ADOREBEAUTY GROUP

Adore Beauty Group Limited

APPENDIX 4E

Preliminary final report

1. Company details

Name of entity:	Adore Beauty Group Limited
ABN	78 636 138 988
Reporting period:	For the year ended 30 June 2026
Previous period:	For the year ended 30 June 2025

2. Results for announcement to the market

				$'000
Revenues from ordinary activities	up	4.3%	to	207,284
Loss from ordinary activities after tax attributable to the owners of Adore Beauty Group Limited	down	675.3%	to	(4,378)
Loss for the year attributable to the owners of Adore Beauty Group Limited	down	675.3%	to	(4,378)

Underlying Results	**2026 $'000**	**2025 $'000**
Sales	**207,284**	198,815
Gross Profit	**71,519**	70,210
Underlying EBITDA	**3,778**	6,224

FY26 revenue increased 4.3% over the previous corresponding period to a record $207.3 million, benefiting from $18.6 million contribution from the Group's retail network, strong retail media growth and owned brands. The Group's pre-tax loss of $6,060,000 (30 June 2025: pre-tax profit of $1,232,000) encompasses $4,362,000 in one-off expenses. These included pre-opening store costs, restructuring expenses, and costs associated with both the implementation of new Enterprise Resource Planning software and new distribution centre.

Underlying EBITDA of $3,778,000 declined 39.3% over the prior year, reflecting a higher fixed cost base due to the Group's significant investment in the growing retail network and more challenging trading conditions, particularly in Q4.

Underlying earnings before interest, tax, depreciation, amortisation and other costs ('Underlying EBITDA') excludes the impact of (i) AASB 16 Leases; (ii) store rollout pre-opening expenses, (iii) one off infrastructure related expenses, (iv) restructuring costs, (v) non-cash impacts of AASB 2 Share Based Payments and (vi) other non-core income and expenses recorded in profit and loss during the period.

Refer to the Directors' report on page 14 for the reconciliation of Underlying EBITDA to statutory profit before income tax.

DIVIDENDS

There were no dividends paid, recommended or declared during or since the end of the current financial year.

3. Net tangible assets

Underlying Results	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	1	1

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Details of associates and joint venture entities

Not applicable.

7. Audit qualification or review

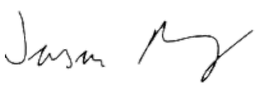
The financial statements have been audited and an unmodified opinion has been issued.

8. Attachments

Details of attachments (if any):

The Annual Financial Report of Adore Beauty Group Limited for the year ended 30 June 2026 is attached.

9. Signed



Jason Murray
Chair

24 August 2026
Melbourne

ANNUAL REPORT

2026

Adore Beauty Group | ABN 78 636 138 988

2026

ADOREBEAUTY
GROUP

Adore Beauty Group delivered record revenue in FY26, supported by its expanding retail network, growing owned brands and retail media

Annual Report 2026

CONTENTS

FY26
FINANCIAL HIGHLIGHTS

FY26 Group Summary[1]

$207.3M
REVENUE
+4.3% on pcp

$3.8M
UNDERLYING EBITDA[2]
(pre-AASB 16)
EBITDA margin of 1.8%

$18.6M
IN-STORE REVENUE

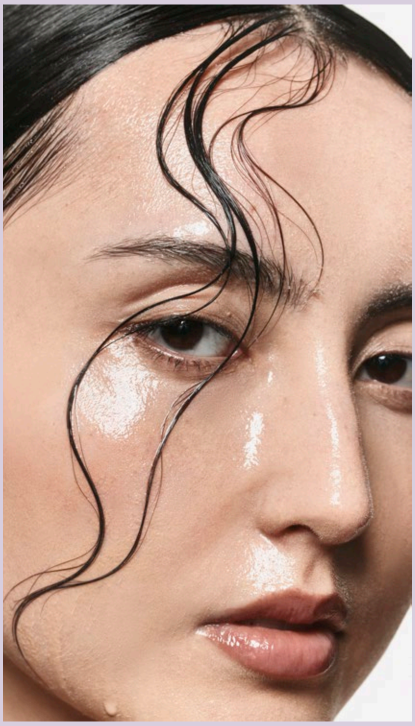
1. Comparisons to FY25 ('prior corresponding period', 'PCP') unless otherwise stated.
2. Underlying EBITDA is normalised on a pre-AASB 16 basis, excluding store rolling pre-opening expenses, one-off infrastructure related expenses, restructuring costs, non-cash impacts of AASB 2 Share Based Payments and other non core income and expenses.

Launched in 2000 as Australia's first beauty focused e-commerce website, Adore Beauty's vision is to help customers feel more confident every day by delivering an empowering and engaging beauty shopping experience personalised to their needs. Adore Beauty continued to scale its omni-channel operations in FY26, expanding its national retail network and investing in the infrastructure required to support future growth. The Group's growing physical presence is broadening its addressable market, cost effectively acquiring new customers and creating higher value omni-channel relationships.

$151.8M

LOYALTY REVENUE

+18.7% on pcp



CHAIR'S LETTER

Dear shareholders,

On behalf of the Board of Adore Beauty Limited, it is a pleasure to present the Company's Annual Report for the year ending 30 June 2026 (FY26).

It has been a privilege to Chair Adore Beauty over the past nine months. Having spent much of my career in retail, I see enormous potential in building on our online market leadership through a growing physical presence. As we continue to execute on our omni-channel strategy, Adore Beauty is well positioned to challenge the traditional beauty retail model in Australia and to redefine how customers discover, experience and shop for beauty.

The retail environment remained challenging throughout FY26, with cost of living pressures continuing to weigh on consumer spending. These conditions have required retailers to innovate and find new ways to attract and engage customers. Adore Beauty has continued to evolve, with growth across retail, owned brands and retail media helping the Group navigate economic headwinds and diversify its revenue base.

FY26 was another significant year of execution for Adore Beauty. We delivered record Group revenue while more than doubling our retail footprint, growing higher-margin revenue streams and completing major operational investments. Importantly, much of the infrastructure required to support our scaling omni-channel operations is now in place, positioning the Group to deliver improved revenue and profitability in FY27.

Our national retail network grew rapidly over the past year, with 13 new stores opening during FY26 to take the Group's footprint to 20 stores across Adore Beauty and iKOU. With more than half of the network less than a year old, we see significant potential to materially grow sales and profit in the future. Stores introduced more than 114,000 new customers to the Group during the year, while in-store transaction conversion increased from 13.1% in the first half to 17.4% in the second half as the network matured. As importantly, customers who shop across channels have a lifetime value 2.5 times higher than those who shop a single channel, increasing to 3.4 times for customers who make their first purchase in-store.

During the fiscal year, we also made significant investment into the operational infrastructure required to support a larger omni-channel business. Our new 6,300 square metre semi-automated National Distribution Centre is now operational, a new Enterprise Resource Planning platform has been rolled out across the Group, and we have expanded the use of proprietary AI across customer-facing and internal functions. Delivered on budget and on schedule, these investments increase our scale and capability while improving productivity and reducing our cost base as we grow.

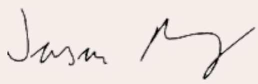
Our owned brands continued to grow during the year, accounting for 5.8% of Group product revenue, with iKOU delivering double-digit revenue growth.

Continued investment in iKOU's brand, customer experience and infrastructure is supporting its growth, alongside an expanding retail network of six stores with a seventh under construction in Hobart. Owned brands remain an important higher-margin growth opportunity and are expected to account for more than 8% of Group product revenue in FY27.

Group revenue increased 4.3% in FY26 over the prior year to a record $207.3 million, including an $18.6 million contribution from our expanding retail network. The business delivered an underlying EBITDA of $3.8 million and importantly, new customer acquisition increased 14.4% to 418,600 while acquisition costs reduced 37.4% to $37.30 per customer, demonstrating the increasing efficiency of our customer acquisition strategy. Active customers grew 2.6% to 858,800 and our 538,000 active Adore Rewards members contributed 81% of sales during the year. The Group also refinanced and increased its working capital facility to $17 million, providing additional funding flexibility as we complete this phase of investment in our retail network.

On behalf of the Board, I'd like to thank the entire Adore Beauty team for their hard work and dedication over the past year. The team has undertaken considerable change across the business while continuing to advance our omni-channel strategy. Their efforts have put Adore Beauty in a stronger position for the year ahead.

Finally, thank you to our shareholders for your continued support. Adore Beauty enters FY27 with much of the required infrastructure now in place and a clear pathway to improved revenue and profitability. I am excited about the opportunity and our ability to translate the investments made over the past two years into greater value for our shareholders.



Jason Murray
Chair

1,465k

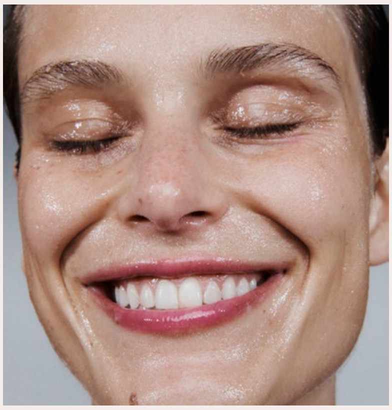
TOTAL CONTACTABLE DATABASE

+8.3% on pcp

418.6k

NEW CUSTOMERS

+14.4% on pcp



858.8k

ACTIVE CUSTOMERS

+2.6% on pcp

CEO'S LETTER

Dear shareholders,

FY26 was a significant year of investment and transformation for Adore Beauty. With the most capital intensive period in the Company's 26-year history now largely behind us, we have delivered record Group revenue while putting in place the foundations for our next phase of growth. We more than doubled our retail footprint, completed major investments in our new National Distribution Centre, ERP and technology capabilities, and continued to grow new customers and higher margin revenue streams. While this investment cycle and a challenging retail environment weighed on earnings in FY26, we enter FY27 with a stronger, more diversified business and clear line of sight to a material step-up in revenue and profitability.

FY26 Results

Adore Beauty delivered record Group revenue in FY26 despite challenging retail conditions, supported by continued execution of our omni-channel strategy and growth across new revenue streams.

Revenue increased 4.3% over the prior year to a record $207.3 million, including an $18.6 million contribution from our expanding retail network. Higher-margin owned brands and retail media also continued to grow during the year, further diversifying our revenue base.

Gross profit margin was 34.8%, down 52 basis points over the prior year, impacted by increased promotional activity in the first half. Encouragingly, margin stabilised during the second half and finished 18 basis points ahead of the prior corresponding period, benefitting from increased contribution from higher-margin owned brands, retail media and stores.

Underlying EBITDA was $3.8 million at a margin of 1.8%. FY26 was a transitional year for earnings as softer trading conditions coincided with the higher fixed cost base associated with our still maturing store network and investment in the capability required to support our omni-channel strategy. With most of the network still early in its maturity curve, we expect a greater financial contribution from retail stores in FY27 and beyond.

We also delivered a significant improvement in marketing efficiency. Marketing spend reduced 22.8% over the prior year and represented 8.8% of sales, down 316 basis points, while we continued to invest in brand awareness and customer acquisition.

Scaling omni-channel operations for growth

Over the past year, we've made significant progress in scaling our national retail footprint, opening eleven Adore Beauty stores and two iKOU stores to take the Group's network to 20 stores. More than half of our network is less than a year old, and we continue to be encouraged by the early performance of our stores as they mature. We have secured leases for a further four Adore Beauty stores and one iKOU store to open in the first half of FY27.

Importantly, we are seeing clear evidence that the value of physical retail network extends beyond the revenue generated within our stores. The store network acquired 114,244 new customers making up 26% of total new customers in the period. Customers who shop across both online and stores have a lifetime value 2.5 times higher than customers who shop through a single channel, increasing to 3.4 times for customers whose first purchase is made in-store with this important growing cohort making up 9.6% of total revenue for the full year stepping up materially in half two at 11.9% from 5.1% in half one. In-store transaction conversion also increased from 13.1% in the first half to 17.4% in the second half as our retail capability matured. These results reinforce our confidence in physical retail as an important driver of customer acquisition and increased share-of-wallet, while supporting our market-leading online business.

Alongside the rapid expansion of our retail network, FY26 was a significant year of investment in the infrastructure required to support our scaling omni-channel operations. During the year, we built and commissioned our new 6,300 square metre semi-automated National Distribution Centre in Broadmeadows, Victoria. The facility has been fully operational since July 2026 and is expected to deliver approximately $2 million in annual labour savings, while improving customer experience through faster dispatch capability.

We also completed the rollout of our new Enterprise Resource Planning software across the Group and expanded the use of proprietary AI across internal and customer-facing functions. These investments strengthen the operational capability required to support our growing omni-channel business. All major infrastructure projects were delivered on budget and on schedule, with the benefits of these investments expected to be realised from FY27.

Growing our higher margin owned brands remains key to improving the Group's revenue and margin profile. Owned brands delivered double digit revenue growth during

FY26 and accounted for 5.8% of Group product revenue, with iKOU the major contributor. Continued investment in iKOU's brand, infrastructure and customer experience supported its performance during the year.

iKOU's retail network has expanded to six stores, with a seventh under construction in Hobart. We are also continuing to build the brand's capability through its first loyalty program and a new digital wholesale sales platform. Owned brands are expected to contribute more than 8% of Group product revenue in FY27, making an increasing contribution to our margin as the portfolio grows.

While our omni-channel operations continue to scale, strengthening our core business remains a priority. Adore Rewards continues to resonate strongly with customers in its second year, with active loyalty members increasing more than 22% to 538,000 and contributing 81% of sales during FY26, compared with 70% in the prior year.

New customer acquisition increased 8.6% during FY26, while customer acquisition costs reduced 37.4% to $37.30 per customer. Adoption of the Adore Beauty mobile app continued to grow, accounting for 36% of online sales during FY26, up 21% over the prior corresponding period. Together with our subscription service and growing retail network, these channels provide further opportunities to increase customer retention, purchase frequency and average order value.

Innovation in the online customer experience continued during the year, including the expanded use of proprietary AI across customer-facing functions and a partnership with Google to launch agentic retail in Australia. The capability enables customers to make purchases from Adore Beauty through Google Search, including AI Mode and the Gemini app, reflecting the changing way customers discover and shop for beauty online.

We also continued to refine our brand portfolio, introducing 16 new brands including Dolce & Gabbana Beauty, Kilian Paris and No7, while discontinuing 48 brands. Continually evolving our range helps keep customers engaged and ensures we offer the most relevant and sought-after beauty brands.

Our growing retail media business remains another important driver of margin improvement. Strong growth continued during FY26 as we leveraged Adore Beauty's platform, customer insights and marketing assets to provide brand partners with greater access to our audience. We see further opportunity to grow this higher-margin revenue stream as our customer base, loyalty membership and omni-channel network expand.

At the same time, we remained focused on reducing the cost of doing business, with further efficiencies expected from our new National Distribution Centre, ERP platform and use of AI. The Head Office restructure completed during the year enabled the business to continue to upweight its retail capability and is expected to deliver more than $2.5 million in annualised cost efficiencies.

As we near the end of the most significant investment cycle in Adore Beauty's 26-year history, our focus is increasingly shifting towards realising the benefits of the investments made over the past two years.

Outlook

We enter FY27 with much of our major investment program complete and a clear focus on delivering a significant improvement in revenue and profitability. The Group is targeting revenue growth of at least 10% and underlying EBITDA of between $9 million and $13 million.

Growth is expected to be supported by the continued maturation of our retail network, increasing contribution from omni-channel customers and continued growth in higher-margin owned brands and retail media. With leases secured for a further four Adore Beauty stores and one iKOU store, our national retail network will reach 25 stores by the end of the 2026 calendar year, while owned brands are expected to account for more than 8% of Group product revenue.

At the same time, increasing operational and labour efficiencies from our new National Distribution Centre, Enterprise Resource Planning platform and Head Office restructure are expected to support improved profitability as we scale.

Our progress over the past year would not have been possible without the dedication of the entire Adore Beauty Group. FY26 involved a considerable amount of change, and I thank the team for embracing that change while continuing to deliver for our customers and execute our strategy.

I would also like to thank Jason and the Board for their continued guidance and support. We have achieved a great deal over the past year and fundamentally strengthened the business in the process which positions us well to enter an exciting new phase of growth and value creation for our shareholders.

Sacha Laing
CEO

REVIEW of OPERATIONS

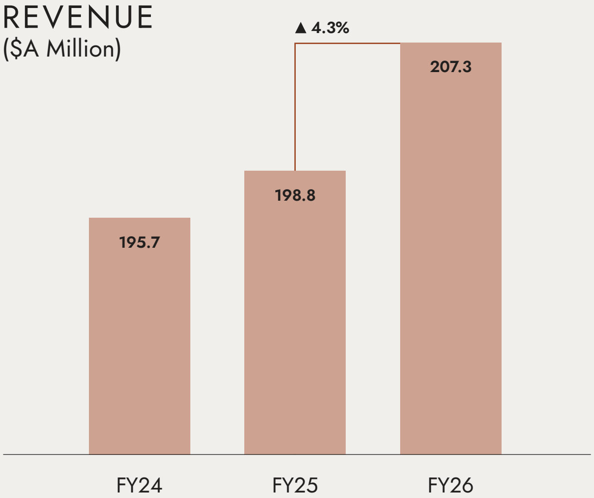
Financial performance

Adore Beauty delivered record Group revenue of $207.3 million in FY26 – a 4.3% increase over the prior year. Growth was driven by strategic growth levers, including $18.6 million contribution from the Group's expanding retail network together with continued strong performance from owned brands and retail media. Adore Beauty's omnichannel operations are diversifying the Group's revenue and margin profile, supporting cost-effective customer acquisition, and improving operational efficiency.

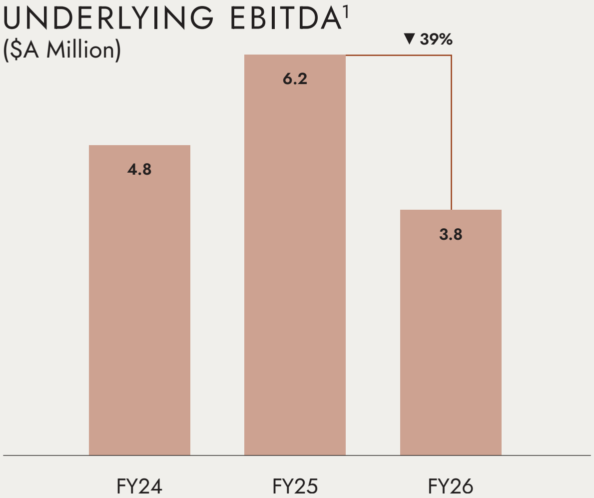
Gross profit margin was 34.8% in FY26, down 52 basis points on the prior year due to increased promotional periods in the first half and a more competitive trading environment. As our omni channel strategy gains momentum second half margin was 18 basis points ahead of the prior corresponding period, benefitting from higher-margin owned brands, retail media and stores.

Executing against a clear three-year strategy to materially grow the business

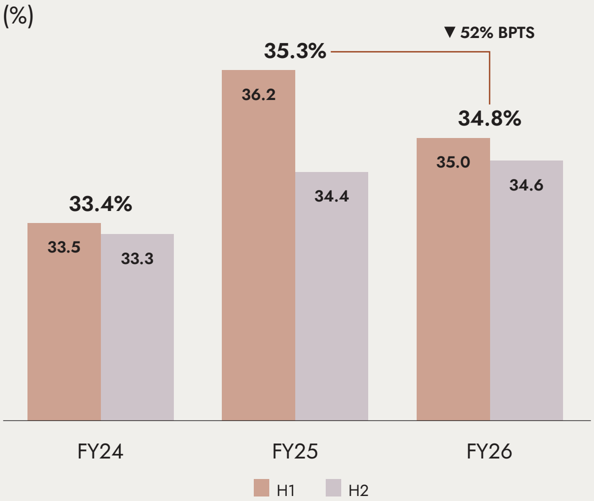
REVENUE
($A Million)



UNDERLYING EBITDA[1]
($A Million)



GROSS PROFIT MARGIN
(%)



1. Underlying EBITDA is normalised on a pre-AASB 16 basis, excluding store rolling pre-opening expenses, one-off infrastructure related expenses, restructuring costs, non-cash impacts of AASB 2 Share Based Payments and other non core income and expenses.

FY26 represented a transitional year for earnings as Adore Beauty materially stepped-up its omnichannel strategy, more than doubling its retail footprint. Underlying EBITDA of $3.8 million reflected the largest investment cycle in the Group's 26-year history to support its scaling omnichannel operations and improve efficiency. In addition to opening 13 integrated retail stores, the Group transitioned to a new semi-automated National Distribution Centre and rolled out new Enterprise Resource Planning (ERP) software across the business. The benefits of these significant infrastructure investments are expected to be realised over the coming years.

REVIEW OF OPERATIONS CONT.

Operational

RETAIL NETWORK

Adore Beauty materially grew its integrated retail network during FY26, opening 11 Adore Beauty stores and two IKOU stores in the iconic townships of Berry on the NSW south coast and Sorrento Victoria. The Group now has a national footprint of 20 stores across its two brands, including its first in Queensland and South Australia.

Located in high foot-traffic shopping centres, the Group's Adore Beauty retail stores support customer acquisition and brand awareness while generating incremental sales across online and physical channels. In FY26, stores cost-effectively introduced more than 114,000 new customers to the Group, delivering a material shift in acquisition strategy amidst an increasingly competitive online acquisition market.

Store performance continued to improve as the team product knowledge base and network capability mature with transaction conversion increasing from 13.1% in the first half to 17.4% in the second half. More than half of the network is less than one year old, with stores expected to reach operational maturity within 18 to 24 months and deliver a greater financial contribution from their second year of operation.

Adore Beauty's omnichannel strategy is already creating higher value customers who are meaningfully contributing to revenue growth. Omni customers have a lifetime value 2.5 times higher than those who shop a single channel, increasing to 3.4 times higher for customers who make their first purchase in-store. This valuable cohort contributed 9.6% of total sales in FY26, growing from 5.1% in the first half to 11.9% in H2.

Leases have been secured for a further four Adore Beauty stores including our Brand flagship store in Melbourne's CBD, IKOU will open its seventh store in the iconic Salamanca Bay precinct in Hobart with both stores under development and opening in September. This will bring the Group's national retail network to 25 stores by the end of the 2026 calendar year.

INFRASTRUCTURE INVESTMENT

FY26 marked a period of significant infrastructure investment to support the Group's scaling omnichannel operations and future growth. During the year, Adore Beauty leased, built and commenced commissioning a new 6,300 sqm semi-automated National Distribution Centre (NDC) in the Victorian suburb of Broadmeadows. The facility features automated picking and replenishment capability and has been fully operational since July 2026. The NDC is forecast to deliver approximately $2 million in annual labour savings as well as enhanced customer experience through faster dispatch capability.

The Group also completed the rollout of new ERP software across the business, improving operational planning, reporting, and inventory visibility. The software also enhances the Group's omnichannel capability.

In FY26, Adore Beauty invested in the development and implementation of proprietary AI across internal and customer-facing functions. Applications include personalised product recommendations, automated responses to customer enquiries, and extensive operational analysis and reporting functionality.

The Group delivered all major infrastructure projects on budget and the financial and operational benefits of these investments will be realised in FY27 and beyond.

OWNED BRANDS

Adore Beauty's owned brands, comprising IKOU, Viviology, AB Lab and Adore Beauty, remain an important driver of revenue and margin expansion. Strong growth over the year saw owned brands represent 5.8% of total Group product revenue in FY26, up 64 basis points over the prior period.

IKOU was the major contributor, delivering double-digit annual revenue growth. IKOU continues to benefit under Adore Beauty's ownership with investment in a contemporary brand refresh, point-of-sale and infrastructure rollout, dedicated customer experience team, integration with Adore's data analytics and BI platforms, and increased availability through third-party channels. IKOU's retail network continues to grow with a sixth store opened in the Victorian seaside town of Sorrento and a seventh store under construction in Hobart, extending the brand's retail footprint beyond NSW and VIC. IKOU's first loyalty program will launch in the first quarter of FY27 with a digital wholesale sales platform being rolled out in the second quarter.

Owned brands are expected to contribute more than 8% of product revenue in FY27, supporting the Group's profitability targets.

CUSTOMER

Now 15 months since launch, 'Adore Rewards' continues to resonate with customers with active loyalty members increasing more than 22% over the year to 538,000. The program is effectively strengthening customer engagement and encouraging repeat purchasing with members contributing 81% of sales in FY26 compared with 70% in the prior year.

Adore's loyalty programs, growing retail network, and improved acquisition strategy focused on acquiring customers at the top of the funnel, delivered more profitable new customer growth during the year. New customers increased 14.4% in FY26 to 418,600 alongside a 37.4% reduction in customer acquisition costs to $37.30 per customer.

Adoption of Adore Beauty's mobile app is also supporting more profitable customer acquisition, accounting for 36% of online sales during FY26 — up 21% over the prior corresponding period.

The Adore Beauty mobile app, subscription service, retail stores are designed to increase order value and frequency as well as customer retention.

Adore Beauty continues to innovate its online customer experience, partnering with Google during the year to launch agentic retail in Australia. The capability enables customers to make purchases from Adore Beauty through Google Search, including AI Mode and the Gemini app.

RANGE REFINEMENT

Adore Beauty continued to refine its brand and product offering during FY26, balancing the introduction of new brands with the rationalisation of underperforming brands. During the year, the Group launched 16 new brands, including Dolce & Gabbana Beauty, Kilian Paris and no7, and discontinued 48 brands. At year end, the Adore Beauty range portfolio comprised 298 brands and 14,969 products.

RETAIL MEDIA

Adore Beauty continued to leverage its platform, customer insights, and marketing assets during FY26, delivering strong retail media growth during the year. Retail media provides brand partners with access to Adore Beauty's loyal customer base across its digital platform and owned marketing channels. Retail media is a high-margin revenue stream and supports gross margin performance.

CODB EFFICIENCIES

The Group continued to focus on improving operational efficiency in FY26 with initiatives across marketing, fulfilment and its operating structure.

In FY26, the Group delivered significant improvements in marketing efficiency with spend down 22.8% over the prior year. Marketing as a percentage of sales is now 8.8%, down 316 basis points over the prior year.

Operationally, efficiencies are being realised from the new ERP, semi-automated NDC, AI implementation and a significant new freight partnership with Team Global Express.

The Head Office restructure completed in May will deliver significant cost efficiencies and broader retail capability over the year ahead. Operational efficiencies are expected to contribute to the Group's profitability target in FY27.

OUTLOOK

Despite the challenging operating environment, Adore Beauty expects to deliver a material step-up in revenue and profitability in FY27. We are targeting revenue growth of at least 10% and Group underlying EBITDA between $9—$13 million on a pre-AASB 16 basis. The expected improvement in FY27 underlying EBITDA is principally supported by approximately $4 million of annualised organisational and cost savings, maturation of the existing store network, growth in retail media and owned brands, and operating leverage from at least 10% revenue growth.

Adore Beauty has secured excellent locations for a further five stores across its two brands, bringing its national retail network to 25 stores before the end of the 2026 calendar year.

ESG REPORT 2026

Throughout FY26, Adore Beauty Group continued to progress its Environmental, Social and Governance (ESG) program, building on initiatives across sustainability, responsible sourcing, employee wellbeing and governance. During the year, the Group remained focused on strengthening business practices, investing in its people and embedding initiatives that support responsible and sustainable operations.

The Group continued to implement initiatives to reduce waste across its operations. The Customer Fulfilment Centre recycled approximately 94.5 tonnes of cardboard and 4.2 tonnes of soft plastics generated through supplier deliveries and fulfilment activities, representing an increase on the prior year. The Group also continued to explore opportunities to improve sustainability across its brands and operations, including within the iKOU business, which invested in a cardboard recycler that enables incoming cardboard packaging to be repurposed into protective void fill for outbound wholesale and retail shipments.

Adore Beauty also continued to strengthen its Modern Slavery Compliance Program through supplier due diligence, ongoing engagement with higher-risk Trade Partners and continued focus on higher-risk sourcing categories and service providers. During the year, the Group refreshed and relaunched its Trade Partner review process, maintained oversight through its Modern Slavery Working Group and delivered ongoing training to strengthen awareness and support the effective management of modern slavery risks across its operations and supply chains.

FY26 marked the first full year of the Group's revised flexible working and leave arrangements introduced in FY25. During the year, Adore Beauty refined its Wellbeing Leave and Birthday Leave program to improve consistency across business areas while maintaining operational requirements. These benefits continued to be available to permanent team members across the Group, including retail stores and fulfilment operations, while eligible corporate roles continued to operate under the Group's hybrid working model.

Investment in attracting, developing and retaining talent remained a priority across the corporate, retail and fulfilment teams. The Group maintained structured recruitment practices designed to provide a consistent candidate experience. Employee development remained a focus through Adore Beauty University, leadership coaching programs and role-specific learning opportunities. Retail team members continued to participate in structured induction, online learning, leadership development and product education delivered in partnership with brand suppliers and supported by the Group's Education team. During FY26, the Group made 27 internal promotions, including appointments into senior leadership positions, demonstrating its continued commitment to internal career development. Work also continued to strengthen leadership capability, performance development and feedback processes through ongoing leadership training and enhancements to goal setting and development planning.

Adore Beauty remains committed to embedding practical ESG initiatives that support responsible business practices, strengthen governance, invest in its people and contribute positively to the communities in which the Group operates.

DIRECTORS' REPORT

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Adore Beauty Group Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2026.

Directors

The following persons were Directors of Adore Beauty Group Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

- Jason Murray – Non-Executive Chair (appointed 1 November 2025)
- Marina Go AM – Non-Executive Chair (resigned 21 November 2025)
- Sandra Birkensleigh – Non-Executive Director
- Lisa Hennessy – Non-Executive Director
- Iain Nairn – Non-Executive Director
- Kate Morris – Non-Executive Director (resigned 30 September 2025)
- James Height – Alternate Non-Executive Director (resigned 30 September 2025)

Principal activities

Adore Beauty Group generates its revenue as a major retailer in the beauty and personal care industry, offering a wide selection of products both in-store and online. With over 15,000 products and 300 brands, the Group has a broad range to offer its customer base in Australia and New Zealand. The Group has fulfillment centres in Victoria and New South Wales.

There have been no changes in the Group's principal activities during the financial year.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations and financial performance

FY26 was a transformational year for Adore Beauty with the Group accelerating its transition to an omnichannel banner, opening 13 integrated retail stores (11 Adore Beauty, 2 IKOU) across Australia. The Group's growing retail network diversifies its revenue and margin profile, cost-effectively introduces new customers to the Adore Beauty brand, and creates higher value customers.

In a challenging market, the Group delivered annual revenue of $207.3 million, a 4.3% increase over the prior comparative period. Growth was driven by $18.6 million contribution from the Group's store network and the strong performance of owned brands and retail media.

A statutory pre-tax loss of $6,060,000 (30 June 2025: pre-tax profit $1,232,000), included one-off expenses totalling $4.4 million. The loss for the Group after providing for income tax amounted to $4,378,000 (30 June 2025: net profit of $761,000).

Earnings before interest, tax, depreciation, amortisation and other one-off costs ('Underlying EBITDA') in FY26 was $3,778,000 at a margin of 1.85%. The below table includes the reconciliation of the statutory profit before tax to the Underlying EBITDA:

	Consolidated	
	2026 $'000	**2025 $'000**
Sales	207,284	198,815
Gross Profit	71,519	70,210
Statutory profit/(loss) before tax	**(6,060)**	**1,232**
Depreciation and amortisation	9,116	4,062
Statutory EBIT	**3,056**	**5,294**
Finance costs	1,631	322
Interest	(21)	(101)
Statutory EBITDA	**4,666**	**5,515**
Add back:		
Acquisition related transaction costs	–	1,998
Store roll-out pre-opening costs	2,002	–
Restructure costs	1,061	549
ERP implementation costs	851	–
Project Venus – National Distribution Centre Costs	448	–
Total one off expenses	**4,362**	**2,547**
Rent expense pre-adoption of AASB 16	(5,384)	(1,692)
Non-cash impact of AASB2 Share based payments	134	(146)
Underlying EBITDA	**3,778**	**6,224**
Underlying depreciation	(3,930)	(2,143)
Underlying EBIT	**(152)**	**4,081**

Underlying adjustments relate to normalisations and one-off costs impacting the period.

The Group delivered significant operational progress in FY26, commencing and completing several large infrastructure projects that unlock material operational efficiency across the business, enhance omnichannel capability, and support its scaling retail network.

FY26 was a transitional year for earnings with profitability impacted by a higher fixed cost base arising from a growing, yet immature retail network, combined with a challenging retail environment. Underlying EBIT decreased 110.3% over the prior comparative period to a loss of $152,000. Gross margin of 34.8% was down 52 basis points on the prior comparative period, reflecting the overperformance of key promotional events in H1 and a more challenging retail environment in Q4. Margin performance stabilised in the second half of the year, broadly in line with the prior comparative period.

Adore Beauty had borrowings of $9,317,000 as at 30 June 2026 (30 June 25: $nil), reflecting the Group's most significant investment cycle in its 26-year history.

The Group remains focused on it's strategy to become a leading omni-channel beauty retailer and is executing on its medium term growth plan. During FY26, the Group more than doubled its retail footprint to 20 stores, built and commissioned a new semi-automated National Distribution Centre, and implemented new ERP software across the business.

Additional operational initiatives and achievements during FY26 included;

- Owned brands delivered double-digit revenue growth to account for 5.8% of total Group product revenue with iKOU contributing the majority;
- New customers increased 14.4% over the PCP while cycling 6.1% growth in the prior period, achieved more efficient marketing with CAC spend down 37.4% over the year; and
- Created the Group's most valuable customer cohort with omnichannel customers having a lifetime value 2.5x higher than a single channel. Omni customers contributed 9.6% of total Group revenue in FY26 with a material step-up over the second half of the year, growing from 5.2% in H1 to 11.9% in H2.

Please refer to the operational review section and the Group's FY26 results presentation for further commentary on the Group's financial and operational results.

DIRECTORS' REPORT CONT.

Material business risks

There are several market, financial and operational risks, both specific to the Group and externally that could have an adverse effect on the Group's future performance. The Group has a risk management framework in place with internal control systems to identify key business risks and mitigate them to an acceptable level. The material business risks are summarised below:

Risk	Description
External economic factors affecting continued growth	While the retail market and the beauty and personal care market have been growing, there is no guarantee this will continue. The Group is subject to factors outside its control including Australia's economic outlook, movements in the cash rate and unemployment rate, levels of building activity, instability in real estate and housing markets, consumer sentiment, global economic outlook, foreign economic shocks and adverse exchange rate instability. One or more of these factors could cause a contraction in the forecasted growth of retail or the demand for beauty and personal care products.
Supply chain disruption	The Group's supply chain is important in ensuring that products are available for our customers. The key risks in the Group's supply chain include events of global significance that disrupt global supply chains and domestic disruption due to natural disasters. If the Group's supply chain is significantly disrupted, this may have a material adverse effect on the Group's financial and/or operating performance.
New and existing competitors could adversely affect prices and demand for beauty and personal care products and decrease ABY's market share	The beauty and personal care market is highly fragmented. Competition can arise from several sources including traditional physical retailers, omni-channel, mono-channel, multi-branded retailers, and online-only e-commerce competitors. Existing competitors may strengthen their market share through increased funding or industry consolidation, an increase in brand awareness or attractiveness to customers, or through financial or operational advantages which allow them to compete aggressively on pricing. New competitors may also enter market and take share from the Group. Competition may also come from third-party suppliers establishing their own presence – as opposed to utilising the Group's network.
Supplier relationships	The Group's ability to grow relies on retaining its existing key supplier relationships and continuing to attract suppliers on acceptable terms. The Group's supply agreements are negotiated on a case-by-case basis and there is no guarantee that these arrangements will be renewed on like terms. The deterioration of the Group's relationships with these suppliers or inability of these suppliers to renew contractual agreements on acceptable terms, or at all, may have a material adverse effect on the financial and/or operational performance in the future.
Health, safety and wellbeing risks	The health, safety and wellbeing of the team and everyone who could be impacted by Adore Beauty's business, including customers and suppliers, is its highest priority. A major health, safety or wellbeing incident could have adverse impacts on an employee, supplier or customer.
Employee recruitment and retention	The future success of the Group is dependent on its key personnel and its ability to attract and retain individuals that will complement its culture and retain an experienced and high performing team. Competition for key personnel within the retail market could increase the demand and cost for quality employees. The Group's ability to meet its labour needs while controlling costs associated with hiring and training employees is subject to external factors such as unemployment rates, prevailing wage legislation and changing demographics. This may impact the Group's ability to achieve its financial and/or operational performance goals.
Performance and reliability of websites, databases, its operating systems and internet.	The Group's website, databases, IT, warehouse systems and management systems are critically important to its success in attracting and retaining customers and maximising sales conversion from those customers. The Group also relies on services provided by third party providers. The Group's financial and operational performance could be adversely impacted by a system failure within its own systems, or to third-party suppliers of its systems and products. This may adversely affect the customer experience and reduce the attractiveness of its website to customers, limiting future sales.

Risk	Description
Inventory management	The Group's performance depends on maintaining appropriate inventory levels while responding to changing consumer demand. Inaccurate forecasting, supplier delays, excess inventory or product obsolescence may adversely impact sales, gross margins and working capital.
Cyber and security risks	The Group could be subject to a range of cyber risks which could result in unauthorised access or disclosure of information held by the Group. A cybersecurity incident could adversely impact the Group's ability to operate and to meet the needs of its customers. Unauthorised disclosure of, or unauthorised access to, personal information under the control of the Group could have an adverse impact on the Group's reputation, market position, financial performance and could result in regulatory action.
Legal, regulatory and compliance	The Group could misinterpret or have a poor understanding of tax, corporate, or other key legislation impacting the Group's operations which could lead to regulatory non-compliance. This may result in misstatements of tax liabilities, breaches of legal or regulatory requirements, and violations of data privacy obligations. Consequences may include significant financial penalties, legal action, reputational damage, and loss of stakeholder trust.
Brand and reputation	The Group's reputation is fundamental to customer trust and supplier relationships. Product quality issues, adverse publicity, social media activity, customer service failures or regulatory matters may negatively impact customer confidence and financial performance.
Sustainability and Social responsibility	The sustainability of the business is impacted by a number of environmental and social factors. any actual or perceived failure to adequately address sustainability related issues may have an adverse impact on the Group's reputation, operational or financial performance, in particular: • Identifying issues in its supply chain (including modern slavery practices) • Sourcing sustainable materials and packaging • Implementing product compliant systems to impact product safety • Promoting inclusion and gender equality
Strategic execution	The Group is executing a three year strategic plan designed to support growth and enhance long term shareholder value. The successful execution of the strategy is dependent on a range of internal and external factors. Delays, cost overruns, implementation challenges or failure to realise anticipated benefits may adversely affect financial performance and strategic outcomes. The strategic plan may also be impacted by a number of other factors including: • Entrance of new competitors • Aggressive discounting by local competitors • DTC distribution strategies of global brands • Reduction in consumer spending and demand may lead to a decline in the Group's sales and profitability • Access to suitable retail locations
Customer acquisition and retention	The Group's growth depends on attracting new customers while retaining existing customers in a cost-effective manner. Changes in digital advertising markets, search engine algorithms, social media platforms, customer behaviour or marketing effectiveness could increase acquisition costs, reduce customer lifetime value or adversely affect revenue growth.

DIRECTORS' REPORT CONT.

Risk	Description
Stores	A key pillar of the Group's strategic plan is the expansion into a physical store environment. There are a number of risks that could impact the delivery of this initiative: • Broader economic conditions and cost of living impacts • Long term leases • Suppliers may not support Adore Beauty Group's physical store expansion which may impact store revenue • Supply chain disruption • New market entrants diluting share

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of the financial year

Chief Financial Officer and Joint Company Secretary Marcus Crowe resigned 28 July 2026. Kylie Archer was appointed as Interim Chief Financial Officer on 29 July 2026.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Environmental regulation

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on Directors

Name:	**Jason Murray**
Title:	Non-Executive Chair (appointed 1 November 2025)
Qualifications:	BEc (Hons), MBA
Experience and expertise:	Jason brings extensive retail experience to the Board, having served as CEO of several major multi-branded retail companies over the past two decades. His executive career includes CEO and Managing Director roles at Just Group Ltd as well as CEO of Pepkor South East Asia (Best & Less, Harris Scarfe, and Postie Plus) from 2012 until 2018. He was an Executive Director of Pepkor Holdings Limited (South Africa) through most of this period. Jason was Group CEO of Best & Less Group Holding ('BLG') between December 2019 and July 2021, at which point the business listed on the ASX. He subsequently served as Chair of the board (in both non-executive and executive capacities) until the business was acquired in June 2023.
Other current directorships[1]:	Nil
Former directorships (last 3 years)[2]:	Nil
Special responsibilities:	Nil
Interests in shares:	160,140 ordinary shares
Interests in options:	None
Contractual rights to shares:	None

Name:	**Marina Go AM**
Title:	Non-Executive Chair (resigned 21 November 2025)
Qualifications:	B.Arts, MBA
Experience and expertise:	Marina is an experienced independent Non-Executive director. She serves on the boards of a diverse range of listed and private entities across retail, convenience, energy and infrastructure. Marina has more than 26 years of leadership experience in the media industry, including CEO, GM and Publishing Director roles. She is a member of O'Connell Street Associates, the Australian Institute of Company Directors and Chief Executive Women.
Other current directorships[1]:	Non-Executive Director of Metcash Ltd (appointed 1 February 2025) Non-Executive Director of Southern Cross Media Group (appointed October 2024) Non-Executive Director of Transurban Group (appointed 1 December 2021)
Former directorships (last 3 years)[2]:	Non-executive director of Autosports Group Ltd (resigned 22 November 2024)
Special responsibilities:	Member of the Audit and Risk Management Committee
Interests in shares:	27,407 ordinary shares
Interests in options:	None
Contractual rights to shares:	None

DIRECTORS' REPORT CONT.

Name:	**Sandra Birkensleigh**
Title:	Non-Executive Director
Qualifications:	B.Com
Experience and expertise:	Sandra is an experienced independent Non-Executive Director. She serves on the boards of a diverse range of entities across financial services, convenience, retail and resource companies. Sandra was formerly a partner of PwC for 16 years. Sandra is a member of the Institute of Chartered Accountants in Australia and New Zealand, a member of the Australia Institute of Company Directors and a life member of the Governance, Risk and Compliance Institute of Australia and a Certified Compliance Professional (Fellow).
Other current directorships[1]:	Nil
Former directorships (last 3 years)[2]:	Non-Executive Director of MyState Bank Group Ltd (Resigned June 2026) Non-Executive Director of Horizon Oil Ltd (Resigned August 2025) Non-Executive Director and Chair of Auswide Bank Ltd (Resigned February 2025)
Special responsibilities:	Chair of the Audit and Risk Management Committee Member of the People and Remuneration Committee
Interests in shares:	7,407 ordinary shares
Interests in options:	None
Contractual rights to shares:	None
Name:	**Lisa Hennessy**
Title:	Non-Executive Director
Qualifications:	B.Sci (Electrical Engineering), MBA, GAICD
Experience and expertise:	Lisa has extensive Non-Executive Director experience across listed, private and not-for-profit organisations. Lisa is currently a Non-Executive Director of ASX listed Cleanspace Holdings Limited. Previously, Ms Hennessy has held executive roles within global organisations and enterprise software businesses, including Bain, General Electric and Del Monte Foods working across the USA, Australia and EMEA. Lisa is a graduate of Australian Institute of Company Directors.
Other current directorships[1]:	Non-Executive Director of Cleanspace Holdings Ltd (appointed December 2021)
Former directorships (last 3 years)[2]:	Non-Executive Director of Megaport Ltd (Resigned July 2026) Non-Executive Director of Nitro Software Ltd (Resigned March 2023)
Special responsibilities:	Chair of the People and Remuneration Committee Member of the Audit and Risk Management Committee
Interests in shares:	50,000 ordinary shares
Interests in options:	None
Contractual rights to shares:	None

Name:	**Iain Nairn**
Title:	Non-Executive Director (appointed 1 May 2025)
Qualifications:	Secondary Education
Experience and expertise:	Iain is an experienced Non-Executive Director with extensive board and executive experience in both Australia and internationally. Iain has significant omnichannel, retail, data, sales and marketing experience in Australia and overseas, having held senior positions with organisations including HBC, David Jones, Country Road PLC and Witchery Group.
Other current directorships[1]:	Nil
Former directorships (last 3 years)[2]:	Nil
Special responsibilities:	Nil
Interests in shares:	104,045 ordinary shares
Interests in options:	None
Contractual rights to shares:	None

Name:	**Kate Morris**
Title:	Non-Executive Director (resigned 30 September 2025)
Qualifications:	B.Bus. (Management)
Experience and expertise:	Kate is a co-founder of Adore Beauty, and was Director and joint CEO with James Height since the Company's formation in 2000 until 2018 when she became an Executive Director. She transitioned to Non-Executive Director from 1 July 2023. Kate is a two-time winner of the Telstra Business Women's Awards (2010 and 2014), and the first woman to be awarded the Industry Recognition Award for e-commerce at the StarTrack ORIAs in 2017.
Other current directorships[1]:	Nil
Former directorships (last 3 years)[2]:	Nil
Special responsibilities:	Member of the People and Remuneration Committee
Interests in shares:	10,400,000 ordinary shares
Interests in options:	None
Contractual rights to shares:	None

DIRECTORS' REPORT CONT.

Name:	**James Height**
Title:	Alternate Non-Executive Director for Kate Morris (resigned 30 September 2025)
Qualifications:	B.Arts, B.Law, MBusMgt
Experience and expertise:	James is a co-founder of Adore Beauty, and was Director and joint CEO since the Company's formation in 2000 until 2018 and then sole CEO between 2018 and August 2020. James was most recently the Chief Data Officer at Adore Beauty before resigning on 30 June 2023. He transitioned to Non-Executive Director from 1st July 2023.
Other current directorships[1]:	Nil
Former directorships (last 3 years)[2]:	Nil
Special responsibilities:	Nil
Interests in shares:	10,400,000 ordinary shares
Interests in options:	None
Contractual rights to shares:	None

1. Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.
2. 'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Joint Company Secretaries

Former Group Chief Financial Officer Stephanie Carroll (BEc.) held the role of Company Secretary from October 2020 until 4 February 2026.

Marcus Crowe B.Com, CA, GradDipACG, FGIA, FCG (CS, CGP), joined the Group as Chief Financial Officer (CFO) in January 2026 and was appointed Joint Company Secretary on 4 February 2026. Marcus resigned from both positions effective 28 July 2026. Anna Sandham continues as sole Company Secretary.

Melissa Jones held the role of Company Secretary from October 2020 until her resignation on 3 September 2025.

Anna Sandham B.Ec, Grad. Dip. AppCorpGov, FGIA, was appointed as Joint Company Secretary on 3 September 2025. Anna is a Senior Company Secretary at MUFG Corporate Governance, a division of MUFG Pension & Market Services. Anna has over 25 years' experience as a company secretary and governance professional. Anna holds a Bachelor of Economics and a Graduate Diploma of Applied Corporate Governance. Anna is a Fellow of the Governance Institute of Australia and a member of its Legislative Review Committee.

Meetings of Directors

The number of meetings of the Group's Board of Directors ('the Board') held during the year ended 30 June 2026, and the number of meetings attended by each director were

	Full Board		People and Remuneration Committee		Audit and Risk Management Committee	
	Attended	**Held**	**Attended**	**Held**	**Attended**	**Held**
Jason Murray[(i)]	8	8	–	–	–	–
Marina Go AM[(ii)]	4	4	–	–	2	2
Kate Morris[(iii)]	1	1	2	2	–	–
James Height[(iii)] *(as Alternate Director)*	–	–	–	–	–	–
Sandra Birkensleigh	10	10	4	4	4	4
Lisa Hennessy	10	10	4	4	4	4
Iain Nairn	10	10	4	4	4	4

(i) Jason Murray was appointed as Director on 5 November 2025 and as Chair effective 21 November 2025.
(ii) Marin Go resigned as Director and Chair effective 21 November 2025.
(iii) Kate Morris resigned as Director effective 30 September 2025. Accordingly James Height resigned as Alternate Director on 30 September 2025.

Held: represents the number of meetings held during the time the Director held office or was a member of the relevant committee.

The Board also convenes special committee meetings from time to time as may be required.

Shares under option and rights

Unissued ordinary shares under option or performance rights of Adore Beauty Group Limited at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option or performance rights
9/10/2024	24/11/2027	$0.00	1,500,000
9/10/2024	09/10/2034	$0.88	500,000
4/02/2025	28/11/2027	$0.00	734,500
2/03/2026	28/11/2027	$0.00	392,500

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Group or of any other body corporate.

DIRECTORS' REPORT CONT.

Shares issued on the exercise of options

There were no ordinary shares of Adore Beauty Group Limited issued on the exercise of options during the year ended 30 June 2026 and up to the date of this report.

Indemnity and insurance of officers

The Group has indemnified the Directors and executives of the Group for costs incurred, in their capacity as a Director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Group paid a premium in respect of a contract to insure the Directors and executives of the Group against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

The Group has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Group or any related entity against a liability incurred by the auditor.

During the financial year, the Group has not paid a premium in respect of a contract to insure the auditor of the Group or any related entity.

Proceedings on behalf of the Group

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 24 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in note 24 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved by the Board to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as advocate for the Group or jointly sharing economic risks and rewards.

Officers of the Group who are former partners of Grant Thornton Audit Pty Ltd

There are no officers of the Group who are former partners of Grant Thornton Audit Pty Ltd.

Rounding of amounts

The Group is of a kind referred to in Corporations Instrument 2026/183, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

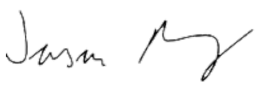
A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this Directors' report.

Auditor

Grant Thornton Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors



Jason Murray
Chair

24 August 2026
Melbourne

REMUNERATION REPORT

Dear Shareholder

On behalf of the Board, we are pleased to present Adore Beauty's remuneration report for the financial year ended 30 June 2026.

The 2026 financial year saw the delivery of $207.3 million in revenue, an increase of 4.3% on the previous year.
The company delivered underlying EBITDA[1] of 1.8% which was in line with guidance.

FY26 was a transformational year for Adore Beauty with the Group accelerating its transition to an omnichannel beauty retailer, with 13 integrated stores opened across Australia (11 Adore Beauty, 2 IKOU). The Group's growing retail network diversifies its revenue and margin profile, cost-effectively introduces new customers to the Adore Beauty brand, and creates higher value customers.

The Board has established a remuneration framework that aligns the Company's performance with remuneration outcomes and delivers shareholder value.

Key Management Personnel (KMP)Changes

Stephanie Carroll stepped down from her role as Chief Financial Officer on 4 February 2026.

Marcus Crowe joined the business on 27 January 2026 as Chief Financial Officer and joint Company Secretary on 4 February 2026. Effective 28 July 2026, Marcus resigned from both positions.

FY26 Remuneration outcomes

The remuneration outcomes described below deliver the balance between attracting, rewarding and motivating our key executives whilst meeting the expectations of our shareholders.

Fixed Remuneration

Adjustments to Fixed Remuneration for KMP during FY26 were limited to recognising remuneration movement in the market (refer section 2a).

STI

Performance targets remain linked directly to company financial results and individual strategic priorities for FY26. This plan was introduced in FY22 to retain and provide an incentive to KMP, offering them an 'at risk' incentive to remain clearly focused on the elements of the strategic plan that most impact profitable growth.

There were no payments made to KMP under the FY26 STIP. While revenue performance increased from last year, company financial results did not meet the targets set by the Board.

LTI

In FY26, there was no general rights offer, other than for new senior executives including the CFO. These rights will vest subject to achievement of share price targets (refer section 2c) to ensure complete alignment with all shareholders.

The rights offer made in FY24, due to vest at the end of the FY26 year has been tested for achievement of it's Compound Annual Growth Rate (CAGR) and relative Total Shareholder Return (rTSR) targets. This testing resulted in all rights lapsing as CAGR and rTSR performances were below threshold levels.

Looking ahead to FY27

The Board will maintain a focus on profitable results with ‘at risk’ remuneration for KMP and senior executives. This includes maintaining ‘at risk’ components and ensuring remuneration is competitive with peer companies. Goals will remain focused on profitable revenue growth and execution of strategic initiatives that drive long-term shareholder value.

Following the resignation of the current CFO, the Group has commenced a search process to appoint a new Chief Financial Officer. The Board will consider the remuneration arrangements for the incoming CFO having regard to the Group’s remuneration framework, market practice and the requirements of the role.

Conclusion

FY26 has seen further strategic evolution for Adore Beauty, with continued revenue and customer growth and significant progress against our strategic priorities.

Into FY27, the business is well positioned to execute on its mid-term strategy and we see further growth opportunities for the increasingly diversified Adore Beauty business, as we grow our core business, open additional stores and grow the iKOU brand. With this in mind, we remain focused on ensuring our remuneration framework supports and incentivises our business growth goals, whilst also reinforcing our strong company values and being aligned to the expectations of our shareholders.

Sincerely,

Lisa Hennessy
Chair – People and Remuneration Committee

REMUNERATION REPORT CONT.

The Contents

The remuneration report is set out under the following main headings:

1. Reward Overview

A. WHAT DOES THIS REPORT COVER?

The remuneration report provides a summary of remuneration arrangements for the Group's Key Management Personnel (KMP) for the financial year ended 30 June 2026. This report has been prepared in accordance with the requirements of the Corporations Act 2001 and its Regulations and subsequently audited by Adore Beauty's External Auditor.

B. KEY MANAGEMENT PERSONNEL (KMP)

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors. In this Report this includes Directors, the CEO and CFO.

The KMP of the Group are outlined in the following table:

Name	**Title**	**Independent**	**Term**
Non-Executive Directors			
Jason Murray	Non-Executive Chair	Yes	1 November 2025 to 30 June 2026
Marina Go	Non-Executive Chair	Yes	1 July 2025 to 21 November 2025
Sandra Birkensleigh	Non-Executive Director	Yes	Full financial year
Lisa Hennessy	Non-Executive Director	Yes	Full financial year
Iain Nairn	Non-Executive Director	Yes	Full financial year
Kate Morris	Non-Executive Director	No	1 July 2025 to 30 September 2025
James Height	Alternate Non-Executive Director	No	1 July 2025 to 30 September 2025
Executive Management			
Sacha Laing	Chief Executive Officer		Full financial year
Marcus Crowe	Chief Financial Officer		27 January 2026 to 30 June 2026
Stephanie Carroll	Chief Financial Officer		1 July 2025 to 4 February 2026

C. ROLE OF THE PEOPLE AND REMUNERATION COMMITTEE

The People and Remuneration Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. The remuneration philosophy is to attract, motivate and retain experienced and high performing people.

REMUNERATION REPORT CONT.

D. GOVERNANCE FRAMEWORK

The reward framework is designed to align executive reward to shareholders' interests. The Board maintains accountability for the oversight of the remuneration approach for all Adore Beauty Executives and Non-Executive Directors (NED), having regard to the recommendations made by the People and Remuneration Committee. More information on the Board's role and Adore Beauty corporate governance policies for KMP can be found on Adore Beauty's website at: https://www.adorebeautygroup.com.au/investor-centre/

In accordance with best practice corporate governance, the structure of Non-Executive Director, and Executive KMP remuneration is separate.

CONSULTATION WITH SHAREHOLDERS AND OTHER STAKEHOLDERS

THE ADORE BEAUTY BOARD

Maintains overall accountability for oversight of remuneration approach for all executives, having regard to recommendations made by People & Remuneration Committee

PEOPLE AND REMUNERATION COMMITTEE

Responsible for reviewing and making recommendations to the Board on matters including (but not limited to):

- Remuneration of KMP
- At risk remuneration policies and participation for Executive KMP
- Talent management, health and safety, diversity and code of conduct policies

ADVISORS

The People and Remuneration Committee may seek advice from independent remuneration consultants in determining appropriate senior executive remuneration.

During the financial year ended 30 June 2026, the People and Remuneration Committee did not receive formal advice from external consultants.

MANAGEMENT

Responsible for making recommendations to the People and Remuneration Committee on matters including (but not limited to):

- Remuneration of other executives and senior managers
- At risk remuneration policies for other employees
- Implementing company policies on people and culture initiatives

E. REMUNERATION FRAMEWORK

The executive reward framework consists of the following components:

- fixed remuneration, comprising base salary and Company contributions to superannuation;
- short term performance incentive;
- long term performance incentive;
- sign-on equity where appropriate; and
- non-monetary benefits.

In combination, these components comprise the executive's total reward as outlined in the table below. As part of their development, the KMP remuneration at Adore Beauty has been evolving so that for FY26 the table below reflects our remuneration framework.

Remuneration Component		Payment Vehicle	Benchmark	Performance Measure	Link to Strategy
Fixed Remuneration		Cash Salary and Retirement Benefits(i)	Reference to the market median remuneration for similar roles in ASX listed companies of similar size to Adore Beauty.	Scope and responsibilities of role; together with skills, experience, and performance of individual.	Market competitive fixed remuneration is paid to attract, motivate, and retain executive KMP with the appropriate experience and talent to drive Adore Beauty's strategy.
			+		
VARIABLE REMUNERATION	**Short-term Incentive (STI)**	Any award achieved will be delivered, following the release of end of year results as a cash payment.	Target opportunity based on a % of base salary (varies by role). Maximum opportunity of 120% of target, for financial objective.	Key Adore Beauty measures are used to determine any STI award payable. These measures represent the key priority areas for the current year. The measures relate to profit, revenue and strategy.	Provides a reward linked to the delivery of short-term (1 year) objectives.
			+		
VARIABLE REMUNERATION	**Long-Term Incentive (LTI)**	Performance Rights with vesting based on the delivery of set performance measures over a 3 year performance period. Grants are made using market value.	Grant varies by role.	External Measure: Share price growth.	The LTI builds executive KMP equity ownership. It aligns the interests of KMP with shareholders
			=		
Total Remuneration			On-target level based on market median for companies of similar size to Adore Beauty		

(i) Retirement Benefits are delivered under defined contribution superannuation funds for all KMP. Retirement benefits are set by reference to relevant legislation.

REMUNERATION REPORT CONT.

F. REWARD PRINCIPLES

The structure of Adore Beauty remuneration is aligned to business outcomes that deliver value to shareholders. Systems of evaluation for performance of senior executives are based on predetermined KPIs, including alignment with our values.

The Board retains discretion on variable remuneration to mitigate the risk of unintended consequences and to alter outcomes in certain circumstances.

ADORE BEAUTY VALUES

WORKING FOR EACH OTHER

All executives work together towards sharing in the success of consolidated corporate goals.

DOING THE RIGHT THING

Being cognisant of market expectations of environment, social and governance issues and acting within ASX and corporate guidelines.

ALWAYS GROWING

Incentives linked with creation of sustainable shareholder returns.

A POSITIVE APPROACH

Setting challenging goals within performance structure, and working towards them with energy.

REWARD PRINCIPLES

- Equitable, motivating and attractive to skilled executives
- Aligned with long term interest of shareholders
- Incentives that are challenging and linked with sustainable returns

2. Executive Remuneration

A. FIXED REMUNERATION

The People & Remuneration Committee benchmark remuneration against peer companies in alternate years. As Remuneration benchmarking was undertaken for FY25, remuneration decisions for FY26 were limited to movement in the market, with an increase approved for the CEO of 3%. Revised market benchmarking data was referred to when setting the remuneration for the incoming CFO.

B. SHORT TERM REMUNERATION

The maximum incentive for the Key Management Personnel was limited to less than 120% of the target amount for FY26.

EBIT was retained as the key financial performance metric for FY26 STI with a 50% weighting of the target STIP award. EBIT margin was also the incentive gateway to amplify the focus on profitable growth in FY26. Revenue continues to be used as a performance metric with a 30% weighting. The Board continued to adopt 2-3 individual Strategic Priorities for each KMP with a combined weighting of 20%, all of which directly aligned with corporate strategic priorities.

Who was invited to participate?	The CEO and CFO were invited to participate in FY26. Other members of senior management are also eligible to participate, provided they were employed on 1 April 2026 (minimum of 3 months service).
What is the performance period?	1 July 2025 – 30 June 2026.
What are potential earnings?	The CEO has a target opportunity based on a percentage of base salary as follows: • 60% of base salary at target (70.0% at maximum, ie $432,600 at maximum) • For FY26 the maximum STI opportunity was 116% of the target opportunity The CFO has a target opportunity based on a percentage of base salary as follows: • 33.3% of base salary at target (40% at maximum, ie $190,000 at maximum) • For FY26 the maximum STI opportunity was 120% of the target opportunity.
How is it paid?	CEO and CFO receive their rewards in cash. Superannuation may be payable subject to the maximum contribution cap.
Is there a gateway?	Yes, there is a minimum level of financial performance that must be reached to ensure alignment with shareholder interests. For FY26, achievement of the EBIT margin hurdle must be achieved before an award can be made.
How is performance measured?	The STI is based on three weighted components: EBIT, Revenue, and Strategic Initiatives. • EBIT margin: three levels of performance (threshold, target and stretch) are based on Company budget. (50% weighting) • Revenue: three levels of performance (threshold, target and stretch) are based on Company budget. (30% weighting) • Strategic Initiative: 2-3 key business strategic priorities, determined by the Board were assigned to each KMP as part of their STI. There is no stretch award for the Strategic Initiative. (20% weighting) For EBIT and Revenue performance between threshold and target, and between target and stretch, the payment is based on straight line interpolation. The Board reserves the right to exercise discretion.

REMUNERATION REPORT CONT.

Are there any malus or clawback provisions?	Malus and clawback apply to any awards made under this plan.
When is it paid?	The STI award is determined after the end of the financial year following a review of performance against measures. Payments are made in September, following the release of statutory audited results.
What happens if a participant leaves?	If a participant resigns or is terminated prior to payment, no STI is awarded. The Board reserves the right to apply discretion in the case of a participant leaving due to ill health, death, redundancy or other circumstances.

At the end of the 2026 financial year, the Board met to review performance against the established STI targets and consequent payments.

The EBIT margin result was below threshold resulting in no payment being made.

		Actual Outcome		
Name	**STI maximum % of base salary**	**STI earned as % of base salary**	**Total STI earned $**	**Actual Earned as % of Maximum Opportunity**
Sacha Laing	70.0%	–	–	–
Marcus Crowe	40.0%	–	–	–
Stephanie Carroll	–	–	–	–

C. LONG TERM REMUNERATION

There was not an offer made to employees under the LTIP during FY26. The FY25-FY27 plan will operate for 3 years, and it is intended that there will not be another offer to KMP and selected senior employees during the performance period, with the next offer scheduled for the FY28 year. All Performance Rights are subject to the single performance measure of share price growth during the performance period.

Equity awards during FY26 were only made to the new CFO, and selected senior employees under the FY25-FY27 Long Term Incentive Plan.

Who was invited to participate?	The CFO was invited to participate in FY26 (refer section 6). Other new members of senior management were also invited to participate. The CEO was not invited to participate in the FY25 LTI plan, but was offered a sign-on equity package upon commencement.
How is it paid?	Awards are in the form of performance rights. Each performance right is a right to acquire one ordinary share at no cost to the participant, subject to meeting vesting conditions over the performance period.
What is the performance period?	3 years: 1 July 2024 – 30 June 2027
What are potential earnings?	The CFO had the opportunity to receive up to 325,000 performance rights across 3 tranches. The CFO resigned from the Group on 28 July 2026.

How is performance measured?	Performance Rights will vest over the performance period subject to the volume weighted average price (VWAP) of Adore Beauty shares as follows: • Tranche 1 – Performance Rights will vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $1.80 or higher. • Tranche 2 – Performance Rights will vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $2.50 or higher • Tranche 3 – Performance Rights will vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $3.15 or higher If not vested prior, these performance rights lapse 90 days after the FY27 results are announced.
Are there any malus or clawback provisions?	Malus and clawback apply to any awards made under this plan.
What happens if a participant leaves?	If a participant is classified as a 'bad leaver' (resigns or is terminated with cause or due to poor performance), all unvested awards will be forfeited or lapse. The Board reserves the right to apply discretion in the case of a 'good leaver' (leaving due to ill health, death, redundancy or other circumstances). In this case, a pro-rated portion of unvested awards may remain 'on foot' and be subject to applicable vesting provisions.

The offer under the LTIP for the performance period FY24-FY26 was tested for achievement of the performance conditions following 30 June 2026.

The EBITDA margin gateway was achieved, which led to the testing of the Revenue Growth and relative Total Shareholder Return performance conditions. Both performance conditions were not satisfied and as a result no performance rights were eligible for vesting.

REMUNERATION REPORT CONT.

D. CEO LONG TERM PERFORMANCE RIGHTS

Who was invited to participate?	The CEO was offered performance rights as part of a sign-on equity package at commencement.
How is it paid?	Awards are in the form of performance rights. Each performance right is a right to acquire one ordinary share at no cost to the participant, subject to meeting vesting conditions over the performance period.
What is the performance period?	3 years: 1 July 2024 – 30 June 2027
What are potential earnings?	The CEO has the opportunity of up to 1,500,000 performance rights across 3 tranches.
How is performance measured?	Performance Rights will vest over the performance period subject to the volume weighted average price (VWAP) of Adore Beauty shares as follows: • Tranche 1 – Performance Rights will vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $1.80 or higher. • Tranche 2 – Performance Rights will vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $2.50 or higher • Tranche 3 – Performance Rights will vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $3.15 or higher If not vested prior, these performance rights lapse 90 days after the FY27 results are announced.
Are there any malus or clawback provisions?	Malus and clawback apply to any awards made under this plan
What happens if a participant leaves?	If a participant is classified as a 'bad leaver' (resigns or is terminated with cause or due to poor performance), all unvested awards will be forfeited or lapse. The Board reserves the right to apply discretion in the case of a 'good leaver' (leaving due to ill health, death, redundancy or other circumstances). In this case, a pro-rated portion of unvested awards may remain 'on foot' and be subject to applicable vesting provisions.

E. SERVICE AGREEMENTS

Remuneration and other terms of employment for Executive KMP are formalised in service agreements. Details of these agreements are as follows:

Name:	**Sacha Laing**
Title:	Chief Executive Officer
Agreement commenced:	24 September 2024
Term of agreement:	Ongoing employment
Details:	Base salary for the year ending 30 June 2026 (effective from 29 September 2025) of $618,000 plus superannuation capped at the maximum contribution base as referred to in the *Superannuation Guarantee Administration Act 1992* (Cth). Base salary is reviewed annually by the People and Remuneration Committee. Eligible to participate in short-term and long-term incentive programs. 6-month termination notice by either party, non-solicitation and non-compete clauses.

Name:	**Marcus Crowe**
Title:	Chief Financial Officer
Agreement commenced:	27 January 2026 (Resigned 28 July 2026)
Term of agreement:	Ongoing employment
Details:	Salary inclusive of superannuation for the year ending 30 June 2026 of $505,000 per annum. Base salary is reviewed annually by the People and Remuneration Committee. Eligible to participate in short-term and long-term incentive programs. 3-month termination period if notice given by Mr Crowe and 6-month termination notice if given by employer, non-solicitation and non-compete clauses.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

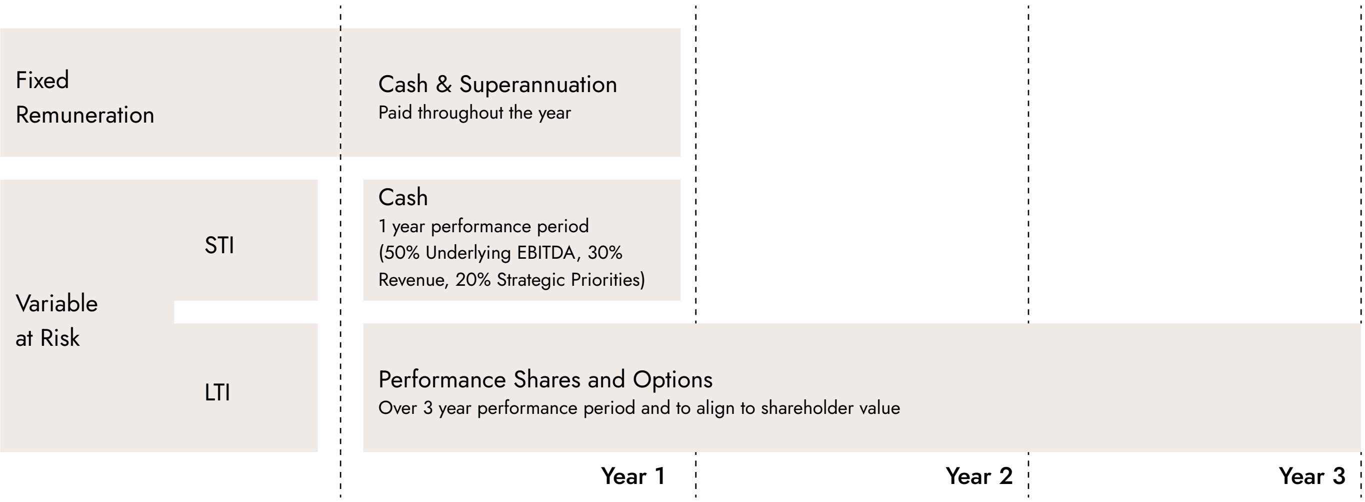
REMUNERATION REPORT CONT.

F. LOOKING AHEAD TO FY27

In compliance with the increase in the Superannuation Guarantee Maximum Contribution Cap, an adjustment was made for KMP that was effective from 1 July 2026. For clarification, all contributions to superannuation for KMP are made in line with the Superannuation Guarantee rate, limited by the Maximum Contribution Cap.

The Board did not make significant changes to KMP remuneration but managed salary increases in line with market movement.

As previously outlined, there is no intention to make an offer under the LTIP for FY27, with the FY25 offer covering the 3 year period FY25 – FY27. The Company will be introducing a new plan for FY27-FY29.



3. Non-Executive Directors' remuneration

Fees and payments to Non-Executive Directors reflect the demands and responsibilities of their role. Non-Executive Directors' fees and payments are reviewed annually by the People and Remuneration Committee. The People and Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure Non-Executive Directors' fees and payments are appropriate and in line with the market. The Chair's fees are determined independently to the fees of other Non-Executive Directors based on comparative roles in the external market. The Chair is not present at any discussions relating to the determination of their own remuneration. Non-Executive Directors do not receive cash or equity incentives.

The maximum aggregate Directors' remuneration for the purposes of the ASX Listing Rules and the Constitution is $800,000 per annum of which $571,662 is currently used.

The following annual fees are payable to Non-Executive Directors:

- Chair — Jason Murray $200,000 (appointed 1 November 2025)
- Non-Executive Director — Sandra Birkensleigh $100,000
- Non-Executive Director — Lisa Hennessy $100,000
- Non-Executive Director — Iain Nairn $100,000

The following annual committee fees are payable to the Chair of the Audit and Risk Management Committee and the People and Remuneration Committee:

- Audit and Risk Management Committee — Sandra Birkensleigh $20,000
- People and Remuneration Committee — Lisa Hennessy $20,000

Directors do not receive any additional fees for being a member of a Board committee. All Directors' fees include superannuation payments required by law.

Details of the Non-Executive Directors' remuneration during the reporting period are given in the table below:

	Year	Cash salary and fees	Superannuation	Equity settled shares	Total
Non-Executive Directors:					
Jason Murray[i]	**2026**	**113,839**	**13,661**	**–**	**127,500**
	2025	–	–	–	–
Marina Go AM[ii]	**2026**	**70,684**	**8,482**	**–**	**79,166**
	2025	179,372	20,628	–	200,000
Sandra Birkensleigh	**2026**	**107,143**	**12,857**	**–**	**120,000**
	2025	107,623	12,377	–	120,000
Lisa Hennessy	**2026**	**107,143**	**12,857**	**–**	**120,000**
	2025	107,623	12,377	–	120,000
Kate Morris[iii]	**2026**	**22,321**	**2,679**	**–**	**25,000**
	2025	89,686	10,314	–	100,000
Iain Nairn	**2026**	**99,996**	**–**	**–**	**99,996**
	2025	16,666	–	–	16,666
James Height[iii]	**2026**	**–**	**–**	**–**	**–**
	2025	37,370	4,297	–	41,667
Total of Non-Executive Directors	**2026**	**521,126**	**50,536**	**–**	**571,662**
	2025	538,340	59,993	–	598,333

(i) Represents remuneration from 1 November 2025 to 30 June 2025.
(ii) Represents remuneration from 1 July 2025 to 21 November 2025.
(iii) Represents remuneration from 1 July 2025 to 30 September 2025.

REMUNERATION REPORT CONT.

4. Share-based compensation

ISSUE OF PERFORMANCE RIGHTS

The CEO was awarded 1,500,000 Performance Rights across 3 tranches on commencement of employment.

The CFO was awarded 325,000 Performance Rights across 3 tranches during FY26.

The performance conditions for vesting are outlined in section 2c and section 6.

ISSUE OF OPTIONS

500,000 options over ordinary shares were granted to the CEO upon commencement of employment (refer to section 6). These will vest, subject to continued employment over a three-year period from the commencement date (24 September 2024):

- 180,000 Options to vest on the one-year anniversary of the Commencement Date; and
- the remaining 320,000 Options to vest on a quarterly basis following the one-year anniversary of the Commencement Date and ending on the three-year anniversary of the Commencement Date in equal tranches.
- 300,000 of these Options have vested to 30 June 2026.

5. Company performance and remuneration outcomes

GROUP PERFORMANCE AND LINK TO REMUNERATION

Remuneration for certain individuals is directly linked to the performance of the Group. Incentive Payments are at the discretion of the People and Remuneration Committee. Refer to the tables below for details of the earnings and total shareholders return for the last five years.

Earnings before interest, tax, depreciation, amortisation and other one-off costs (Underlying EBITDA) is a non-IFRS measure and is the primary reporting measure used by the Key Management Personnel (KMP), being the Chief Executive Officer, Management and the Board of Directors, for the purpose of assessing the performance of the Group.

The key financial metrics of the Group for the five years to 30 June 2026 are summarised below:

	2026 $'000	2025 $'000	2024 $'000	2023 $'000	2022 $'000
Sales revenue	**207,284**	198,815	195,719	180,588	199,660
Underlying EBITDA(i)	**3,778**	6,224	4,809	625	5,337
Underlying EBIT(ii)	**(152)**	4,081	2,290	(1,516)	3,481

(i) EBITDA represents underlying Earnings Before Interest, Tax, Depreciation, Amortisation and other one off expenses.
(ii) EBIT represents underlying Earnings Before Interest and Tax.

Please refer to the Directors Report for a reconciliation of statutory profit before tax to underlying EBITDA.

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2026	2025	2024	2023	2022
Share price at financial year end ($)	**$0.30**	$0.67	$0.89	$0.80	$1.05
Total dividends declared (cents per share)	**Nil**	Nil	Nil	Nil	Nil
Basic earnings per share (cents per share)	**(0.05c)**	0.01c	0.02c	(0.59c)	2.53c

REMUNERATION REPORT CONT.

Details of the Key Management Personnel's remuneration during the reporting period are given in the table below:

		Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments[iv]		Termination benefits	
	Year	Cash salary and fees $	Cash Bonus $	Annual Leave $	Super-annuation $	Long service leave $	Equity settled shares $	Equity options and rights $		Total $
Key Management Personnel										
Sacha Laing[i]	**2026**	**613,500**	**–**	**17,283**	**30,000**	**20,536**	**–**	**302,916**	**–**	**984,235**
	2025	461,500	90,133	27,575	22,449	452	–	505,403	–	1,107,512
Marcus Crowe	**2026**	**205,224**	**–**	**18,851**	**13,500**	**3,889**	**–**	**7,304**	**–**	**248,768**
	2025	–	–	–	–	–	–	–	–	–
Stephanie Carroll	**2026**	**214,156**	**–**	**–**	**22,500**	**(25,647)**	**–**	**(72,927)**	**251,219**	**389,301**
	2025	355,000	32,400	9,665	29,932	11,800	–	(134,697)	–	304,100
Tamalin Morton	**2026**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2025	168,009	–	–	15,898	(1,132)	–	(478,532)	–	(295,757)
Total of Key Management Personnel	**2026**	**1,032,880**	**–**	**36,134**	**66,000**	**(1,222)**	**–**	**237,293**	**251,219**	**1,622,304**
	2025	984,509	122,533	37,240	68,279	11,120	–	(107,826)	–	1,115,855

(i) FY25 remuneration represents remuneration from 24 September 2024 to 30 June 2025.
(ii) Represents remuneration from 1 July to 27 September 2024.
(iii) Includes payment of accrued and unused annual and long service leave upon end of executive employment.
(iv) Sharebased payments for 2025 reflect: a) rights awarded to CFO as part of LTIP on 17 January 2024 that are due to vest on 30 June 2026, b) rights and options awarded to CEO on 9 October 2024 as part of employment, subject to performance vesting conditions outlined in section 6, and c) rights awarded to CFO as part of LTIP on 4 February 2025, subject to participant's continued employment and subject to performance vesting conditions outlined in section 6.

6. Additional disclosures relating to Key Management Personnel

SHAREHOLDING

The number of shares in the Group held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/Other	Balance at the end of the year
Kate Morris	10,400,000	–	–	–	10,400,000
James Height	10,400,000	–	–	–	10,400,000
Marina Go AM	27,407	–	–	–	27,407
Sandra Birkensleigh	7,407	–	–	–	7,407
Lisa Hennessy	50,000	–	–	–	50,000
Iain Nairn	–	–	104,045	–	104,045
Jason Murray	–	–	160,140	–	160,140
Tamalin Morton	50,556	–	–	–	50,556
Sacha Laing	–	–	40,000	–	40,000
Marcus Crowe	–	–	20,000	–	20,000
Stephanie Carroll[(i)]	86,850	–	–	–	86,850
	21,022,220	**–**	**324,185**	**–**	**21,346,405**

(i) The shareholding relates to the loan backed shares under the Management Equity Plan pursuant to which the Group has loaned participant monies to fund part or all of the purchase of management shares. The loan attaching to the shares is limited recourse and must be repaid out of any proceeds from the sale of the loan shares. These shares vested at 30 June 2023 and the loan remains unpaid as at 30 June 2026.

OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL AND THEIR RELATED PARTIES

During the financial year, payments for the use of platform services and consumables purchased from Director-related entities of Kate Morris and James Height of $38,518 (2025: $47,428) were made. The current trade payable balance as at 30 June 2026 was $7,684 (2025: $12,843). All transactions were made on normal commercial terms and conditions and at market rates.

REMUNERATION REPORT CONT.

RECONCILIATION OF OPTIONS MOVEMENT (DETAILING AWARDS, VESTED OUTCOME, AND EXPIRY DURING THE YEAR)

Executive	Plan	Year	Grant Date	Fair Value at Grant	Exercise Price
CEO Options					
Sacha Laing	Tranche 1	2025	9-Oct-24	$0.61	$0.88
Sacha Laing	Tranche 2	2025	9-Oct-24	$0.61	$0.88
Sacha Laing	Tranche 3	2025	9-Oct-24	$0.62	$0.88
Sacha Laing	Tranche 4	2025	9-Oct-24	$0.62	$0.88
Sacha Laing	Tranche 5	2025	9-Oct-24	$0.63	$0.88
Sacha Laing	Tranche 6	2025	9-Oct-24	$0.63	$0.88
Sacha Laing	Tranche 7	2025	9-Oct-24	$0.64	$0.88
Sacha Laing	Tranche 8	2025	9-Oct-24	$0.64	$0.88
Sacha Laing	Tranche 9	2025	9-Oct-24	$0.65	$0.88
CEO Performance Rights					
Sacha Laing	Tranche 1	2025	9-Oct-24	$0.59	Nil
Sacha Laing	Tranche 2	2025	9-Oct-24	$0.41	Nil
Sacha Laing	Tranche 3	2025	9-Oct-24	$0.31	Nil
CFO Performance Rights					
Stephanie Carroll	Performance Rights – TSR	2024	17 Jan 24	$0.89	Nil
Stephanie Carroll	Performance Rights – Revenue Growth	2024	17 Jan 24	$1.13	Nil
Stephanie Carroll	Tranche 1	2025	4 Feb 25	$0.30	Nil
Stephanie Carroll	Tranche 2	2025	4 Feb 25	$0.17	Nil
Stephanie Carroll	Tranche 3	2025	4 Feb 25	$0.11	Nil
Marcus Crowe	Tranche 1	2026	3 Feb 26	$0.30	Nil
Marcus Crowe	Tranche 2	2026	3 Feb 26	$0.12	Nil
Marcus Crowe	Tranche 3	2026	3 Feb 26	$0.05	Nil

	Movement					At year end		
Expiry Date	1 Jul 25	Granted (awards)	Exercised	Other changes	30 Jun 26	Vested	Unvested	Exercisable
9 Oct 34	180,000	–	–	–	180,000	180,000	–	–
9 Oct 34	40,000	–	–	–	40,000	40,000	–	–
9 Oct 34	40,000	–	–	–	40,000	40,000	–	–
9 Oct 34	40,000	–	–	–	40,000	40,000	–	–
9 Oct 34	40,000	–	–	–	40,000	–	40,000	–
9 Oct 34	40,000	–	–	–	40,000	–	40,000	–
9 Oct 34	40,000	–	–	–	40,000	–	40,000	–
9 Oct 34	40,000	–	–	–	40,000	–	40,000	–
9 Oct 34	40,000	–	–	–	40,000	–	40,000	–
24 Nov 27	350,000	–	–	–	350,000	–	350,000	–
24 Nov 27	500,000	–	–	–	500,000	–	500,000	–
24 Nov 27	650,000	–	–	–	650,000	–	650,000	–
30 Sep 28	51,562	–	–	(51,562)	–	–	–	–
30 Sep 28	51,562	–	–	(51,562)	–	–	–	–
28 Nov 27	50,000	–	–	(50,000)	–	–	–	–
28 Nov 27	75,000	–	–	(75,000)	–	–	–	–
28 Nov 27	100,000	–	–	(100,000)	–	–	–	–
28 Nov 27	–	75,000	–	–	75,000	–	75,000	–
28 Nov 27	–	100,000	–	–	100,000	–	100,000	–
28 Nov 27	–	150,000	–	–	150,000	–	150,000	–

REMUNERATION REPORT CONT.

The vesting conditions for the awards are detailed below.

2024 PERFORMANCE RIGHTS (S CARROLL)

Performance Rights will vest based on performance of the Group measured at the end of the performance period at 30 June 2026, subject to participant's continued employment. Of the total number of performance rights granted:

- 50% are subject to the satisfaction of a vesting condition relating to the Group's relative Total Shareholder Return (rTSR) at the end of the performance period (TSR component); and
- 50% are subject to the satisfaction of a vesting condition relating to the Group's revenue growth at the end of the performance period (revenue component).

TSR component

In order for any performance rights in the TSR component to vest, a threshold level of performance must be achieved. The percentage of performance rights comprising the TSR component that vest, if any, will be determined over the performance period by reference to the below vesting schedule. Group's rTSR against comparator group at the end of the performance period and % of performance rights that vest:

- Below 50th percentile – Nil · Equal to 50th percentile – 50%
- Between 50th & 75th percentile – Straight line pro-rata vesting between 50% and 100%
- At or above 75th percentile – 100%

Threshold and maximum level of performance set by the Board.

Revenue component

In order for any performance rights in the revenue component to vest, an EBITDA margin gateway must be achieved. The percentage of performance rights comprising the revenue component that vest, if any, will be determined over the performance period by reference to the below vesting schedule. Group's revenue at the end of the performance period and % of performance rights that vest:

- Less than target revenue growth – Nil
- Equal to target revenue growth provided EBITDA margin gateway in respect to FY26 is met – 50%
- Between target and stretch growth provided the EBITDA margin gateway in respect to FY26 is met – pro-rata straight line vesting between 50% and 100%
- At or above stretch revenue growth provided the EBITDA margin gateway in respect to FY26 is met – 100%

Threshold and maximum level of performance set by the Board.

2025 PERFORMANCE RIGHTS (S LAING)

Performance Rights awarded to the CEO will vest, subject to participant's continued employment and to the Group's share price over a three-year period from the commencement date (9 October 2024):

- Tranche 1 – 350,000 Performance Rights that vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $1.80 or higher.
- Tranche 2 – 500,000 Performance Rights that vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $2.50 or higher.
- Tranche 3 – 650,000 Performance Rights that vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $3.15 or higher.

If not vested prior, these performance rights lapse 24 November 2027.

Performance will not be retested if any of the Vesting Conditions are not satisfied at the end of the performance period.

Any performance rights that remain unvested at the end of the performance period will lapse immediately.

2025 Options (S Laing)

Options awarded to the CEO upon commencement will vest, subject to continued employment over a three-year period from the Commencement Date (24 September 2024):

- 180,000 Options will vest on the one year anniversary of the Commencement Date (24 September 2024); and
- The remaining 320,000 Options to vest on a quarterly basis following the one year anniversary of the Commencement Date and ending on the three year anniversary of the Commencement Date in equal tranches.

2025 PERFORMANCE RIGHTS (S CARROLL)

Performance Rights awarded will vest, subject to participant's continued employment and to the Group's share price over a three-year period from the commencement date (4 February 2025):

- Tranche 1 – 50,000 Performance Rights that vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $1.80 or higher.
- Tranche 2 –75,000 Performance Rights that vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $2.50 or higher.
- Tranche 3 – 100,000 Performance Rights that vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $3.15 or higher.

If not vested prior, these performance rights lapse 28 November 2027.

Performance will not be retested if any of the Vesting Conditions are not satisfied at the end of the performance period. Any performance rights that remain unvested at the end of the performance period will lapse immediately.

2026 PERFORMANCE RIGHTS (M CROWE)

Performance Rights awarded will vest, subject to participant's continued employment and to the Group's share price over a three-year period from the commencement date (2 March 2026):

- Tranche 1 – 50,000 Performance Rights that vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $1.80 or higher.
- Tranche 2 –75,000 Performance Rights that vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $2.50 or higher.
- Tranche 3 – 100,000 Performance Rights that vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $3.15 or higher.

If not vested prior, these performance rights lapse 28 November 2027.

Performance will not be retested if any of the Vesting Conditions are not satisfied at the end of the performance period.
Any performance rights that remain unvested at the end of the performance period will lapse immediately.

REMUNERATION REPORT CONT.

MANAGEMENT EQUITY – FUTURE VESTING PROFILE

							Movement		
Executive	**Plan**	**Grant Year**	**Grant Amount**	**% Vesting previous periods**	**Vesting in FY25**	**% Incentive at risk**	**Vesting % FY26**	**Vesting % FY27**	**Vesting % FY28**
Sacha Laing	Options	**2025**	**500,000**	**–**	**–**	**–**	**60%**	**32%**	**8%**
	Performance Rights	**2025**	**1,500,000**	**–**	**–**	**–**	**–**	**–**	**100%**
Stephanie Carroll	Performance Rights	2023	41,512	–	100%	100%	–	–	–
	Performance Rights	2024	103,124	–	–	–	100%	–	–
	Performance Rights	**2025**	**225,000**	**–**	**–**	**–**	**–**	**–**	**100%**

OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL AND THEIR RELATED PARTIES

During the financial year, payments for the use of platform services and consumables purchased from Director-related entities of Kate Morris and James Height of $38,518 (2025: $47,428) were made. The current trade payable balance as at 30 June 2026 was $7,684 (2024: $12,843). All transactions were made on normal commercial terms and conditions and at market rates.

This concludes the remuneration report, which has been audited.

AUDITOR'S INDEPENDENCE DECLARATION

Grant Thornton Audit Pty Ltd
Level 22 Tower 5
Collins Square
727 Collins Street
Melbourne VIC 3008
GPO Box 4736
Melbourne VIC 3001

T +61 3 8320 2222

Auditor's Independence Declaration

To the Directors of Adore Beauty Group Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Adore Beauty Group Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

A C Pitts
Partner – Audit & Assurance

Melbourne, 24 August 2026

www.grantthornton.com.au
ACN-130 913 594

FINANCIAL STATEMENTS
30 June 2026

General information

The financial statements cover Adore Beauty Group Limited as a Group consisting of Adore Beauty Group Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Adore Beauty Group Limited's functional and presentation currency.

Adore Beauty Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 7
324 St Kilda Road
Southbank VIC 3006

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 August 2026.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2026

	Note	Consolidated 2026 $'000	2025 $'000
Revenue			
Revenue	4	**207,284**	198,815
Cost of sales		**(135,765)**	(128,605)
Gross profit		**71,519**	70,210
Other income		**21**	101
Expenses			
Advertising and marketing expense		**(18,393)**	(23,815)
Employee benefits expense	5	**(29,874)**	(23,326)
Depreciation and amortisation expense	5	**(9,116)**	(4,062)
Finance costs		**(1,631)**	(322)
Acquisition-related costs		**–**	(1,998)
Other operating expenses	5	**(17,525)**	(15,007)
Restructure costs		**(1,061)**	(549)
Profit/(loss) before income tax benefit/(expense)		**(6,060)**	1,232
Income tax benefit/(expense)	6	**1,682**	(471)
Profit/(loss) after income tax benefit/(expense) for the year attributable to the owners of Adore Beauty Group Limited	20	**(4,378)**	761
Other comprehensive income for the year, net of tax		**–**	–
Total comprehensive (loss)/income for the year attributable to the owners of Adore Beauty Group Limited		**(4,378)**	761
		Cents	**Cents**
Basic earnings per share	33	**(0.05)**	0.01
Diluted earnings per share	33	**(0.05)**	0.01

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As a 30 June 2026

	Note	Consolidated 2026 $'000	Consolidated 2025 $'000
ASSETS			
Current assets			
Cash and cash equivalents	7	**715**	12,668
Trade and other receivables		**4,476**	2,607
Inventories	8	**23,240**	20,304
Income tax refund due	6	**635**	–
Other current assets		**2,992**	2,715
Total current assets		**32,058**	38,294
Non-current assets			
Property, plant and equipment	9	**19,932**	5,993
Right-of-use assets	10	**28,236**	9,753
Intangibles	11	**28,682**	29,508
Deferred tax asset	12	**1,944**	261
Total non-current assets		**78,794**	45,515
Total assets		**110,852**	83,809
LIABILITIES			
Current liabilities			
Trade and other payables	13	**25,335**	21,938
Current tax liabilities			124
Contract liabilities	14	**4,118**	3,977
Borrowings	15	**5,468**	–
Lease liabilities	16	**6,192**	1,908
Employee benefits		**1,574**	1,639
Deferred consideration payable	17	**–**	4,890
Total current liabilities		**42,706**	34,476
Non-current liabilities			
Borrowings	15	**3,849**	–
Lease liabilities	16	**28,076**	8,789
Employee benefits		**204**	283
Total non-current liabilities		**32,129**	9,072
Total liabilities		**74,835**	43,548
Net assets		**36,017**	40,261
EQUITY			
Issued capital	18	**102,777**	102,777
Reserves	19	**(66,828)**	(66,962)
Retained earnings	20	**68**	4,446
Total equity		**36,017**	40,261

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2026

	Issued Capital $'000	Corporate re-organisation reserve $'000	Sharebased payments reserve $'000	Retained earnings $'000	Total equity $'000
Balance at 1 July 2024	102,777	(68,104)	1,418	3,555	39,646
Profit after income tax expense for the year	–	–	–	761	761
Other comprehensive income for the year, net of tax	–	–	–	–	–
Total comprehensive income for the year	–	–	–	761	761
Transactions with owners:					
Share-based payments (note 34)	–	–	(146)	–	(146)
Transfer from reserves	–	–	(130)	130	–
Balance at 30 June 2025	**102,777**	**(68,104)**	**1,142**	**4,446**	**40,261**
Balance at 1 July 2025	**102,777**	**(68,104)**	**1,142**	**4,446**	**40,261**
Loss after income tax benefit for the year	**–**	**–**	**–**	**(4,378)**	**(4,378)**
Other comprehensive income for the year, net of tax	**–**	**–**	**–**	**–**	**–**
Total comprehensive loss for the year	**–**	**–**	**–**	**(4,378)**	**(4,378)**
Transactions with owners:					
Share-based payments (note 34)	**–**	**–**	**134**	**–**	**134**
Balance at 30 June 2026	**102,777**	**(68,104)**	**1,276**	**68**	**36,017**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2026

	Note	Consolidated 2026 $'000	Consolidated 2025 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		226,285	218,719
Payments to suppliers and employees (inclusive of GST)		(227,190)	(208,249)
		(905)	10,470
Interest (paid)/received		(371)	102
Income taxes (paid)/refunded		(759)	(633)
Transaction costs relating to acquisition of subsidiary		–	(1,998)
Net cash from/(used in) operating activities	31	(2,035)	7,941
Cash flows from investing activities			
Payment for acquisition of subsidiary, net of cash acquired		–	(19,206)
Payments for intangible assets	11	(1,695)	(2,348)
Payments for property, plant and equipment	9	(15,642)	(5,336)
Net cash used in investing activities		(17,337)	(26,890)
Cash flows from financing activities			
Proceeds from borrowings		9,316	–
Repayment of lease liabilities		(658)	(912)
Payments of finance charges on lease liabilities		(1,239)	(323)
Net cash from/(used in) financing activities		7,419	(1,235)
Net decrease in cash and cash equivalents		(11,953)	(20,184)
Cash and cash equivalents at the beginning of the financial year		12,668	32,852
Cash and cash equivalents at the end of the year	7	715	12,668

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

NOTES TO THE FINANCIAL STATEMENTS

Note 1. Material accounting policy information

The principal accounting policies that are material to the Group are set out in the respective notes. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

BASIS OF PREPARATION

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with IFRS Accounting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED

The Group has adopted all the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations has not had a material effect on the Group.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

NEW OR AMENDED ACCOUNTING STANDARDS WHICH HAVE BEEN ISSUED NOT YET EFFECTIVE

The Group has considered Accounting Standards and Interpretations which have been issued but are not yet effective, identifying the following which are relevant to the Group:

- AASB 18 Presentation and Disclosure in Financial Statements
- AASB 2024-2 Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments

The Group has not yet undertaken an assessment of the potential impact of first-time adoption of the AASB 18 amendments, which will become effective for the financial year ending 30 June 2028.

Upon initial adoption of AASB 2024-2 for the financial year ending 30 June 2027, the amendments are not expected to have a material impact on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS CONT.

The following Accounting Standards and Interpretations are most relevant to the Group:

GOING CONCERN

The consolidated financial statements have been prepared on a going concern basis, which contemplates the realisation of assets and satisfaction of liabilities in the normal course of business.

For the year ended 30 June 2026, the Group incurred a net statutory loss of ($6,060,000) and generated cash outflows from operating activities of ($2,870,000). As of that date, the Group's current liabilities exceeded its current assets by ($10,648,000).

In assessing the appropriateness of the going concern basis of preparation, the Directors considered:

- The Group has contract liabilities of $4,118,000, representing payments received in advance from customers that are expected to be recognised as revenue in future periods and are not expected to result in future cash outflows;
- the Group's borrowing facility was extended to $25,200,000, providing access to additional funding capacity of $7,000,000

After considering the matters outlined above, the Directors have concluded that the Group will be able to meet its obligations as and when they fall due for at least 12 months from the date of approval of the financial statements. Accordingly, the Directors consider it appropriate to prepare financial statements on a going concern basis.

PARENT ENTITY INFORMATION

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 28.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Adore Beauty Group Limited ('Group' or 'parent entity') as at 30 June 2026 and the results of all subsidiaries for the year then ended. Adore Beauty Group Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies Adopted by the Group. Refer to note 22 for further information on fair value measurement.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

CURRENT AND NON-CURRENT CLASSIFICATION

Assets and liabilities are presented in the consolidated statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

IMPAIRMENT OF NON-FINANCIAL ASSETS

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

FAIR VALUE MEASUREMENT

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

GOODS AND SERVICES TAX ('GST') AND OTHER SIMILAR TAXES

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the consolidated statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

ROUNDING OF AMOUNTS

The Group is of a kind referred to in Corporations Instrument 2026/183, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below and within respective notes throughout this report.

IMPAIRMENT OF NON-FINANCIAL ASSETS OTHER THAN GOODWILL AND OTHER INDEFINITE LIFE INTANGIBLE ASSETS

The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (cash generating unit).

The recoverable amount of an asset or cash generating unit (CGU) is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current marketing assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in the Profit or Loss. They are allocated to reduce the carrying amount of assets in the CGU on a pro-rata basis. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

There was no impairment of assets in the financial year.

Note 3. Operating segments

IDENTIFICATION OF REPORTABLE OPERATING SEGMENTS

The Group operates as a major retailer in the beauty and personal care industry, offering a wide selection of products both in-store and online. Sales are predominantly through the Australian geographical region, with international sales being immaterial. The Group has identified two distinct operating segments, encompassing the Adore Beauty and iKOU brands, based on the manner in which internal reports are reviewed and utilised by the Board of Directors (identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and determining the allocation of resources. On the basis that both segments possess similar economic characteristics and satisfy the criteria outlined in AASB 8.12, the results of both segments have been aggregated due to similarities in products and services offered, nature of customers, methods of distribution and the regulatory environment they operate in.

The operating segment information is the same information as provided throughout the financial statements and therefore not duplicated. The information reported to the CODM is on at least a monthly basis.

MAJOR CUSTOMERS

During the current and previous financial year, no individual customer contributed more than 10 per cent of the Group's revenue.

Note 4. Revenue

	Consolidated	
	2026 $'000	**2025 $'000**
Revenues from contracts with customers		
Sale of goods – point in time	**200,649**	192,897
Commission revenue – point in time	**709**	877
Marketing revenue – over time	**5,926**	5,041
Total revenues	**207,284**	**198,815**

ACCOUNTING POLICY FOR REVENUE

The Group recognises revenue as follows:

Sale of goods

The Group's contracts with customers generally include one performance obligation being the sale of goods. Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery. Cash payment is generally received at the point of sale.

A right of return is held by customers. The right of return has been valued at the carrying amount of inventory, less expected costs to recover the goods and any potential decreases in value. The right of return is presented within other assets, and corresponding refund liability, within other payables.

Commission revenue

Adore Beauty has agreements with select brands, whereby its performance obligation is to facilitate the sale of the Brands' products through Adore Beauty's website. Adore Beauty is the agent in such transactions as it does not control the specified goods before they are transferred to the retail customer. Control of products under such arrangements are retained by the Brand until the products are sold to the retail customer, and does not at any point, transfer to Adore Beauty. Therefore, whilst gross proceeds are received, Adore Beauty recognises revenue on a net basis, being the commissions received on eligible sales, at the point in time when Adore Beauty has satisfied its performance obligation.

Marketing revenue

Marketing revenue is recognised over time as the services are rendered based on a fixed price. Marketing revenue is generated through short-term contracts with brands to provide individualised marketing campaigns or advertising space on Adore Beauty's website for an agreed period. Consideration for such campaigns is typically received at contract inception and initially recognised as a contract liability. Revenue is recognised over the period the services are rendered, using an input method to measure progress towards satisfaction of the performance obligation.

NOTES TO THE FINANCIAL STATEMENTS CONT.

Note 5. Expenses

	Consolidated	
	2026 $'000	**2025 $'000**
Profit before income tax includes the following specific expenses:		
Depreciation		
Plant and equipment	**317**	149
Leasehold improvements	**1,497**	121
Buildings right-of-use assets	**4,942**	1,695
Total depreciation	**6,756**	1,965
Amortisation		
Brand name	**75**	69
Recipes	**97**	89
Customer relationships	**73**	67
Website and mobile app	**1,833**	1,812
Other intangible assets	**282**	60
Total amortisation	**2,360**	2,097
Total depreciation and amortisation	**9,116**	4,062
Other operating expenses		
Bank and merchant fees	**4,382**	4,300
Website, software, other IT costs	**5,247**	4,621
Net foreign exchange loss	**105**	67
Other expenses	**7,791**	6,019
Total other operating expenses	**17,525**	15,007
Employee benefits expense		
Salaries, wages and contractor payments	**25,760**	20,238
Share-based payments (reversal)/expense	**134**	(146)
Defined contribution superannuation expense	**2,497**	1,816
Annual and long service leave	**(143)**	290
Other employee benefits expenses	**1,626**	1,128
Total employee benefits expense	**29,874**	23,326

Note 6. Income tax expense

	Consolidated	
	2026 $'000	**2025 $'000**
Income tax expense		
Current tax expense	**–**	396
Deferred tax – origination and reversal of temporary differences	**(1,682)**	75
Aggregate income tax (benefit)/expense	**(1,682)**	471
Numerical reconciliation of income tax (benefit)/expense and tax at the statutory rate		
Profit/(loss) before income tax benefit/(expense)	**(6,060)**	1,232
Tax at the statutory tax rate of 30%	**(1,818)**	370
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenditure/other assessable income	**52**	149
Share-based payments (reversal)/expense	**40**	(44)
Impact of ACA step downs	**–**	(64)
Sundry items	**44**	60
Income tax (benefit)/expense	**(1,682)**	471
Deferred tax assets comprises temporary differences attributable to:		
Employee benefits	**534**	596
Plant and equipment	**(579)**	(294)
Leases	**1,784**	373
Right of return asset	**(110)**	(110)
Refund liabilities	**174**	174
Gift voucher liabilities	**396**	309
Capitalised fees and acquisition-related costs	**226**	314
Accrued expenses	**133**	124
Other items	**126**	(41)
Intangible assets other than goodwill	**(1,111)**	(1,184)
Tax losses carried forward	**371**	–
Deferred tax assets	**1,944**	261
Movements:		
Opening balance	**261**	1,588
Charged to profit or loss	**1,683**	(75)
Additions through business combination	**–**	(1,252)
Closing balance	**1,944**	261

NOTES TO THE FINANCIAL STATEMENTS CONT.

ACCOUNTING POLICY FOR INCOME TAX

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Adore Beauty Group Limited (the 'head entity') and its wholly-owned Australian subsidiaries, have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

	Consolidated	
	2026 $'000	**2025 $'000**
Income tax refund due/(payable)		
Income tax refund due/(payable)	635	(124)

Note 7. Cash and cash equivalents

	Consolidated	
	2026 $'000	**2025 $'000**
Current assets		
Cash on hand	**5**	5
Cash at bank	**710**	12,663
	715	12,668

ACCOUNTING POLICY FOR CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 8. Inventories

	Consolidated	
	2026 $'000	**2025 $'000**
Current assets		
Finished goods	**22,285**	19,109
Less provision for stock obsolescence	**(100)**	(100)
Stock in transit	**1,055**	1,295
	23,240	20,304

ACCOUNTING POLICY FOR INVENTORIES

The Group moved from a first in, first out (FIFO) method of valuation to a weighted average cost during the year ended 30 June 2026. An assessment has been performed in making this change and there are no material differences in the revaluation of inventory. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Stock in transit and stock on hand are stated at the lower of cost and net realisable value. Cost is comprised of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

NOTES TO THE FINANCIAL STATEMENTS CONT.

Note 9. Property, plant and equipment

	Consolidated	
	2026 $'000	**2025 $'000**
Non-current assets		
Plant and equipment – at cost	**2,906**	2,373
Less: Accumulated depreciation	**(1,575)**	(1,230)
	1,331	**1,143**
Leasehold improvements – at cost	**14,287**	4,276
Less: Accumulated depreciation	**(1,642)**	(121)
	12,645	4,155
Work in progress	**5,956**	857
	19,932	6,155

RECONCILIATIONS

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	**Plant and equipment $'000**	**Leasehold improvements $'000**	**Work in progress $'000**	**Total $'000**
Balance at 1 July 2024	669	–	259	928
Additions	462	127	4,747	5,336
Additions through business combination	161	–	–	161
Transfers in/(out)	–	4,149	(4,149)	–
Depreciation expense	(149)	(121)	–	(270)
Balance at 30 June 2025	**1,143**	**4,155**	**857**	**6,155**
Additions	**379**	**2,309**	**12,926**	**15,613**
Transfers in/(out)	**125**	**7,702**	**(7,827)**	**–**
Depreciation expense	**(316)**	**(1,521)**	**–**	**(1,837)**
Balance at 30 June 2026	**1,331**	**12,645**	**5,956**	**19,932**

Accounting policy for property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment	2.5% – 50%
Leasehold improvements	10% – 20%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Note 10. Right-of-use assets

	Consolidated	
	2026 $'000	**2025 $'000**
Non-current assets		
Land and buildings – right-of-use	37,191	13,797
Less: Accumulated depreciation	(8,955)	(4,044)
	28,236	9,753

The Group leases land and buildings for its offices, warehouse and retail stores under agreements of between one to five years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

RECONCILIATIONS

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	**$'000**
Balance at 1 July 2024	1,561
Additions	6,925
Additions through business combination	2,369
Lease remeasurements	593
Depreciation expense	(1,695)
Balance at 30 June 2025	9,753
Additions	23,342
Lease remeasurements	52
Depreciation expense	(4,911)
Balance at 30 June 2026	**28,236**

ACCOUNTING POLICY FOR RIGHT-OF-USE ASSETS

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

NOTES TO THE FINANCIAL STATEMENTS CONT.

Note 11. Intangibles

	Consolidated	
	2026 $'000	**2025 $'000**
Non-current assets		
Goodwill – at cost	**19,735**	19,735
Brand name – at cost	**1,503**	1,503
Less: Accumulated amortisation	**(144)**	(69)
	1,359	1,434
Recipes – at cost	**1,940**	1,940
Less: Accumulated amortisation	**(186)**	(89)
	1,754	1,851
Customer relationships – at cost	**729**	729
Less: Accumulated amortisation	**(140)**	(67)
	589	662
Website and mobile app – at cost	**11,399**	10,225
Less: Accumulated amortisation	**(8,095)**	(6,262)
	3,304	3,963
Other intangible assets – at cost	**1,310**	746
Less: Accumulated amortisation	**(391)**	(109)
	919	637
Work in progress	**1,022**	1,064
	28,682	29,346

RECONCILIATIONS

Reconciliations of the written down values at the beginning and end of the year are set out below:

Consolidated	Goodwill $'000	Brand name $'000	Recipes $'000	Customer relationships $'000	Website and mobile app $'000	Other intangible assets $'000	Work in progress $'000	Total $'000
Balance at 1 July 2024	–	–	–	–	3,807	95	1,234	5,136
Additions	–	–	–	–	–	8	2,340	2,348
Additions through business combination	19,735	1,503	1,940	729	–	52	–	23,959
Transfers in/(out)	–	–	–	–	1,968	542	(2,510)	–
Amortisation expense	–	(69)	(89)	(67)	(1,812)	(60)	–	(2,097)
Balance at 30 June 2025	19,735	1,434	1,851	662	3,963	637	1,064	29,346
Additions	**–**	**–**	**–**	**–**	**–**	**150**	**1,545**	**1,693**
Transfers in/(out)	**–**	**–**	**–**	**–**	**1,174**	**414**	**(1,587)**	**–**
Amortisation expense	**–**	**(75)**	**(97)**	**(73)**	**(1,833)**	**(282)**	**–**	**(2,360)**
Balance at 30 June 2026	**19,735**	**1,359**	**1,754**	**589**	**3,304**	**919**	**1,022**	**28,682**

ACCOUNTING POLICY FOR INTANGIBLES

Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

GOODWILL

Goodwill arising on the acquisition of a business is carried at cost as established at the date of the acquisition of the business less accumulated impairment losses, if any. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash generating units (CGUs) (or group of CGUs) that is expected to benefit from the synergies of the combination. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

BRAND NAME

Brand name acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 20 years.

RECIPES

Recipes acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 20 years.

NOTES TO THE FINANCIAL STATEMENTS CONT.

CUSTOMER RELATIONSHIPS

Customer relationships acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

WEBSITE AND MOBILE APP

Website and mobile app costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources and intent to complete the development; and its costs can be measured reliably. Significant costs associated with the development of the revenue generating aspects of the website, including the capacity of placing orders, are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 4 years.

OTHER INTANGIBLE ASSETS

Other intangible assets are amortised on a straight-line basis over the period of their expected benefit, being their finite life of up to 10 years.

WORK IN PROGRESS

Work in progress costs refer to costs incurred on projects that are not yet completed as of the reporting date and therefore is not yet amortised. The Group capitalises these costs as an asset when it is probable that future economic benefits associated with the project will flow to the entity, and its costs can be reliably measured. Work in progress is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on work in progress are taken to profit or loss.

CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS – INTANGIBLES

Impairment of intangible assets

The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and work in progress have suffered any impairment, in accordance with the accounting policy.

Further, the Group assesses impairment of non-financial assets other than goodwill and work in progress assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined.

The recoverable amounts of cash-generating units are determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates (reflecting the time value of money and the specific risks associated with the cash flows expected to be generated by the CGU) and growth rates of the estimated future cash flows.

There was no impairment of assets in the current reporting period.

Estimation of useful lives of intangible assets

The Group determines the estimated useful lives and related amortisation charges for its finite life intangible assets. The Group has reviewed the useful lives of intangible assets in the period, and concluded that the useful lives adopted remains appropriate. The useful lives could change significantly as a result of technical innovations or some other event. The amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment testing

The carrying amount of goodwill is allocated to the following cash-generating unit (CGU) for impairment testing purposes:

	Consolidated	
	2026 $'000	**2025 $'000**
Goodwill		
iKOU	**19,735**	19,735

The recoverable amount of the iKOU cash-generating unit (CGU) has been determined using a value in use (VIU) approach. This involves estimating the present value of future cash flows expected to be derived from the CGU, based on financial budgets and forecasts approved by the Board.

The VIU calculation is based on:

- Cash flow projections covering a five-year period, with year 1 based on the FY27 Board-approved budget, years 2 and 3 based on the Board-approved strategic plan and years 4 and 5 based on a 5% growth rate.
- Key assumptions include:
  - Sales growth rates, reflecting historical performance, market trends and internal expectations;
  - Gross margins, based on product mix and supplier arrangements;
  - Operating expenses, including employee and marketing costs;
  - A terminal growth rate of 2.5% applied beyond the five-year forecasted period, consistent with mid-point inflation expectations from external sources; and
  - A post-tax discount rate of 11.5% (FY2025: 10.0%), reflecting the time value of money and the specific risks associated with the cash flows expected to be generated by the CGU.

Management has applied judgement in determining these assumptions, which are based on past experience, current market conditions, and expectations of future performance. The assumptions are reviewed annually and benchmarked against external data where available.

The Group has performed sensitivity analysis on key assumptions, including discount rate and growth rate, to assess the impact of reasonably possible changes. The analysis indicated that no reasonably possible change in key assumptions would result in the carrying amount of the CGU exceeding its recoverable amount.

Accordingly, no impairment loss has been recognised for the year ended 30 June 2026.

The Group has also considered the headroom between the recoverable amount and carrying amount of the iKOU CGU and concluded that sufficient headroom exists under current assumptions.

Note 12. Deferred tax

	Consolidated	
	2026 $'000	**2025 $'000**
Non-current assets		
Deferred tax asset	**1,944**	261

NOTES TO THE FINANCIAL STATEMENTS CONT.

Note 13. Trade and other payables

	Consolidated	
	2026 $'000	**2025 $'000**
Current liabilities		
Trade payables	**22,423**	18,184
Accrued expenses	**509**	2,230
Refund liability	**581**	581
Other payables	**1,841**	943
	25,354	21,938

Refer to note 22 for further information on financial instruments.

ACCOUNTING POLICY FOR TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 60 days of recognition.

Note 14. Contract liabilities

	Consolidated	
	2026 $'000	**2025 $'000**
Current liabilities		
Gift voucher liability	**2,843**	2,486
Deferred revenue	**1,275**	1,491
	4,118	3,977

ACCOUNTING POLICY FOR CONTRACT LIABILITIES

Contract liabilities represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer.

Gift voucher liability

Gift vouchers are considered a prepayment by a customer for goods to be delivered in the future. The Group has an obligation to transfer the goods in the future – creating a performance obligation. The Group recognises a current gift voucher liability as a contract liability for the amount of the prepayment and recognises revenue when the customer redeems the gift voucher and the entity fulfils the performance obligation related to the transaction, or where breakage is applied. Breakage, being the customer's unexercised right, is estimated and recognised as revenue in proportion to the pattern of rights exercised by the customer and the likelihood of the gift voucher being redeemed by the customer is remote.

Deferred revenue

Deferred revenue refers to payments received from customers in advance for goods that are yet to be delivered. The Group has an obligation to transfer the promised goods to the customer. The Group recognises revenue once the promised goods have been delivered to the customer.

Note 15. Borrowings

	Consolidated	
	2026 $'000	**2025 $'000**
Current liabilities		
Bank loans	5,468	–
Non-current liabilities		
Asset-backed loan	3,849	–
	9,317	–

The Group's banking facilities are subject to customary financial covenants. The Group complied with all covenant requirements during the year and as at 30 June 2026. Borrowings of $9,317,000 are subject to these covenant requirements.

Refer to note 22 for further information on financial instruments.

ASSETS PLEDGED AS SECURITY

Financial facilities are secured by a guarantee by the Company and each of its wholly owned subsidiaries. The lender has general security over all of the assets of the Group Companies that are guarantors.

FINANCING ARRANGEMENTS

Unrestricted access was available at the reporting date to the following lines of credit:

	Consolidated	
	2026 $'000	**2025 $'000**
Total facilities		
Trade Finance Facility	15,000	8,000
Bank Guarantee Facility	2,000	2,000
Asset-backed loan	8,200	–
	25,200	10,000
Used at the reporting date		
Trade Finance Facility	5,484	–
Bank Guarantee Facility	1,475	–
Asset-backed loan	3,849	–
	10,808	–
Unused at the reporting date		
Trade Finance Facility	9,516	8,000
Bank Guarantee Facility	525	2,000
Asset-backed loan	4,351	–
	14,392	10,000

Refer to note 22 for further information on financial instruments.

NOTES TO THE FINANCIAL STATEMENTS CONT.

ACCOUNTING POLICY FOR BORROWINGS

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Note 16. Lease liabilities

	Consolidated	
	2026 $'000	**2025 $'000**
Current liabilities		
Lease liability	6,192	1,908
Non-current liabilities		
Lease liability	26,991	8,539
Provision for make good	1,085	250
	28,076	8,789
	34,268	10,697

FUTURE LEASE PAYMENTS (UNDISCOUNTED):

Consolidated – 30 June 2026	**Weighted average interest rate %**	**1 year or less $'000**	**Between 1 & 2 years $'000**	**Between 2 & 5 years $'000**	**Over 5 years $'000**	**Remaining contractual maturities $'000**
Lease liabilities	5.00%	7,740	7,558	19,174	3,323	37,795

ACCOUNTING POLICY FOR LEASE LIABILITIES

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Note 17. Deferred consideration payable

	Consolidated	
	2026 $'000	**2025 $'000**
Current liabilities		
Deferred consideration payable	–	4,890

Refer to note for accounting policy on deferred consideration payable.

MOVEMENTS IN DEFERRED CONSIDERATION PAYABLE

Movements in the deferred consideration payable during the current financial year are set out below:

Consolidated	Deferred consideration payable $'000
Carrying amount at the start of the year	4,890
Interest expense	110
Payments	(5,000)
Carrying amount at the end of the year	–

The payment for the $5,000,000 of remaining deferred consideration was made to the former owners of iKOU Holdings Pty Ltd in February 2026.

Note 18. Issued capital

	Consolidated			
	2026 Shares	**2025 Shares**	**2026 $'000**	**2025 $'000**
Ordinary shares – fully paid	**93,957,928**	93,957,928	**102,777**	102,777

ORDINARY SHARES

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Group in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Group does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

CAPITAL RISK AND GOING CONCERN MANAGEMENT

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the consolidated statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Group's share price at the time of the investment. The Group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The Group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 30 June 2025 Annual Report.

NOTES TO THE FINANCIAL STATEMENTS CONT.

Note 19. Reserves

	Consolidated	
	2026 $'000	2025 $'000
Corporate re-organisation reserve	**(68,104)**	(68,104)
Sharebased payments reserve	**1,276**	1,142
	(66,828)	(66,962)

ACCOUNTING POLICY FOR RESERVES

Corporate re-organisation reserve

The reserve represents the difference between the fair value of the consideration paid and the book value of assets and liabilities acquired in a business combination.

Sharebased payments reserve

The reserve is used to recognise share-based payments accrued as part of employee remuneration, including management equity plan shares that have vested but not yet exercised.

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Sharebased payments $'000	Corporate re-organisation $'000	Total $'000
Balance at 1 July 2024	1,418	(68,104)	(66,686)
Share-based payment transactions	(146)	–	(146)
Transfer from reserve	(130)	–	(130)
Balance at 30 June 2025	1,142	(68,104)	(66,962)
Share-based payment transactions	134	–	134
Balance at 30 June 2026	**1,276**	**(68,104)**	**(66,828)**

Note 20. Retained earnings

	Consolidated	
	2026 $'000	2025 $'000
Retained earnings at the beginning of the financial year	**4,446**	3,555
Profit/(loss) after income tax benefit/(expense) for the year	**(4,378)**	761
Transfer from reserve	**–**	130
Retained earnings at the end of the financial year	**68**	4,446

Note 21. Dividends

DIVIDENDS

No dividend has been declared during or since the end of the financial year.

FRANKING CREDITS

	Consolidated	
	2026 $'000	2025 $'000
Franking credits available for subsequent financial years based on a tax rate of 30%	3,076	2,526

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:

- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date

ACCOUNTING POLICY FOR DIVIDENDS

Dividends are recognised when declared during the financial year and no longer at the discretion of the Group.

Note 22. Financial instruments

FINANCIAL RISK MANAGEMENT OBJECTIVES

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

MARKET RISK

Foreign currency risk

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The Group is not exposed to any significant foreign currency risk.

Price risk

The Group is not exposed to any significant price risk.

Interest rate risk

The Group is not exposed to any significant interest rate risk.

NOTES TO THE FINANCIAL STATEMENTS CONT.

CREDIT RISK

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the consolidated statement of financial position and notes to the financial statements. The Group does not hold any collateral.

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

LIQUIDITY RISK

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Financing arrangements

Unused borrowing facilities at the reporting date:

	Consolidated	
	2026 $'000	**2025 $'000**
Trade Finance Facility	**9,516**	8,000
Bank Guarantee Facility	**525**	2,000
Asset-backed loan	**4,351**	–
	14,392	10,000

The Group's banking facilities are subject to customary financial covenants. The Group complied with all covenant requirements during the year and as at 30 June 2026.The Group is not aware of any facts or circumstances that indicate that it may have difficulty complying with the covenants within 12 months after the reporting period.

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the consolidated statement of financial position.

Consolidated – 2026	Weighted average interest rate %	1 year or less $'000	Between 1 & 2 years $'000	Between 2 & 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives						
Non-interest bearing						
Trade and other payables	–	24,773	–	–	–	24,773
Refund liability	–	581	–	–	–	581
Interest-bearing – variable						
Lease liability	5%	7,740	7,558	19,174	3,323	37,795
Total non-derivatives		33,094	7,558	19,174	3,323	63,149

Consolidated – 2025	Weighted average interest rate %	1 year or less $'000	Between 1 & 2 years $'000	Between 2 & 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives						
Non-interest bearing						
Trade and other payables	–	21,357	–	–	–	21,357
Refund liability	–	581	–	–	–	581
Deferred consideration payable	–	4,890	–	–	–	4,890
Interest-bearing – variable						
Lease liability	5%	2,952	3,015	6,009	318	12,294
Total non-derivatives		**29,780**	**3,015**	**6,009**	**318**	**39,122**

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

FAIR VALUE OF FINANCIAL INSTRUMENTS

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

NOTES TO THE FINANCIAL STATEMENTS CONT.

Note 23. Key management personnel disclosures

COMPENSATION

The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

	Consolidated	
	2026 $	**2025 $**
Short-term employee benefits	**1,590,140**	1,682,621
Post-employment benefits	**116,536**	128,272
Long-term benefits	**(1,222)**	11,120
Termination benefits	**251,219**	–
Share-based payments	**237,293**	(107,826)
	2,193,966	1,714,187

Note 24. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Grant Thornton Audit Pty Ltd, the auditor of the Group:

	Consolidated	
	2026 $	**2025 $**
Audit services – Grant Thornton Audit Pty Ltd		
Audit or review of the financial statements	**240,670**	215,080
Other services – Grant Thornton Australia Limited		
Tax services	**38,115**	88,004
	278,785	303,084

Note 25. Contingent liabilities

The Group has no contingent liabilities as at 30 June 2026 (30 June 2025: $nil).

Note 26. Commitments

	Consolidated	
	2026 $	**2025 $**
Lease commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	**830**	–
One to five years	**3,381**	–
More than five years	**535**	–
	4,746	–

Note 27. Related party transactions

PARENT ENTITY

Adore Beauty Group Limited is the parent entity.

SUBSIDIARIES

Interests in subsidiaries are set out in note 29.

KEY MANAGEMENT PERSONNEL

Disclosures relating to key management personnel are set out in note 23 and the remuneration report included in the Directors' report.

TRANSACTIONS WITH RELATED PARTIES

The following transactions occurred with related parties:

	Consolidated	
	2026 **$**	**2025** **$**
Payment for goods and services:		
Purchase of goods from Director related entities	38,518	47,428

RECEIVABLE FROM AND PAYABLE TO RELATED PARTIES

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	2026 **$**	**2025** **$**
Current payables:		
Trade payables to Director related entities	7,684	12,843

LOANS TO/FROM RELATED PARTIES

There were no loans to or from related parties at the current and previous reporting date.

TERMS AND CONDITIONS

All transactions were made on normal commercial terms and conditions and at market rates.

NOTES TO THE FINANCIAL STATEMENTS CONT.

Note 28. Parent entity information

Set out below is the supplementary information about the parent entity.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Parent	
	2026 $'000	**2025 $'000**
Loss after income tax	**(1,589)**	(4,399)
Total comprehensive loss	**(1,589)**	(4,399)

	Parent	
	2026 $'000	**2025 $'000**
Total assets	**46,367**	43,319
Total liabilities	**(10,390)**	(8,072)
Net assets	**35,977**	35,247
Equity		
Issued capital	**102,125**	102,125
Sharebased payments reserve	**1,198**	1,198
Accumulated losses	**(67,346)**	(68,076)
Total equity	**35,977**	35,247

GUARANTEES ENTERED INTO BY THE PARENT ENTITY IN RELATION TO THE DEBTS OF ITS SUBSIDIARIES

The parent entity has entered into a cross deed of guarantee with the subsidiaries listed in note 29.

CAPITAL COMMITMENTS – PROPERTY, PLANT AND EQUIPMENT

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2026 and 30 June 2025.

MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 1 and throughout this financial report, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 29. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business/ Country of incorporation	Ownership interest 2026 %	Ownership interest 2025 %
Adore Beauty Group Limited	Australia	**100.00%**	100.00%
Tate Midco Pty Ltd	Australia	**100.00%**	100.00%
Tate Bidco Pty Ltd	Australia	**100.00%**	100.00%
Adore Beauty Pty Ltd	Australia	**100.00%**	100.00%
Northside Brands Pty Ltd	Australia	**100.00%**	100.00%
iKOU Holdings Pty Ltd	Australia	**100.00%**	100.00%
iKOU Australia Pty Ltd	Australia	**100.00%**	100.00%
iKOU Retail Pty Ltd	Australia	100.00%	100.00%

Note 30. Events after the reporting period

Chief Financial Officer and Joint Company Secretary Marcus Crowe resigned 28 July 2026. Kylie Archer was appointed as Interim Chief Financial Officer on 29 July 2026.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

NOTES TO THE FINANCIAL STATEMENTS CONT.

Note 31. Reconciliation of profit/(loss) after income tax to net cash from/(used in) operating activities

	Consolidated	
	2026 $'000	2025 $'000
Profit/(loss) after income tax benefit/(expense) for the year	(4,378)	761
Adjustments for:		
Depreciation and amortisation	9,116	4,062
Share-based payments	133	(117)
Interest expense reclassified to financing activities	1,239	323
Deferred consideration payable	–	168
Change in operating assets and liabilities:		
Increase in trade and other receivables	(1,869)	(143)
(Increase)/decrease in inventories	(2,937)	2,884
Increase in current tax receivable	(759)	(236)
(Increase)/decrease in deferred tax assets	(1,682)	75
Increase in other current assets	(277)	(767)
(Decrease)/increase in trade and other payables	(1,454)	475
Increase in contract liabilities	141	166
(Decrease)/increase in employee benefits	(143)	290
Net cash from/(used in) operating activities	(2,870)	7,941

Note 32. Changes in liabilities arising from financing activities

Consolidated	Lease liability $'000	Total $'000
Balance at 1 July 2024	1,723	1,723
Net cash used in financing activities	(912)	(912)
New and modified leases	7,517	7,517
Additions through business combinations	2,369	2,369
Balance at 30 June 2025	10,697	10,697
Net cash used in financing activities	(4,276)	(4,276)
New and modified leases	27,847	27,847
Balance at 30 June 2026	**34,268**	**34,268**

Note 33. Earnings per share

	Consolidated	
	2026 $'000	**2025 $'000**
Profit/(loss) after income tax attributable to the owners of Adore Beauty Group Limited	**(4,378)**	761
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	**93,957,928**	93,957,928
Adjustments for calculation of diluted earnings per share:		
Options and rights over ordinary shares	**3,131,737**	3,064,919
Weighted average number of ordinary shares used in calculating diluted earnings per share	**97,089,665**	97,022,847
Earnings per share	(0.05)	0.01

ACCOUNTING POLICY FOR EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Adore Beauty Group Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS CONT.

Note 34. Share-based payments

LONG-TERM INCENTIVE PLAN

a. Details of the Long-Term Incentive Plans of the Company

The Company has established a long-term incentive plan (LTIP) to assist in the motivation, retention and reward of eligible employees. The LTIP is designed to align the interests of employees with the interests of Shareholders by providing an opportunity for employees to receive an equity interest in the Company. The LTIP provides flexibility for the Company to grant performance rights to acquire shares, subject to the terms of individual offers.

Plan	Granted (Awards)	Grant Date	Fair Value at Grant	Vesting Date	Expiry Date	Exercise Price
CEO Options[i]						
Tranche 1	180,000	9/10/2024	$0.61	24/09/2025	9/10/2034	$0.88
Tranche 2	40,000	9/10/2024	$0.61	24/12/2025	9/10/2034	$0.88
Tranche 3	40,000	9/10/2024	$0.62	24/03/2026	9/10/2034	$0.88
Tranche 4	40,000	9/10/2024	$0.62	24/06/2026	9/10/2034	$0.88
Tranche 5	40,000	9/10/2024	$0.63	24/09/2026	9/10/2034	$0.88
Tranche 6	40,000	9/10/2024	$0.63	24/12/2026	9/10/2034	$0.88
Tranche 7	40,000	9/10/2024	$0.64	24/03/2027	9/10/2034	$0.88
Tranche 8	40,000	9/10/2024	$0.64	24/06/2027	9/10/2034	$0.88
Tranche 9	40,000	9/10/2024	$0.65	24/09/2027	9/10/2034	$0.88

Plan	Granted (Awards)	Grant Date	Fair Value at Grant	Vesting Date	Expiry Date	Exercise Price
CEO Performance Rights						
Tranche 1[ii]	350,000	9/10/2024	$0.59	30/06/2025	24/11/2027	Nil
Tranche 2[ii]	500,000	9/10/2024	$0.41	30/06/2026	24/11/2027	Nil
Tranche 3[ii]	650,000	9/10/2024	$0.31	31/08/2027	24/11/2027	Nil
CFO Performance Rights						
Performance Rights – Relative TSR Hurdle[iv]	20,756	15/11/2022	$1.53	31/08/2025	30/09/2027	Nil
Performance Rights – CAGR of EBITDA Hurdle[iv]	20,756	15/11/2022	$1.75	31/08/2025	30/09/2027	Nil
Tranche 1[v]	75,000	2/03/2026	$0.30	31/01/2026	28/11/2027	Nil
Tranche 2[v]	100,000	2/03/2026	$0.12	31/01/2027	28/11/2027	Nil
Tranche 3[v]	150,000	2/03/2026	$0.05	28/11/2027	28/11/2027	Nil
2023 Other Performance Rights						
Performance Rights – Relative TSR Hurdle[iv]	46,871	15/11/2022	$1.53	31/08/2025	30/09/2027	Nil
Performance Rights – CAGR of EBITDA Hurdle[iv]	46,871	15/11/2022	$1.75	31/08/2025	30/09/2027	Nil

Plan	Granted (Awards)	Grant Date	Fair Value at Grant	Vesting Date	Expiry Date	Exercise Price
2024 Other Performance Rights						
Performance Rights – Relative TSR Hurdle[iii]	108,278	17/01/2024	$0.89	31/08/2026	30/09/2028	Nil
Performance Rights – Revenue growth[iii]	108,278	17/01/2024	$1.13	31/08/2026	30/09/2028	Nil
2025 Other Performance Rights						
Tranche 1[v]	167,000	4/02/2025	$0.30	31/01/2026	28/11/2027	Nil
Tranche 2[v]	250,500	4/02/2025	$0.17	31/01/2027	28/11/2027	Nil
Tranche 3[v]	339,500	4/02/2025	$0.11	28/11/2027	28/11/2027	Nil

(i) Fair value of options based on Black-Scholes pricing model. Options vest in tranches subject to the participant's continued employment.

(ii) Performance Rights awarded to the CEO upon commencement have been valued using the Monte Carlo simulation approach. These performance rights will vest if the following targets are met at any point in time during the period from 24 September 2024 to 24 November 2027, subject to continuous employment up until the date those targets have been met:

- Tranche 1 – 350,000 Performance Rights that vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $1.80 or higher. Fair value at grant date of $0.59.
- Tranche 2 – 500,000 Performance Rights that vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $2.50 or higher. Fair value at grant date of $0.41.
- Tranche 3 – 650,000 Performance Rights that vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $3.15 or higher. Fair value at grant date of $0.31.
- If not vested prior, these performance rights lapse 28 November 2027.

(iii) Performance rights are valued using the Monte Carlo simulation approach and vest on 31 August 2026 subject to the participant's continued employment and the achievement of below equally weighted measures over the performance period (1 July 2023 to 30 June 2026):

- Market measure – relative TSR (50% weighting):
  The Company's TSR over the performance period will be assessed against selected companies in retail and ecommerce (TSR Peer Group) at 30 June 2026 to assess performance.
  The proportion of performance shares that will vest will be determined by calculating the percentile ranking of the Company's TSR performance relative to the TSR performance of the TSR Peer Group in line with the following vesting schedule:
  - Below 50th %le – nil vesting
  - At 50th %le – 50% vesting
  - Between 50th and 75th %le, pro-rata straight line vesting will occur
  - 75th %le or above – full (100%) vesting
- Non-market measure – Revenue growth (50% weighting):
  If the Revenue growth hurdle (as defined in the Company's long term plan) has been achieved at the end of the performance period, revenue growth targets will be tested.
  The proportion of performance shares that will vest will be determined by the revenue growth targets in line with the following vesting schedule:
  - Less than target revenue growth – nil vesting
  - At target revenue growth provided the EBITDA margin gateway in respect to FY26 is met – 50% vesting
  - Between target and stretch provided the EBITDA margin gateway in respect to FY26 is met, pro-rata straight line vesting will occur
  - At or above stretch revenue growth provided the EBITDA margin gateway in respect to FY26 is met – full (100%) vesting

(iv) Performance rights are valued using the Monte Carlo simulation approach and vest on 31 August 2025 subject to the participant's continued employment and the achievement of below equally weighted measures over the performance period (1 July 2022 to 30 June 2025):

- Market measure – relative TSR (50% weighting):
  The Company's TSR over the performance period will be assessed against selected companies in retail and ecommerce (TSR Peer Group) at 30 June 2025 to assess performance.
  The proportion of performance shares that will vest will be determined by calculating the percentile ranking of the Company's TSR performance relative to the TSR performance of the TSR Peer Group in line with the following vesting schedule:
  - Below 50th %le – nil vesting
  - At 50th %le – 50% vesting
  - Between 50th and 75th %le, pro-rata straight line vesting will occur
  - 75th %le or above – full (100%) vesting
- Non-market measure – CAGR of EBITDA (50% weighting):
  If the EBITDA margin hurdle (as defined in the Company's long term plan) has been achieved at the end of the performance period, revenue growth targets will be tested.
  The proportion of performance shares that will vest will be determined by the revenue CAGR targets in line with the following vesting schedule:
  - Less than target revenue CAGR – nil vesting
  - At target revenue CAGR – 50% vesting
  - Between target and stretch, pro-rata straight line vesting will occur
  - At or above stretch revenue CAGR – full (100%) vesting
- The initial offer under the LTIP for the performance period FY23-FY25 was tested for achievement of the performance conditions following 30 June 2025.
  The EBITDA margin gateway was achieved, which led to the testing of the Revenue Growth and relative Total Shareholder Return performance conditions. Both performance conditions were not satisfied and as a result no performance rights were eligible for vesting.

(v) Performance Rights awarded are valued using the Monte Carlo simulation approach and will vest, subject to participant's continued employment and to the Group's share price over a three-year period from the commencement date (4 February 2025):

- Tranche 1 – Performance Rights that vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $1.80 or higher. Fair value at grant date of $0.30.
- Tranche 2 – Performance Rights that vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $2.50 or higher. Fair value at grant date of $0.17.
- Tranche 3 – Performance Rights that vest if the VWAP of Adore Beauty shares for any consecutive 60 day period following the Grant Date reaches $3.15 or higher. Fair value at grant date of $0.11.
- If not vested prior, these performance rights lapse 24 November 2027

NOTES TO THE FINANCIAL STATEMENTS CONT.

b. Long-Term Incentive Plan options or performance rights issued during the period:

There were 392,500 performance rights issued during the period.

c. Share options exercised during the year

There were no share options exercised during the period year or the prior corresponding period.

d. Movements in share options and performance rights during the period

The following reconciles the share options and performance rights outstanding at the beginning and end of the period.

Set out below are summaries of options granted under the plan:

	Number of options 2026	Weighted average exercise price 2026	Number of options 2025	Weighted average exercise price 2025
Balance at the beginning of the year	3,301,679	$0.12	2,905,657	$0.37
Options granted during the year	–	$0.00	500,000	$0.88
Performance rights granted during the year	392,500	$0.14	2,600,750	$0.00
Forfeited during the year	(915,182)	$0.00	(2,704,728)	$4.14
Balance at the end of the year	**2,778,997**	**$0.50**	**3,301,679**	**$0.12**

ACCOUNTING POLICY FOR SHARE-BASED PAYMENTS

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Monte Carlo simulation approach or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS – SHAREBASED PAYMENTS.

The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Note 35. Deed of cross guarantee

The following entities are party to a deed of cross guarantee under which each company guarantees the debts of the others:

Adore Beauty Group Ltd
Adore Beauty Pty Ltd
Tate Midco Pty Ltd
Tate Bidco Pty Ltd
Northside Brands Pty Ltd
iKOU Holdings Pty Ltd
iKOU Australia Pty Ltd
iKOU Retail Pty Ltd

iKOU Holdings Pty Ltd, iKOU Australia Pty Ltd and iKOU Retail Pty Ltd became party to the Deed on 8 May 2026. By entering into the deed, the wholly-owned entities have been relieved from the requirement to prepare financial statements and Directors' report under Corporations Instrument 2016/785 issued by the Australian Securities and Investments Commission.

The above companies represent a 'Closed Group' for the purposes of the Corporations Instrument.

Set out below is a consolidated statement of profit or loss and other comprehensive income and consolidated statement of financial position of the 'Closed Group' have been presented below:

Consolidated statement of profit or loss and other comprehensive income for the Closed Group	**2025 $'000**
Revenue	190,914
Cost of sales	(126,486)
Other income	92
Advertising and marketing expense	(23,407)
Employee benefits expense	(20,861)
Depreciation and amortisation expense	(3,148)
Finance costs	(192)
Other operating expenses	(14,523)
Acquisition-related costs	(1,998)
Restructure costs	(549)
Loss before income tax expense	(158)
Income tax expense	(697)
Loss after income tax expense	(855)
Total comprehensive loss for the year	(855)

NOTES TO THE FINANCIAL STATEMENTS CONT.

Equity – retained earnings	**2025 $'000**
Retained earnings at the beginning of the financial year	3,536
Loss after income tax expense	(855)
Transfer from reserve	130
Retained earnings at the end of the financial year	2,811

Consolidated statement of financial position for the Closed Group	**2025 $'000**
Current assets	
Cash and cash equivalents	11,557
Trade and other receivables	2,020
Inventories	18,069
Other current assets	2,494
	34,140
Non-current assets	
Investments in subsidiaries	25,569
Property, plant and equipment	5,119
Right-of-use assets	6,442
Intangibles	5,605
Deferred tax asset	1,300
Other non-current assets	12
	44,047
Total assets	78,187
Current liabilities	
Trade and other payables	21,658
Current tax payable	278
Contract liabilities	3,793
Lease liabilities	1,260
Employee benefits	1,457
Deferred consideration payable	4,890
	33,336
Non-current liabilities	
Lease liabilities	5,982
Employee benefits	243
	6,225
Total liabilities	39,561
Net assets	38,626
Equity	
Issued capital	102,777
Reserves	(66,962)
Retained earnings	2,811
Total equity	38,626

Note 36. Consolidated entity disclosure statement

Name of entity	Type of entity	Trustee, partner, or participant in joint venture	% of share capital held	Country of incorporation	Australian resident or foreign resident (for tax purposes)	Foreign tax jurisdiction(s) of foreign residents
Adore Beauty Group Limited	Body corporate	n/a	100	Australia	Australian	n/a
Tate Midco Pty Ltd	Body corporate	n/a	100	Australia	Australian	n/a
Tate Bidco Pty Ltd	Body corporate	n/a	100	Australia	Australian	n/a
Adore Beauty Pty Ltd	Body corporate	n/a	100	Australia	Australian	n/a
Northside Brands Pty Ltd	Body corporate	n/a	100	Australia	Australian	n/a
iKOU Holdings Pty Ltd	Body corporate	n/a	100	Australia	Australian	n/a
iKOU Australia Pty Ltd	Body corporate	n/a	100	Australia	Australian	n/a
iKOU Retail Pty Ltd	Body corporate	n/a	100	Australia	Australian	n/a

BASIS OF PREPARATION

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the Group as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

DIRECTORS' DECLARATION

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 and throughout the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the consolidated entity disclosure statement, is true and correct as at 30 June 2026.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001 for the year ended 30 June 2026.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Jason Murray
Chair

24 August 2026
Melbourne

INDEPENDENT AUDITOR'S REPORT

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Independent Auditor's Report

To the Members of Adore Beauty Group Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Adore Beauty Group Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT CONT.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Recoverability of Cash Generating Units (CGUs) – Note 9, 10, 11)	
In accordance with AASB 136 *Impairment of Assets*, the entity tests goodwill for impairment at least annually and whenever there is an indicator that the carrying amount may not be recoverable. Other non-financial assets are assessed for impairment only if an impairment trigger exists. The Group recognised goodwill arising from the acquisition of iKOU in the prior period, which has been allocated to the iKOU cash-generating unit (CGU). In addition, due to the net assets of the Group exceeding the Groups' market capitalisation as at 30 June 2026, an impairment indicator exists and impairment testing is required over the non-financial assets. The recoverable amounts of the CGUs are determined through the preparation of a value in use ('VIU') model. This is a key audit matter due to the significance of the balances to the financial position of the Company and the significant auditor judgement involved in assessing management's determination of the recoverable amount of the CGU, including the estimation and judgement in forecast cash flows, discount rates and long-term growth assumptions.	Our procedures included: • Assessing the design and implementation of controls over managements process of assessing the valuation of non-financial assets; • Assessing the appropriateness of the cash-generating units (CGUs) identified by management; • Evaluating management's value-in-use impairment model against the requirements of AASB 136; • Verifying the mathematical accuracy on the underlying value-in-use calculations; • Assessing management's historical forecasting accuracy; • Assessing the reasonableness of assumptions over discount rates and growth rates with reference to available market data, historical performance trends and economic factors relevant to the business; • Assessing the reasonableness of forecast revenue growth, gross margins and operating costs with reference to historical trading results, current business initiatives and known operational changes during the period; • Performing sensitivity analysis over key assumptions to evaluate the potential impact of reasonably possible changes on the recoverable amount; and • Evaluating the disclosures in the financial statements against the requirements of Australian Accounting Standards.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 (other than the consolidated entity disclosure statement); and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 26 to 48 of the Directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Adore Beauty Group Limited, for the year ended 30 June 2026 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

A C Pitts
Partner – Audit & Assurance
Melbourne, 24 August 2026

SHAREHOLDER INFORMATION

The shareholder information set out below was applicable as at 31 July 2026.

Voting rights

The voting rights attached to ordinary shares are set out below:

ORDINARY SHARES

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are currently 93,957,928 Ordinary Fully Paid Shares on issue.

Holders of performance rights and options have no voting rights.

The below information is current as at 31 July 2026.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	31 Jul 2026			
Range	**Securities**	**%**	**No. of holders**	**%**
1 to 1,000	1,402,757	1.49	3,993	69.08
1,001 to 5,000	2,783,155	2.96	1,205	20.85
5,001 to 10,000	1,919,186	2.04	262	4.53
10,001 to 100,000	7,932,766	8.44	268	4.64
100,001 and Over	79,920,064	85.06	52	0.90
Total	**93,957,928**	**100.00**	**5,780**	**100.00**
Unmarketable Parcels	2,442,259	2.60	4,679	80.95

* Marketable parcel of shares calculated based on closing market price on 30 July 2025 of $0.785 (637 shares).

Restricted securities and voluntary escrow

There are no restricted securities (as defined by the ASX Listing Rules) on issue and no securities are currently subject to voluntary escrow arrangements.

On-market buy back

There is no current on-market buy back.

Total of quoted and restricted securities

Fully paid ordinary shares (quoted securities)	**93,957,928**
Total number of shares	**93,957,928**

UNQUOTED SECURITIES

Type of security	Number of holders	Number of securities
Performance Rights	21	2,355,657
Options	1	500,000

PERFORMANCE RIGHTS

Range	Number of holders	% of holders	Number of securities	% of securities
1,001 to 5,000	–	–	–	–
5,001 to 10,000	–	5.00	5,346	0.17
10,001 to 100,000	12	60.00	357,242	11.40
100,001 and over	7	35.00	2,773,577	88.43
Total number of security holders	**20**	**100.00**	**3,136,165**	**100.00**

OPTIONS

Range	Number of holders	% of holders	Number of securities	% of securities
100,001 and over	1	100	500,000	100.00
Total number of security holders	**1**	**100**	**500,000**	**100.00**

SHAREHOLDER INFORMATION CONT.

Equity security holders

TWENTY LARGEST QUOTED EQUITY SECURITY HOLDERS

The names of the twenty largest security holders of quoted equity securities are listed below:

Rank	Name	30 July 2026	% of Issued Capital
1	Spheria Asset Mgt	18,126,724	19.29
2	Mr James A Height	10,400,000	11.07
3	Ms Kate Morris	10,400,000	11.07
4	Ryder Capital	8,346,813	8.88
5	Richmond Hill Capital	5,891,826	6.27
6	Pengana Capital	3,452,426	3.67
7	Hart Capital Partners	3,416,024	3.64
8	Ms Joanna R Ryan	3,179,741	3.38
9	Forager Funds Mgt	2,644,105	2.81
10	Top Alpha Capital	2,232,877	2.38
11	Regal Funds Mgt	1,592,526	1.69
12	Ms Sarah M M Mullen	823,192	0.88
13	Mr Daniel A Ferguson	619,452	0.66
14	Mr Gareth Williams	597,427	0.64
15	Spaceship Capital	508,668	0.54
16	Bentleys (QLD) Advisory	475,000	0.51
17	Mr Jordan Holland	374,040	0.40
18	Mr & Mrs Andrew M Deane	344,712	0.37
19	Superhero Securities	335,028	0.36
20	Mr & Mrs Albert Metledge	315,000	0.34
	Total	74,075,581	78.84
	Balance of register	19,882,347	21.16
	Grand total	93,957,928	100.00

Substantial holders

Shareholder	Date of notice	Number of shares	% of issued equity[1]
Kate Morris	27/10/2020	10,200,000	21.67%
James Height	27/10/2020	10,200,000	21.67%
Pinnacle Investment Management Group	15/06/2026	12,784,637	13.61%
Ryder Capital Ltd	5/03/2026	8,009,460	8.52%
Spheria Asset Management Pty Ltd	1/12/2025	17,330,347	18.44%
Richmond Hill Capital Pty Ltd	1/12/2025	5,778,229	6.15%

1. Percentage of issued equity held as disclosed in the substantial holding notices provided to the Company.

Corporate governance statement

Adore Beauty is committed to achieving and demonstrating the highest standards of corporate governance to protect and enhance stakeholder interests.

Adore Beauty has adopted and has substantially complied with the ASX Corporate Governance Principles and Recommendations (Fourth Edition) ('Recommendations') to the extent appropriate to the size and nature of its operations.

Adore Beauty's Corporate Governance Statement, which sets out further details of the corporate governance practices and identifies and explains any Recommendations that have not been followed can be found at the Adore Beauty website (https://www.adorebeautygroup.com.au).

CORPORATE DIRECTORY

Directors	Jason Murray – Non-Executive Chair (appointed 1 November 2025) Marina Go AM – Non-Executive Chair (resigned 21 November 2025) Sandra Birkensleigh – Non-Executive Director Lisa Hennessy – Non-Executive Director Iain Nairn – Non-Executive Director Kate Morris – Non-Executive Director (resigned 30 September 2025) James Height – Alternate Non-Executive Director (resigned 30 September 2025)
Company secretary	Anna Sandham Marcus Crowe (resigned 28 July 2026)
Registered office	Level 7 324 St Kilda Road Southbank VIC 3006
Principal place of business	Level 7 324 St Kilda Road Southbank VIC 3006
Share register	MUFG Corporate Markets (AU) Limited Liberty Place Level 41, 161 Castlereagh Street Sydney NSW 2000 Phone: 1300 554 474
Auditor	Grant Thornton Audit Pty Ltd Collins Square, Tower 5 727 Collins Street Melbourne VIC 3008
Stock exchange listing	Adore Beauty Group Limited shares are listed on the Australian Securities Exchange (ASX code: ABY)
Website	www.adorebeauty.com.au

ADORE BEAUTY
GROUP