



Initial response to the short seller report published on May 21st 2024

May 21, 2024

NEW YORK, May 21, 2024 (GLOBE NEWSWIRE) -- ODDITY Tech Ltd. (NASDAQ: ODD)

While ODDITY doesn't engage with self-interested short sellers and hostile interests, the level of deep misinformation in this report cannot go unanswered.

ODDITY fundamentally rejects the short seller report. The allegations contained in the report by NINGI Research are based on demonstrable factual inaccuracies, incorrect assumptions, and unfounded and malicious speculation. The short seller report was published without any involvement by ODDITY.

- 1. The main allegation in the report that the Israeli brick-and-mortar business is a significant portion of ODDITY's revenue and EBITDA is a complete falsehood.** ODDITY's parent company is an Israeli entity, a fact that could have led to the fundamental misunderstanding in the report regarding the source of our group revenue. The brick-and-mortar business in Israel (43 retail stores and 6 beauty schools) represents an immaterial part of our business, accounting for **less than 5% of ODDITY's Net Revenue and less than 5% of ODDITY's EBITDA in both FY2023 and Q1 2024**. **The Israeli business operations have always been reflected in our financial disclosures.** All of ODDITY's revenue outside of Israel is exclusively from online sales.
2. All of ODDITY's Israeli subsidiaries are fully audited by Ernst & Young, our auditors on record, and the financial statements are filed with the Israeli authorities. Their results are consolidated with the group, as required, hence there are no standalone reports.
3. The overwhelming majority of the "hundreds of lawsuits" mentioned in the report are small-claims suits related to our stores' business in Israel. **In the aggregate these total less than \$100,000.**
4. ODDITY firmly stands behind its use of technology to deliver a personalized beauty experience to consumers to drive conversion, customer loyalty, repeat purchase rates, and business results. Any other claim is purely false. Our investment in technology is the main driver behind the company's massive scale and high profitability as an online business.
5. ODDITY firmly stands behind its strong and positive customer experience, as evident by the tens of thousands of 4 and 5 star reviews on many independent review websites, such as Trustpilot.com, Google, etc. As ODDITY stated on its earnings call – it is important to understand that the consumer claims represent a fraction of a percent of our sale volume. ODDITY will always continue to address incidents of dissatisfaction and keep its customers satisfied and loyal.

Short sellers and competitors will not deter us from continuing to deliver the best online customer experience and to take significant market share of the beauty industry.

About ODDITY:

ODDITY is a consumer tech company that builds and scales digital-first brands to disrupt the offline-dominated beauty and wellness industries. The company serves approximately 50 million users with its AI-driven online platform, deploying data science to identify consumer needs, and developing solutions in the form of beauty and wellness products. ODDITY owns IL MAKIAGE and SpoiledChild. The company operates with business headquarters in New York City, an R&D center in Tel Aviv, Israel, and a biotechnology lab in Boston.

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