipated events occurring after the date of this release except as required by law or by any appropriate regulatory authority.

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

² Unaudited revenue.

³ Revenue based on unaudited management accounts. Comparison of 1 Jul 2023 – 30 Jun 2024 against PCP. Marketing revenue and its associated costs were not reflected as revenue and cost of sales in comparative financial statements, but rather as an offset to advertising and marketing expenses. The impact is not material from a revenue perspective, but comparative financial information presented has been amended for comparability and to align with the revenue recognition policy for marketing revenue. This reclassification has no impact to net profit.

⁴ Returning customers are customers who have placed an order in any period prior to FY24 and re-purchased in the period; comparison of FY24 to FY23.

⁵ Active customers refer to customers who have ordered in the last 12 months, PCP is the prior 12-month period.

⁶ Unaudited EBITDA, in line with the EBITDA margin of 2-4% for FY24 previously provided to ASX by the Company.

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