

ADOREBEAUTY

GROUP

H1 FY26 Results Presentation

24 February 2026

Strong Revenue, Customer & Profit Growth

Outperformance of sales across seasonal Nov/Dec trading period

H1 FY26 Summary¹

\$111.9M
Revenue
+8.7%

35.0%
Gross profit margin
-120bpts

\$4.1M
Underlying EBITDA²
(pre-AASB 16)
+14.5%
EBITDA margin 3.7%

850.4K
Active customers
+4.7%

221.7K
New customers
+21.8%

1.36M
Contactable database
+14.2%



1. Comparisons to H1 FY25 ('prior corresponding period', 'PCP') unless otherwise stated

2. Underlying EBITDA is normalised on a pre-AASB 16 basis, excluding store rollout pre-opening expenses, restructuring costs, non-cash impacts of AASB 2 Share Based Payments, and other non-core income and expenses.
See reconciliation on slide 21.

H1 FY26 Achievements¹



Record underlying EBITDA² of \$4.1 million, up 14.5% on PCP; continuing to reset promotional calendar to improve quality of earnings and support margins

Opened 10 retail stores across Adore Beauty and iKOU, six additional locations leased and opening CY2026

Record marketing efficiency with customer acquisition costs reducing 56.0% over PCP to \$33

Profitable customer growth with loyalty member revenue +21.5%; active customers and new customers up 4.7% and 21.8% over PCP respectively

iKOU delivers material sales growth across all channels

Secured long-term lease for new semi-automated National Fulfilment Centre to unlock efficiencies, support growth plans

Investing in operational infrastructure to drive efficiency and scale, including new ERP (go live Q4 FY26) and in-house AI development

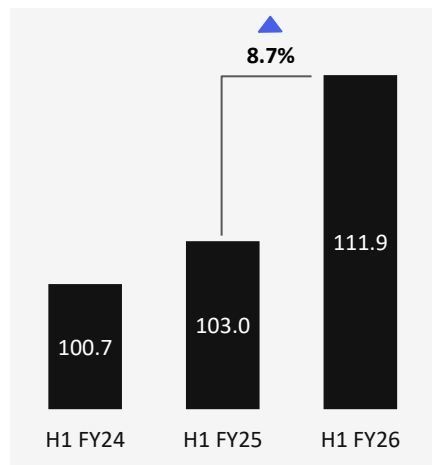
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New Omni Strategy Gains Momentum, Delivers Solid Financial Performance

Profitability underpinned by strong revenue growth and disciplined cost management

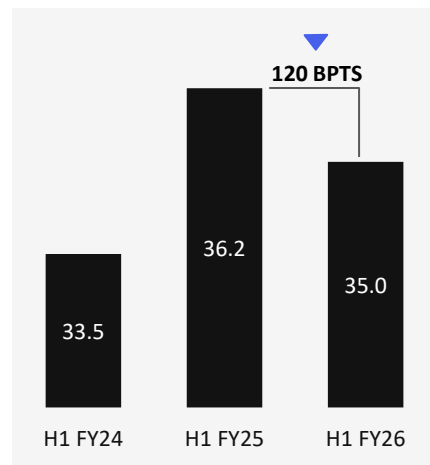
Revenue (\$A Million)



Strong revenue growth

Retail stores, successful promotional events, and iKOU deliver step-up in revenue; continuing to improve quality of earnings.

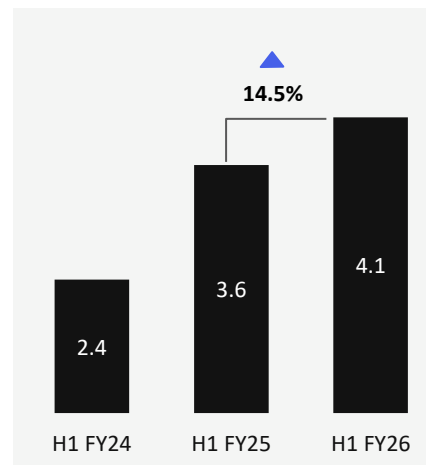
Gross Profit Margin (%)



Gross profit margin up 146bpts from H1 FY24

Significant sales growth during peak promotional periods skew margins; continued focus on reducing promotional intensity.

Underlying EBITDA¹ (\$A Million)



Operating leverage drives profitability

Material profit growth supported by strong topline performance, improved inventory health, and disciplined cost management.

1. Underlying EBITDA is normalised on a pre-AASB 16 basis, excluding store rollout pre-opening expenses, restructuring costs, non-cash impacts of AASB 2 Share Based Payments, and other non-core income and expenses. See reconciliation on slide 21.

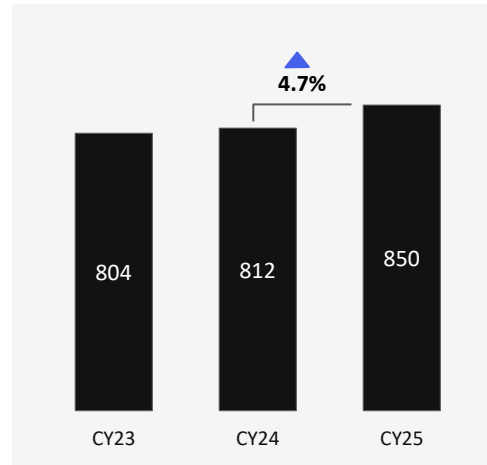




Engaged Customer Base Continues to Grow

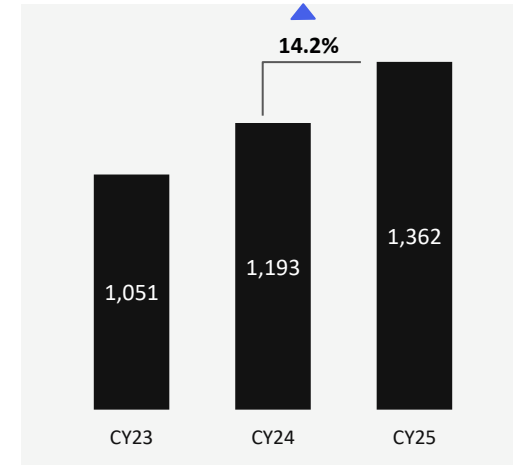
Loyalty members contributed 78% of sales

Active Customers¹ ('000)



New customers, loyalty initiatives and new channels underpin active customer growth, as rebasing of promotional activity and cycling of unprofitable customers continues.

Total Contactable Database² ('000)



Growing contactable database enables cost-effective targeting of qualified customers, enhancing marketing efficiency and supporting customer targets.

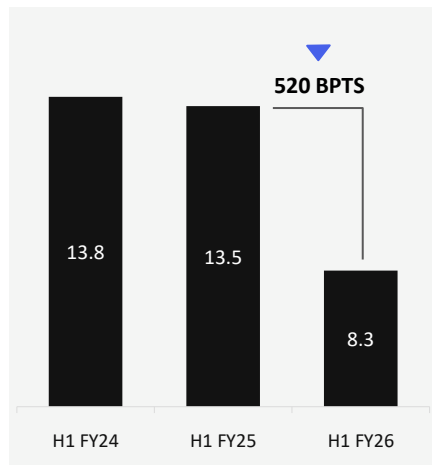
1. Customers who have ordered in the last 12 months .

2. Customers that have provided consent to be contacted via email for marketing purposes

Customer Growth Accelerates as Marketing Efficiency Materially Improves

New acquisition strategy and retail stores deliver strongest new customer growth in four years

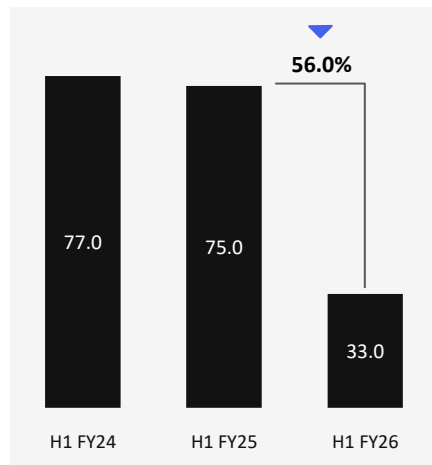
Marketing Spend (% of revenue)



Record marketing efficiency

In-house team, retail stores, and targeted acquisition strategy drive profitable growth.

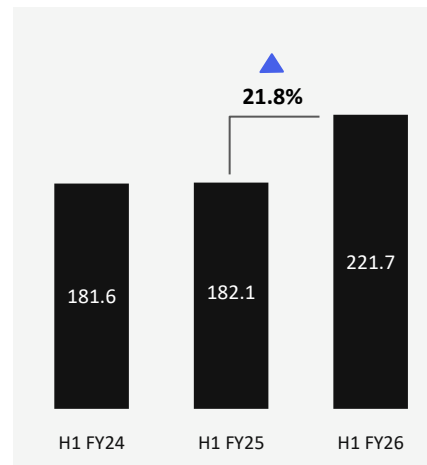
Customer Acquisition Costs (\$)



Profitable customer acquisition

Customer acquisition costs continue to decline, down \$42 over the PCP as new customers grow at fastest rate in four years.

New Customers¹ ('000)



Customer growth up 21.8%

Strong new customer growth reflects new channels, refreshed marketing strategy, and loyalty initiatives. Acquiring higher-value customers outside of promotional events.



1. Excludes iKOU

A photograph of four women of different ages (two older, two younger) smiling and posing together outdoors in front of a green hedge. The women are dressed in casual, summery clothing. The image is used as a background for the presentation slide.

H1 FY26 Financial Results

H1 FY26 P&L

A\$M	H1 FY26	H1 FY25	CHANGE
Revenue	111.9	103.0	+8.7%
Cost of sales	(72.8)	(65.7)	10.7%
Gross profit	39.2	37.3	+5.1%
Gross profit margin	35.0%	36.2%	(120 bpts)
Employee costs	(14.8)	(11.6)	27.7%
Marketing and advertising costs	(9.6)	(13.7)	(29.8%)
Other costs ¹	(10.7)	(8.4)	26.9%
Underlying EBITDA ²	4.1	3.6	+14.5%
Margin	3.7%	3.5%	+20 bpts
Statutory EBITDA	4.9	2.5	+93.5%
Margin	4.4%	2.5%	+190 bpts
Depreciation and amortisation	(3.8)	(1.9)	(104.3%)
Statutory EBIT	1.0	0.7	+62.5%

1. Other costs include IT expenses, rent paid, bank and merchant fess, professional expenses

2. Underlying EBITDA is normalised on a pre-AASB 16 basis, excluding store rollout pre-opening expenses, restructuring costs, non-cash impacts of AASB 2 Share Based Payments, and other non-core income and expenses.
See reconciliation on slide 21.

Revenue

- Revenue increased 8.7% on PCP with quality of earnings a continuing focus

Gross Margin

- Gross profit margin of 35.0%, down 120 bpts on the PCP, reflects the impact of a highly successful Black Friday/Cyber promotional period
- Ongoing reduction in promotional intensity to support margins

Profitability

- Significant marketing efficiency improvements with costs down 29.8% and marketing as a % of sales at a record low 8.6%
- AI initiatives deliver labour cost savings, position the business for productivity gains at scale
- Operational efficiency a continuing priority with new freight provider, improved inventory health and new NDC development

Balance Sheet

A\$M AS AT	28 DEC 25	30 JUN 25
Cash and cash equivalents	8.2	12.7
Trade and other receivables	6.1	2.6
Inventory	27.9	20.3
Other current assets	3.1	2.7
Other assets (non-current)	64.5	45.5
Total assets	109.8	83.8
Trade and other payables	28.7	22.0
Other current liabilities	19.5	12.4
Other liabilities (non-current)	20.8	9.1
Total liabilities	69.0	43.5
Net assets	40.7	40.3

- Operating cash flow positive with \$8.2 million cash on hand – \$5 million final iKOU payment made in February 2026
- Non-current assets reflect growing retail store footprint
- Higher inventory reflects seasonal supplier closures and new stores





Customer-led Strategy Driving Growth

All Channels Contribute to Customer & Revenue Uplift¹

Retail network performing well, benefitting from premium skin and hair brands

APP %
ONLINE SALES

35%

Cost-effective Adore Beauty app continues to grow, up from 25% mix prior year

LOYALTY
MEMBERS

509K

Growing loyalty member base offsetting reduction in promotional activity

LOYALTY
REVENUE

78%

Sticky customer base with loyalty revenue up 21.5% over PCP

BRANDS

300+

Nine new brands launched in H1 FY26, 30 brands discontinued

STORE
CATEGORY MIX

Skincare
48%

Haircare
20%

Fragrance
18%

Makeup
12%

Wellness
2%

IN-STORE
TRAFFIC

670K

Customers through stores to date; stores expected to reach maturity in 12-18 months

IN-STORE
CONVERSION

11.1%

Conversion targeted at 12% at 12-18 month maturity, on track to achieve

OMNI CUSTOMER LTV

+20%

Omni customer LTV (Life Time Value) is 20% higher than single channel customers

OMNI CUSTOMERS
REVENUE

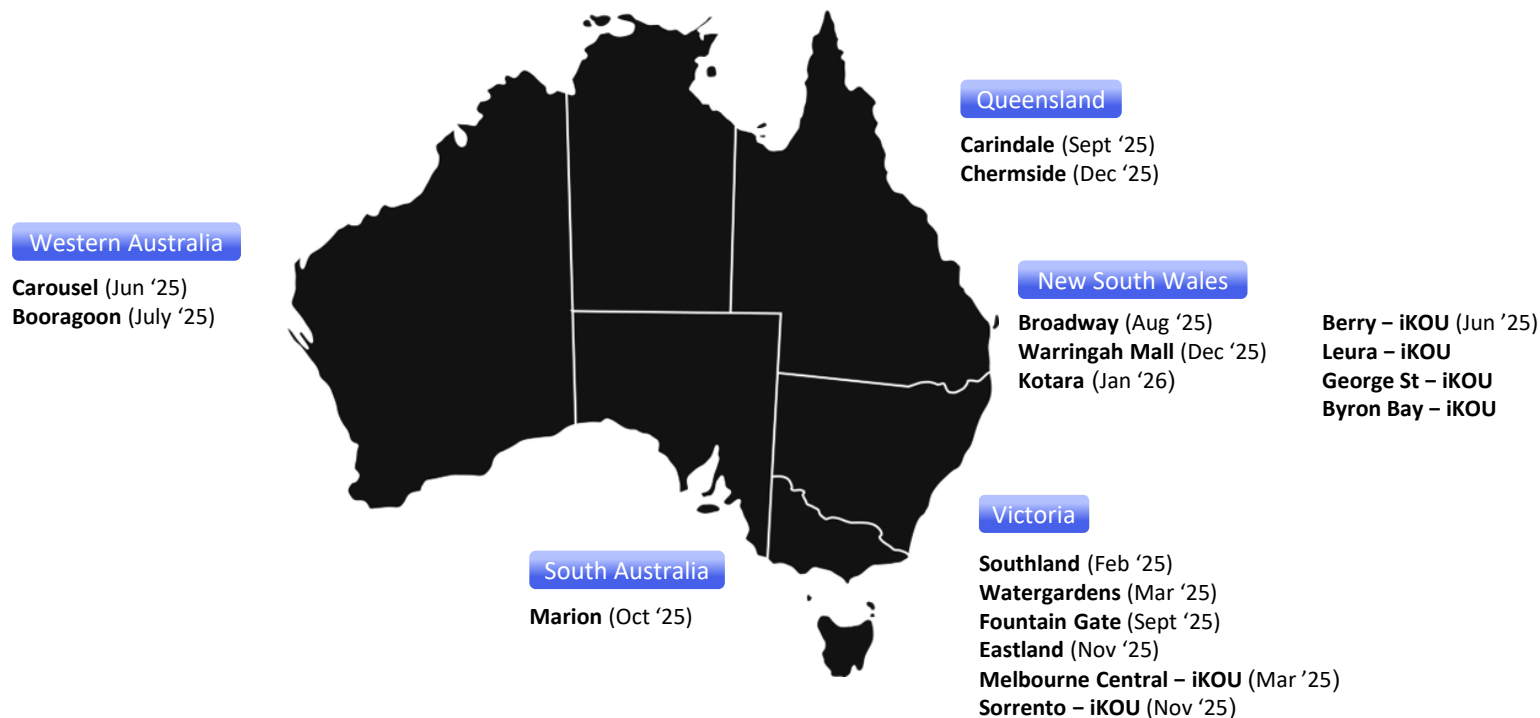
>5%

Valuable omni customers shopping both online and in-store gaining momentum

1. Adore Beauty only, excludes iKOU customer database data

Rapidly Expanding Store Footprint

Excellent progress on targeted store rollout plans: 18 retail stores across the Adore Beauty and iKOU brands; six opened in final months of CY25/Jan 26



Adore Stores Evolve Brand & Service Offer

Skincare & services driving customer engagement

- Evolution of Adore Beauty retail format and product offering
 - In-store offering increased from initial 60 brands in Southland to 120 across all stores, including majority of top 10 best selling cosmeceuticals and premium hair brands
 - Refinement of 'back-end' processes and inventory management
 - All stores, except Southland, now feature a dedicated treatment space
 - Enhanced staff training and product education via National Training Manager; on-staff dermal therapists
- Stores expected to reach maturity in 12-18 months with meaningful financial contribution from year 2
 - 'Omni' customers now contributing >5% of total Adore revenue with Lifetime Value (LTV) of this cohort +20% than single channel
 - Rosters optimised to suit foot traffic nuances of individual centres
 - Transaction conversion lifting materially over first 9-12 months
- Online/omni halo emerging across all new store catchments, strongest where Adore Beauty existing customer base was underpenetrated





Strong iKOU Growth Continues

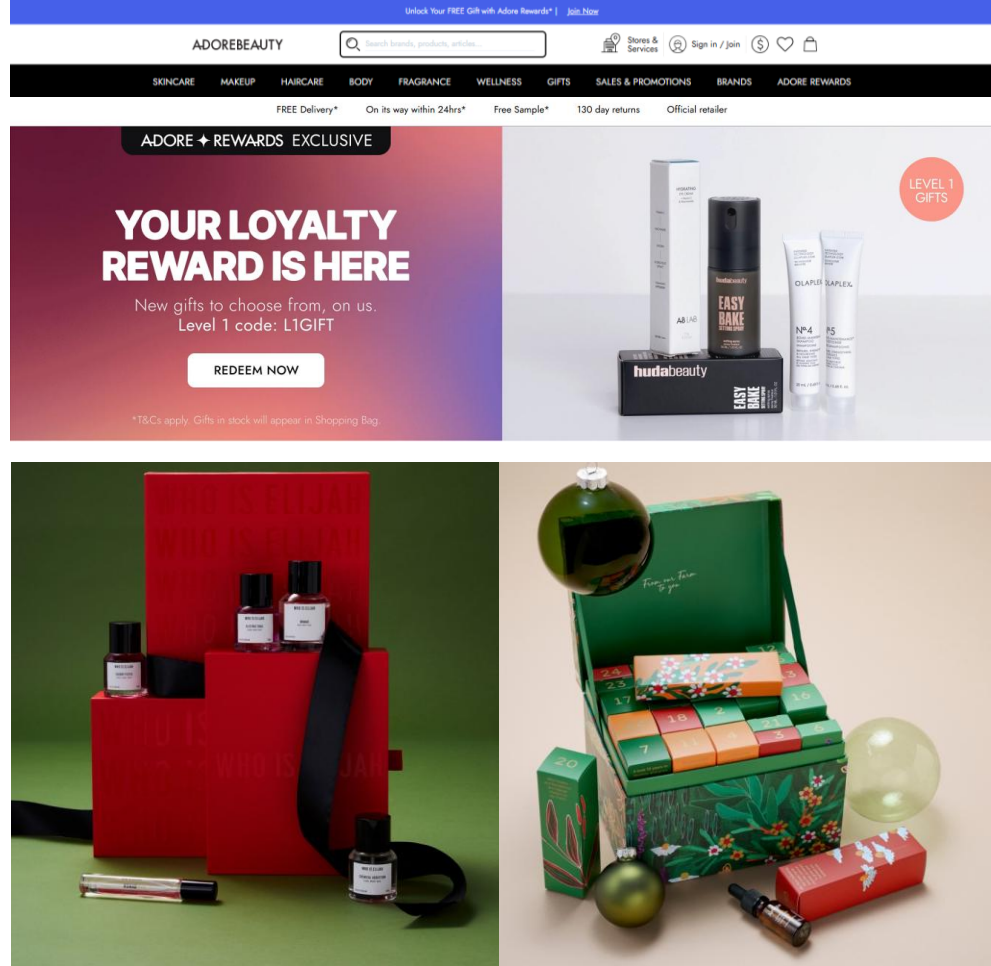
Benefitting from greater brand awareness and availability

- Strong revenue growth across retail, D2C and wholesale channels
- Sorrento (VIC) store opened in November, bringing network to six stores across NSW & VIC
- H1 operational progress
 - **Brand:** Executed a full brand repositioning, evolving the business from founder-led messaging to a clearly articulated, scalable brand aligned to long-term growth
 - **Infrastructure:** Successful e-commerce and POS platforms rollout providing 360-degree customer transparency across network
 - **Customer:** New customer acquisition up +19% PCP, implemented CX team and platform integration achieving 98.9% satisfaction post launch

AI, Automation and Platform Refresh

Investing in significant technology projects to lift customer experience and operational efficiency

- Platform refresh improving personalisation, search functionality and recommendations
- Developed in-house AI functionality that sits across the business
- Integrating AI across business to enhance customer experience, conversion and operational efficiency
 - Product support
 - Customer service queries
 - Operational insights and business analysis
- New tech infrastructure to improve operational planning and productivity
 - Systems resilience
 - Automating internal workflows
 - Labour efficiencies



Operating Efficiency Gains Further Reduce CODB

New initiatives driving further CODB efficiency gains

Marketing Efficiency

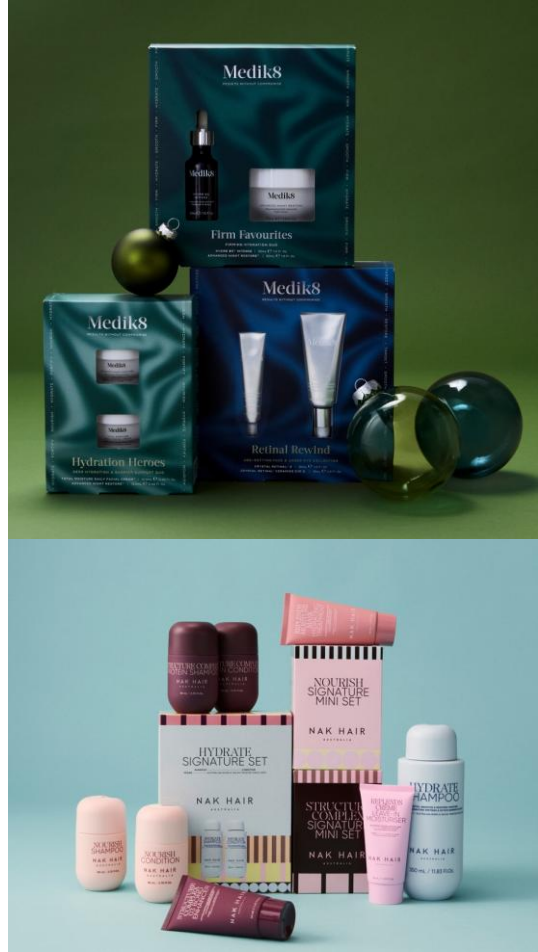
- Record marketing efficiency with costs reducing 29.8% over PCP alongside significant customer growth, 8% increase in sessions, and investment in ATL advertising
- Advertising ROAS up 67% on PCP
- Improving quality of earnings with reduced promotional intensity

Inventory

- Inventory stock turn +11.7% improvement on PCP
- Improved inventory health, 63% of stock within the 60-day window, up from 56.2% for the same period last year

Operational Cost Management

- New freight partnership with Team Global Express (formerly Toll Group) effective from October
- Leveraged AI to optimise picking processes, reducing Customer Fulfilment Centre (CFC) labour costs
- New ERP will redefine operational processes to further improve efficiency





Site Secured for New National Fulfillment Centre

Unlocking material operational efficiency FY27/28+

- Lease signed for new 6,300sqm National Fulfillment Centre (NFC) in Broadmeadows, Victoria
 - Initial 7-year term with option to renew for a further 10 years
 - Significant step-up from current 4,000sqm manually operated facility
- Initial capital outlay of ~\$8M, inclusive of picking and replenishment robotics; forecast payback in under 4 years
 - Largely funded by CBA project-backed facility, minimal impact on operational cash flows
- Automated picking and replenishment to deliver significant operational efficiencies and support long-term growth plans
- Expected to be operational in Q1 FY27 with 4-month transition period, no customer disruption via dual locations



Outlook

Summary: On Track to Achieve FY26 Targets

FY26 Underlying EBITDA margin guidance of 3-4% on a pre-AASB 16 basis (equivalent to 5-6% under previous reporting methodology per previous guidance)

Owned brands expected to account for >6% of Group revenue in FY26

Continued strong new and active customer growth in FY26; on track to achieve targeted 1.25M active customer base by end CY2027

APP and loyalty program contribution to revenue targeted to outgrow non-member revenue contribution, offsetting reduction in promotional cadence

Store network to total 20 by end of FY26; on track to deliver a national retail store footprint of 25+ stores across both brands by end CY2027

Significant technology and growth initiatives underway including transition to new National Fulfilment Centre, rollout of new ERP across the business, and AI implementation





Appendix

Reconciliation of Statutory & Reported Results

HY26 Reconciliation

\$'000	Underlying HY26	AASB 16 Impact	Other Normalisations ¹	Statutory HY26
Total sales	111,942			111,942
Gross profit	39,161			39,161
Operating costs	(35,021)	1,998	(1,247)	(34,270)
EBITDA	4,140	1,998	(1,247)	4,891
Depreciation	(1,728)	(1,984)	(123)	(3,835)
EBIT	2,412	14	(1,370)	1,056
Interest	(111)	(467)		(578)
Tax	(836)	136	411	(289)
NPAT	1,465	(317)	(959)	189
Gross profit %	35.0%			35.0%
Operating cost %	31.3%			30.6%
EBITDA %	3.7%			4.4%
EBIT %	2.2%			0.9%

HY25 Reconciliation

\$'000	Underlying HY25	AASB 16 Impact	IKOU Acquisition	Other Normalisations ²	Statutory HY25
Total sales	102,980				102,980
Gross profit	37,252				37,252
Operating costs	(33,637)	666	(1,817)	63	(34,725)
EBITDA	3,615	666	(1,817)	63	2,527
Depreciation	(977)	(681)	(219)		(1,877)
EBIT	2,638	(15)	(2,036)	63	650
Interest	(0)	(118)			(118)
Tax	(536)	40	611	(19)	96
NPAT	2,102	(93)	(1,425)	44	628
Gross profit %	36.2%				36.2%
Operating cost %	32.7%				33.7%
EBITDA %	3.5%				2.5%
EBIT %	2.6%				0.6%

1. Other normalisations in HY26 excludes the impact of (i) AASB 16 Leases; (ii) store rollout pre-opening expenses; (iii) restructuring costs; (iv) non-cash impacts of AASB 2 Share Based Payments; and (v) other non-core income and expenses recorded during the period.
2. Other normalisations in HY25 excludes the impact of (i) AASB 16 Leases; (ii) restructuring costs; (iii) acquisition related transaction costs; (iv) non-cash impacts of AASB 2 Share Based Payments; and (v) other non-core income and expenses recorded during the period.



Disclaimer

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.

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