



Oddity Tech Ltd. (ODD US)

COMPANY DESCRIPTION

Oddity Tech Ltd is an Israel-based make-up and beauty company founded in 2018. The company operates platforms aiming to disrupt the global beauty and wellness market with brands **Il Makiage** and **SpoiledChild**.

BUSINESS MODEL

Oddity Tech generates revenue through sale of beauty and wellness products directly to consumers. Its key brand, **Il Makiage**, is a digital retail platform that combines social media and AI-powered questionnaires to match customers with makeup products and connects users to beauty influencers promoting the firm's products. According to Oddity Tech, **Il Makiage** leverages data science, machine learning, and computer vision to provide a personalized user experience. The company also operates **SpoiledChild**, a brand focusing on skin and hair products as well as supplements. The firm's main markets are the U.S., Europe and Australia.

Oddity Tech has over 4 million active customers and a platform reaching over 40 million users. The company claims to have over 1 billion unique data points on beauty preferences that inform its product.

GROWTH STRATEGIES

Oddity Tech aims to grow through expanding its AI-powered personalized matching technology across new product categories and geographic regions. It also plans to leverage user data and digital

engagement to drive viral growth. Additionally, the company may pursue strategic acquisitions or investments in complementary beauty and wellness brands, products, or technologies. For example, in April 2023, they acquired biotechnology firm **Revela**, which uses "AI-based molecule discovery" for new products.

USE OF IPO PROCEEDS

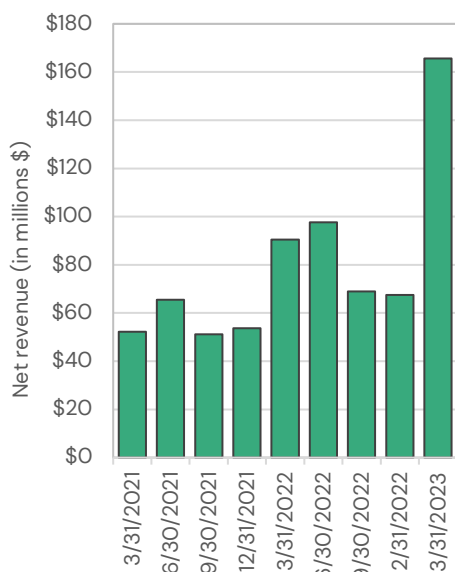
Oddity Tech plans to use the IPO proceeds to obtain additional working capital, create a public market for its shares, further develop and launch new brands, and potentially pay for acquisitions/investments.

IPO HISTORY

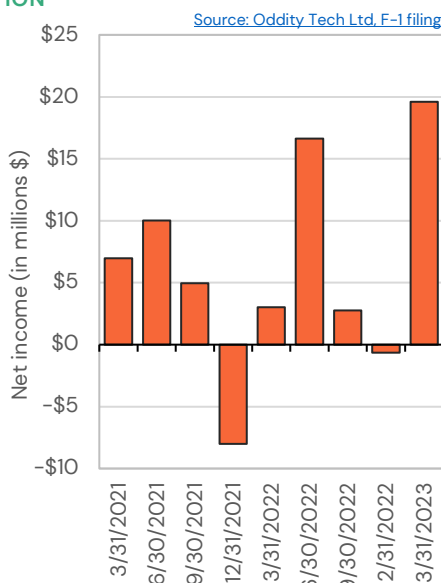
Oddity Tech debuted on NASDAQ on 7/19/2023, pricing its shares at \$35, above its previously announced range of \$32 - \$34 per share. Instead of the planned 10.5m shares, the company offered approximately 12.1m shares for an IPO offer size of \$424 m, exceeding the previously anticipated \$347m. The new terms brought the firm's implied market capitalization up to \$2b. However, considering employee stock options, the company's fully diluted value is closer to \$2.4b. Based on the company's reported financial information for 2022, \$324.5 million in revenue and a net income of \$21.8 million, the new offer price implies a P/S ratio of approximately 6.2x and a P/E ratio of around 97.2x.

The IPO is led by lead managers Goldman Sachs, Morgan Stanley and Allen & Company. Trading starts on Wednesday, July 19, 2023 under the ticker symbol ODD.

FINANCIAL HISTORY & FURTHER INFORMATION



Three Months Ended



Three Months Ended

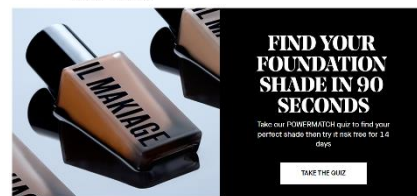
Source: Oddity Tech Ltd, F-1 filing

BRANDS

Oddity Tech markets questionnaires on their website as AI-based matching technology to match customers with suitable products.

IL MAKIAGE

NEW YORK



SpoiledChild™

The majority of consumers use products they don't need.

SpoiledBrain AI determines the exact products you need by combining millions of data points with your personal profile. Try the products free for 30 days (full size, no samples, just pay for shipping).

LET'S GET STARTED

INDUSTRY COMPARISON (AS OF 7/17/2023)

COMPANY	STOCK SYMBOL	IPO/SPIN-OFF DATE	INITIAL RETURN	OFFER TO DATE (TR)	2023 YTD (TR)	BETA TO BENCHMARK	REVENUE (USD)	REVENUE GROWTH (YoY)	P/S Ratio
ODDITY	ODD US	07/07/2023	TBA	TBA	TBA	N/A	324.5 M	45.8%*	6.20x*
ESTÉE LAUDER	EL US	11/17/1995	-3.62%	831.82%	-21.87%	1.08	17.7B	9%	4.25x
L'ORÉAL COTY	OR FP	L'Oréal went public in 1963				25.83%	40.30B	0%	5.70x
COTY	COTY US	06/13/2013	-0.80%	-16.29%	44.51%	1.10	5.30B	15%	1.94x
SHISEIDO	4911 JP	Shiseido went public in 1949				-3.54%	8.17B	-5%	2.32x

*based on F-1 filing financial information for Year Ended December 31, 2022, P/S ratio at \$2b market capitalization

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