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List of abbreviations

BBB	Better Business Bureau
Brand 3	ODDITY brand, launch TBA
Brand 4	ODDITY brand, launch TBA
DTC	Direct-to-Consumer (online only)
ICA	Israeli Corporations Authority
Il Makiage	ODDITY cosmetics brand launched in 2013
PowerMatch	Product-matching quiz on ilmakiage.com
PTE	Preferred Technology Enterprise, a tax incentive in Israel
SOX Act	Sarbanes-Oxley Act
SpoiledBrain AI	Product-matching quiz on SpoiledChild.com
SpoiledChild	ODDITY skincare brand launched in 2022
TBYB	'Try Before You Buy' program
UCC	Uniform Commercial Code

List of references

All citations, references, and sources are publicly available. Annual reports and other company documents were obtained through the respective issuer's website, regulatory filings, and commercial registries. Documents are cited as follows:

< url >, < page >

Some SEC filings were retrieved through direct URLs within the EDGAR system, and those filings are quoted directly.

The phrase "company data" indicates that we aggregated the specific metrics from one or several respective regulatory filings.

List of figures

If not stated otherwise, all figures are obtained through the quoted references in the footnotes and can be found in the respective source.

Executive Summary: Putting Lipstick on a Pig

We are short ODDITY Tech Ltd. (Nasdaq: ODD), because, our three-month on-the-ground investigation, supported by dozens of interviews, revealed that **ODDITY completely misled investors about every critical aspect of its business, concealing a large brick-and-mortar business and sales generated by dishonest tactics.**

ODDITY Tech Ltd.	
Ticker:	ODD
Market Cap:	USD 2.3bn
Share Price:	USD 40.99

What The Bulls Believe

The cosmetics company's bull case is founded upon its alleged revenue growth of 57 percent while posting a 70 percent gross margin and a 21 percent EBITDA margin in 2023. These numbers, along with ODDITY's supposedly 100 percent digital business model, have formed the basis for a growth story the market appreciates. Just last month, Evercore ISI initiated its coverage by praising the company's *"differentiated Online-only strategy powered by AI-optimized product personalization."*

Reality Unmasked

Perhaps the most striking of ODDITY's lies is the notion that the company is a "pure-play digitally branded platform." We uncovered that, entirely to the contrary, **ODDITY owns and operates a completely undisclosed, yet material, brick-and-mortar business in Israel.**

Based on our extensive evidence of accounting irregularities, selectively audited subsidiaries in breach of Israeli law, and hundreds of undisclosed lawsuits, it is our opinion, that ODDITY concealed its brick-and-mortar operations to inflate its earnings and boost its IPO valuation.

ODDITY's insiders and backers have egregiously sold over \$400 million of stock to investors at IPO who were under the impression that it is a totally digital business. **As one former employee explained, these stores likely "didn't feed into his [CEO] narrative very well."**

In our report, we outline how, like its public market image, ODDITY's business is based on an AI façade and deceptive sales tactics. ODDITY's co-founder described its product-matching AI as *"simple questions with four possible answers,"* with no mention of AI, and a former executive *"wouldn't necessarily call [it] AI."*

Consumers on BBB and social media allege fraud. **As one former employee put it, "like the consumer's actually not his [CEO] priority."** We believe ODDITY's business model will prove unsustainable.

Our Findings

- In our opinion, ODDITY has, at best, misrepresented itself as an "online-only" company. In reality, and contrary to this claim, we found extensive evidence that **ODDITY owns and operates 43 stores and six beauty schools which have never been disclosed to investors in SEC filings.**
 - We called all 43 stores and even visited a number of locations in Israel where we discovered that these retail stores are not franchisees but owned by ODDITY. Meanwhile, ODDITY's beauty schools have thousands of enrolled students for year-round studies. In our opinion, **the brick-and-mortar operations are likely a material contributor to ODDITY's DTC earnings.**
 - **The brick-and-mortar stores are operated by an ODDITY subsidiary called 'Il Makiage Beauty I.L. Ltd.' that remains unaudited to date.** In April 2024, we purchased two of Il Makiage's best-selling products at different stores in Israel and the receipts as well as the products' packages list the unaudited 'Il Makiage Beauty I.L. Ltd.' as the selling entity.

- In general, we found that the undisclosed Israeli operations are run by subsidiaries that haven't completed an audit, despite Israeli law requiring every company to be audited (irrespective of any parent company audit). Notably, these companies were audited until 2021. Only ODDITY's disclosed R&D centers, located in Tel Aviv, are currently audited by E&Y.
- **ODDITY's profitability is misleading, as most of its profit comes from Israel.** How are ODDITY's R&D operations – usually a cost center for most companies – **generating 87 percent of its net profit yet only 18.6 percent of global sales?** Large parts of the company's Israeli operations remain undisclosed and unaudited, as highlighted above. We consider ODDITY's SEC disclosures to be unreliable.
- In addition to the undisclosed retail footprint, **the company quietly restated its revenue contribution for 2022 and 2021 by \$26.2 million, its 2020 revenue by \$5.4 million, and identified a material weakness in its internal controls over financial reporting.** They also used a loophole in the SOX Act to delay its next assessment of its internal controls until 2025.
- Given these details, it is natural that **the finance department at ODDITY is full of red flags.** Of the department's nine employees, **two are CFOs (one from the US as a front for investors and a secret one from Israel actually running the business).** No employee on the US accounting team lasts longer than 18 months, with the latest hire leaving after 10 months. In Israel, the entire accounting team is outsourced. How is possible that ODDITY's accounting team is in such disarray, even though the CEO is an accountant by trade?
- **We suspect ODDITY's employee count is understated.** ODDITY's SEC filings disclosed that it had 342 employees at year-end 2023, well below the 400 employees in Israel alone (or 520 globally) disclosed in an interview with an Israeli newspaper in 2020. **ODDITY's store count and the undisclosed Israeli business have even expanded since then. We believe the true head count to be between 600 and 700.**
- ODDITY mentioned "AI" more than 40 times in its F-1 prospectus and has claimed to be leveraging technologies to develop products and interact with customers. However, a former employee explained to us that **ODDITY's product-matching technology is akin to "a normal questionnaire," which he "wouldn't necessarily call AI."** In an interview with an Israeli newspaper in 2020, ODDITY's co-founder described the product quizzes as *"simple questions with four possible answers."*
- In our opinion, the secret to ODDITY's digital growth is its non-cancelable subscriptions, which customers are lured into via bogus AI quizzes. The sell-side touts ODDITY's *"impressively high"* repeat purchase rates of 100 percent, but we don't buy that. Our research indicates that **customers unknowingly enter into non-cancelable plans, allowing ODDITY to recognize repeat purchases in the following quarters** even though the customers don't want the product.
- Better Business Bureau (BBB) and social media are flooded with complaints from customers who accuse ODDITY of deceptive behavior. We believe **these complaints are worse than regular negative feedback posted on such websites due to their scale, nature, and persistence over the last three years.** It appears ODDITY doesn't fix the root causes. A former employee told us that holds placed on customers' credit cards during the "Try before you buy"-program *"are not made clear to the customer,"* and that *"it is deliberate that it is not clear."* In the past, the FTC has cracked down on other consumer companies that sold personal care products through similar sales tactics.

- We believe the acceleration in new users is due to questionable methods. **Complainants constantly report that their accounts were charged, despite never purchasing a product or hearing about the company before.** Other customers reported that their banks stopped processing Il Makiage's charges, and **one customer even received a call from their bank's fraud department in connection with Il Makiage's repeated attempts to charge them.**
- The complaints online are contrary to the reviews on ODDITY's web shops, but **we were told by a former employee that *"the reviews you are seeing on their site are moderated by them. That is why it is like 4,000 five-star reviews."*** Our month-long monitoring of customer reviews of ODDITY's best-selling products supports that statement. We found that ODDITY actively moderates and prevents low-star reviews from appearing, with two-star and one-star reviews being suppressed for weeks. All low-star reviews stopped appearing on the same day.
- **We found hundreds of undisclosed lawsuits filed against ODDITY and its subsidiaries in the US and Israel, frequently alleging unpaid bills and violations of consumer protection laws.** There are at least **218 complaints (incl. seven class action lawsuits)** directly connected to the company, filed by landlords, suppliers, customers, and insurers. There is also currently a warrant out against ODDITY for unpaid taxes for the second time (previous warrant in 2019).
- Even though ODDITY's CEO Oran Holtzman brags that the company is *"playing a completely different game,"* **we think investors should check how much stock he sold at ODDITY's IPO ten months ago: \$232 million.** These sales on the public market followed another \$128 million Holtzman already sold in a private secondary pre-IPO. **L. Catterton, previously ODDITY's largest investor, has dumped more than \$385 million of stock since the IPO.**
- **Insiders have also sold aggressively since the IPO lock-up expired in January, quietly adopted 10b5-1 share sale plans, and have consistently opted for cash over stock awards:**
 - ODDITY's CFO Drucker Mann chose a \$6 million cash bonus,
 - its General Counsel received a \$1 million payout, and
 - the Holtzman siblings received \$30 million as a cash award.

If insiders don't believe the hype, why should investors?

1. Investors Duped by ODDITY's Hidden Brick-and-Mortar Empire – Why Hide This?

ODDITY is not the online pure-play that the company claims to be. The company states that it only operates its R&D centers in Israel, but we found that **Il Makiage (ODDITY's core brand) runs 43 retail stores and 6 beauty schools** in the land of milk and honey, from Haifa in the north to Eilat in the south (see Figure 1 below and full list in the Annex).^{1 2 3 4} We were amazed to find out how blatantly ODDITY lies to its investors that it operates an online-only business model, but just a quick search on Google Maps brings up dozens of retail stores spread throughout Israel.⁵

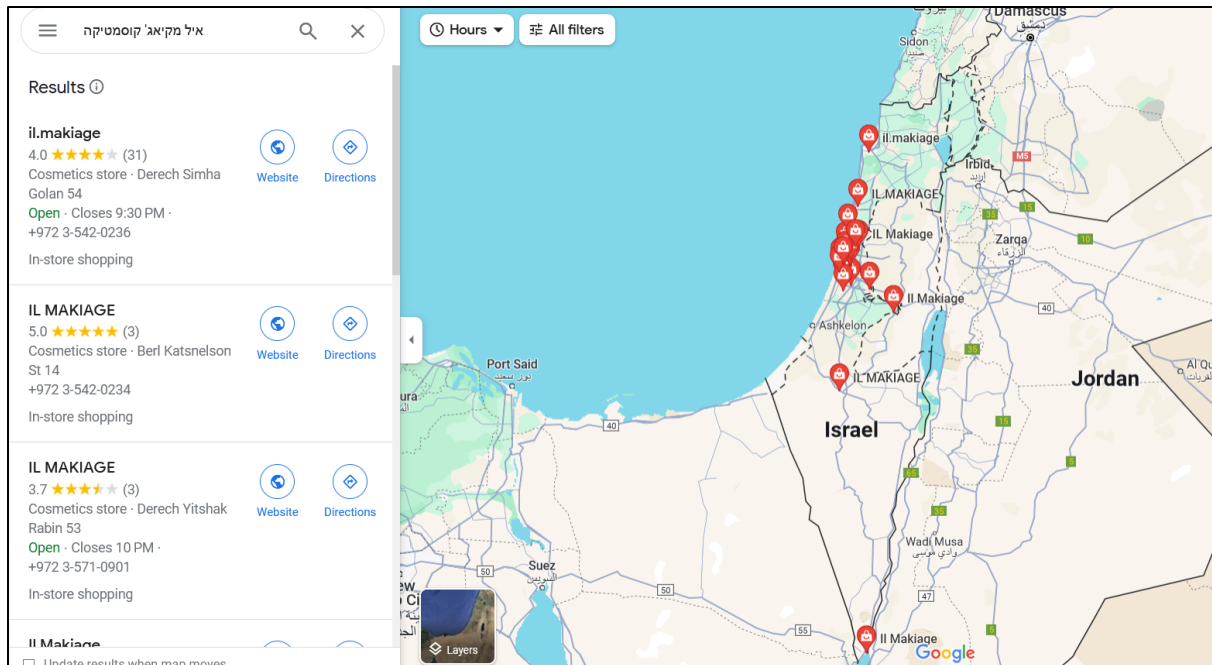


Figure 1 Il Makiage stores in Israel (Google Maps doesn't show all locations at once), source: Google Maps

Our investigation led us to Israel, where we found open and fully operating retail stores and beauty schools in dozens of cities. Past Israeli news coverage on ODDITY, then still named Il Makiage, highlighted the company's store expansion, and **prior to ODDITY's IPO, CEO Oran Holtzman was happy to pose for pictures in his stores; see Figure 2 below.**^{6 7 8} The company even hired star architect Zaha Hadid to develop a design concept for temporary pop-up stores in the US, accompanying the established store network in Israel.⁹ One former employee told us that the US expansion failed and the stores were closed in 2019, months before the pandemic.

¹ <https://www.ilmakiage.co.il/locator/>

² The number of locations that is mentioned on Il Makiage's website, Il Makiage's job postings, on Google Maps and in news articles varies between 41 and 43.

³ <https://www.ilmakiage.co.il/locator/>

⁴ <https://maps.app.goo.gl/2PpV4BfdGgNMQsVq7>

⁵ <https://maps.app.goo.gl/2PpV4BfdGgNMQsVq7>

⁶ <https://www.calcalist.co.il/marketing/articles/0,7340,L-3634118,00.html>

⁷ <https://xnet.ynet.co.il/articles/0,7340,L-5297776,00.html>

⁸ <https://en.globes.co.il/en/article-lvmh-invests-in-israeli-cosmetics-brand-il-makiage-1001191139>

⁹ https://www.zaha-hadid.com/interior_design/il-makiage-pavilion/#



Figure 2 ODDITY's CEO Oran Holtzman posing in one of the company's stores in Israel, photo: Avi Waldman

It is important to note that investors buy ODDITY's stock because they think it is an online pure play, peerless in the beauty industry.¹⁰ And even experienced analysts believe that ODDITY is an online-only company. In April 2024, the investment bank Evercore ISI initiated its research coverage on ODDITY by introducing the company to its clients as *"a differentiated Online-only strategy powered by AI-optimized product personalization."*¹¹

We doubt that Oran Holtzman gave the investors or sell-side analysts a tour of any of the ODDITY stores as part of the IPO roadshow. **A former employee confirmed that pre-IPO investors were never told about the retail stores in Israel during the company's secondary funding roadshow.**

Interview with a former employee

NINGI Research: Do you know, like pre-IPO investors, if they were aware of the retail operations and if they, you know, thought of the business as having any plans to expand retail?

Former employee: **It was never part of the roadshow.** It was never part of anything we adorn. I mean, were they [Investors] aware of it? I don't know. I don't think they [ODDITY] try to hide it. **But they [ODDITY] certainly don't like, put it forward.**

Ultimately, the former manager concluded that *"it wouldn't feed into his [Oran] narrative very well."* Later during the call, the former employee reflected on our discussion, questioned themselves as to why ODDITY didn't disclose the deal in the first place, and reiterated the conclusion that it was not disclosed because it didn't fit the narrative of a DTC company.

Interview with a former employee

Former employee: [...] **I mean when you said that I was like, yeah, why didn't they just say it? But I guess maybe they thought it was so inconsequential and or it didn't lead. It didn't support the narrative which he [Oran] wants to be, which is like this digital-first company.**

¹⁰ <https://www.youtube.com/watch?v=vNNFsSQXBag>

¹¹ Evercore Group L.L.C. (2024), ODDITY Tech Ltd. - Nothing Basic About This Look, Initiate at OP, pg. 1

We found that ODDITY operates more than 43 retail stores all over Israel, and the company has been growing this network from 25 stores in 2013.^{12 13} Lately, Il Makiage introduced a store concept that is currently being implemented.^{14 15} The company's six beauty schools, which only offer face-to-face training, also don't fit the image of an online-only company.¹⁶ **We think the online-only story is a lie.**

In our opinion, the key difference between a little lie and material misrepresentation is that it is not the company's choice which narrative investors want to hear, but the facts that investors need to know. We believe there is a substantial likelihood that the Israeli retail operations would have been viewed by the reasonable investor as having significantly altered the 'total mix' of information made available.

And picking up on the former employee's comment that ODDITY neither tried to hide the retail stores from its pre-IPO investors nor told them about it: **during the IPO roadshow, ODDITY categorically denied having any physical store footprint.**

On page 3 (!) of ODDITY's IPO prospectus, the company claims that its model is "[...] unconstrained by [a] physical store footprint and local marketing limitations."¹⁷ ODDITY's CEO, Oran Holtzman, had the audacity to end an interview in December 2023 with the words, *"Nothing against stores or retail, but we don't need it yet."*¹⁸

Institutional investors have been misled by ODDITY. Global money manager Baillie Gifford told its clients in November 2023 that they specifically invested in ODDITY because of the company's online-only model.^{19 20} Investors in the IPO were not aware of the undisclosed Israeli business, as exemplified by Baillie Gifford's Head of US Equities, Tom Slater, who said the following regarding his company's investment in ODDITY:²¹

"[...] We took holding in a company called ODDITY in the last six months. This is a direct-to-consumer makeup and skincare business. Beauty and skincare is a massive category. There have been no real online players. You've seen some of the existing players move to some online sales, but actually, doing this with an online-only model is a completely different business.

Their lead brand is IL MAKIAGE, grown to be a pretty large brand in a very short space of time. They have a second brand, SpoiledChild, which has grown even more rapidly. This is a technology-first business that understands the internet, that understands the different model of sales that you need, [...]"

The investment manager purchased shares worth more than \$200 million because of a material misrepresentation of the company's business by ODDITY and its executives.²²

¹² <https://xnet.ynet.co.il/articles/0,7340,L-5297776,00.html>

¹³ <https://www.ilmakiage.co.il/locator/>

¹⁴ <https://www.ipost.com/brandblend/article-791073>

¹⁵ <https://www.rashuiot.co.il/html5/ARCLookup.taf?function=details&ID=66054&did=1118&G=8703&SM=>

¹⁶ <https://www.ilmakiage.co.il/academy>

¹⁷ https://www.sec.gov/Archives/edgar/data/1907085/000110465923082792/tm223332-38_424b4.htm, pg. 3

¹⁸ <https://www.glossy.co/beauty/ODDITY-ceo-oran-holtzman-there-are-only-3-reasons-why-a-dtc-company-should-expand-to-stores/>

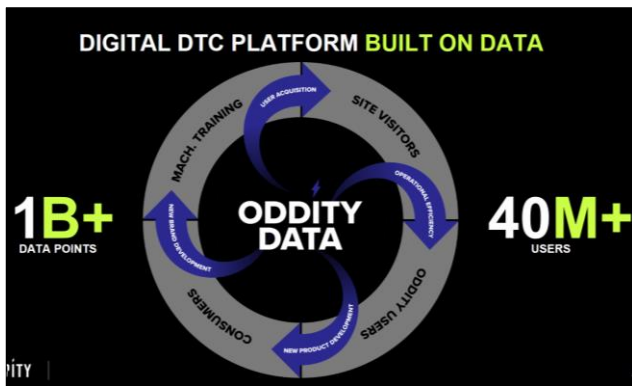
¹⁹ <https://insight.bailliegifford.com/videos/2023/q4/investor-webinar-your-questions-answered-10040208/?transcript=true>, pg. 15

²⁰ <https://www.youtube.com/watch?v=vNNFs5QXBag>

²¹ <https://www.youtube.com/watch?v=vNNFs5QXBag>

²² https://www.sec.gov/Archives/edgar/data/1907085/000110465924034990/tm247561-8_424b4.htm, pg. 148

What Oddity says its business model looks like:



What it really looks like:

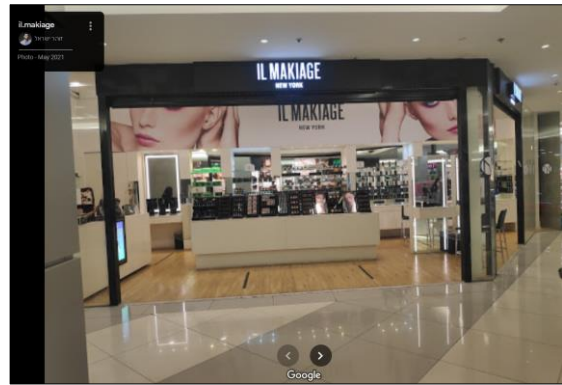


Figure 3 ODDITY's business is not what the company says it is, source: NINGI Research, company filings, Google Maps

In our opinion, ODDITY is not a cutting-edge tech company disrupting the cosmetics industry but a capital-intensive brick-and-mortar retailer deceiving investors (see Figure 3).

Asked about the retail stores, various former employees confirmed that ODDITY owns and operates the locations in Israel and that it is not a franchise model. A former manager told us that *"the whole consumer relationship works differently in Israel. They have more of physical locations, they are spread out through the country. It is more stores and less of online presence."*

Our analysis of company documents and court proceedings support the former employees' statements. We found lease contracts in which Il Makiage is listed as the store's tenant and **ODDITY's CEO Oran Holtzman even personally guaranteed the leases** (see Figure 30).²³ ODDITY and its subsidiaries employ store managers, regional managers, and make-up artists, and if staff shortages arise assign employees to different stores.^{24 25 26} ODDITY is fully in charge of the Israeli stores.

In our opinion, it is quite clear that investors would value ODDITY's stock very differently if they knew about the hidden business activities in Israel, as this changes the "total mix" of information. Investors value traditional retail companies lower because such companies have more employees, use significantly more working capital, and have to incur large capital expenditures for the maintenance and renovation of the store. A DTC company is much leaner than a traditional retail company. The business and financial operations of an online-only or brick-and-mortar model are completely different, and shareholders value each model entirely differently because of that fact!

2. Large Conglomerate Operations in Israel, Undisclosed to Investors And The SEC; Local Israeli Sources Indicate At Least \$49 Million of Revenue

When we found out about the undisclosed Israeli operations and understood that it is not just a small business segment, but a large and established conglomerate, we investigated further. In past interviews with Israeli newspapers, we found Holtzman speaking about the current state and revenue figures of the business which at the time only consisted of Israeli operations. **The last publicly disclosed figure is from 2016 and Holtzman said that Il Makiage was generating \$24.3 million in revenue at the time.**²⁷ After 2017, the company went dead silent about its revenue.²⁸ And from 2020

²³ פסקדין - מ"ב (2013) קוסמטיקה 'מקיאג איל' נ"ד (psakdin.co.il)

²⁴ פסקדין - מ"ב (2013) קוסמטיקה 'מקיאג איל' נ"ד (psakdin.co.il)

²⁵ ואח מ"ב (2013) קוסמטיקה 'מקיאג איל' נ"ד מ"ב אביב תל העיר קניון 56434-07-21 א"ת

²⁶ מ"ב (2013) קוסמטיקה 'מקיאג איל' נ"ד אוקוביט 16319-03-22 ש"סע

²⁷ <https://www.ynet.co.il/articles/0,7340,L-4971506,00.html>

²⁸ <https://www.ynet.co.il/articles/0,7340,L-4971506,00.html>

on, ODDITY went dead silent about its entire business in Israel. Even its anchor investor, L. Catterton, went from *“In addition to its boutiques, the company [Il Makiage] operates a network of makeup artist academies”* during its initial investment in 2017 to *“Il Makiage has converted millions of consumers from shopping for beauty products in stores to making purchases online and disrupted the industry in the process”* during a private secondary offering in 2022.^{29 30} These quotes are extracts from L. Catterton’s press releases on its investment in ODDITY. **In our opinion, Catterton has been aware of the undisclosed operations in Israel. Why has Catterton sold already 9.8 million shares, or 54 percent of its stake, since the IPO nine months ago?**

We tried to obtain the local financial statements because every active company in Israel has to submit their financials to the Israeli Corporations Authority (ICA) and these statements have to be audited by law. Even though any document submitted to the ICA is a public record that doesn’t apply to a private company’s financial statements. You cannot obtain the records. So we went to Israel to see the business ourselves.

2.1. On-The-Ground Investigations Reveal Dozens of Run-Down Stores That Are Up For A Million-Dollar Makeover

In March and April 2024, we did several field trips and visited a number of stores in Israel. In the shopping malls, we found these run-down stores and stands next to fast fashion retailers or local sporting goods shops. During our visits, the products on display seemed to have been dug up; some were missing completely, some were out of stock, and the presentation didn’t look like that of a premium cosmetics brand. We noticed that the prices for some of the best-selling products, like the ‘Woke up Like This’ foundation, ‘Photochromic setting’ pressed powder, and eyelashes were 50 percent higher than in the US.^{31 32} Il Makiage’s Power Lift Plumping Cream is priced at \$114 in Israel, which is a 70 percent markup to the US.³³ Basic products, like lipstick, were at par with the US.

During the visits, one to three employees were present at the stores, depending on the time of the day and store size. At each store, the furniture looked worn, with drawers crooked and dirty, and fingerprints and stains on the surfaces and mirrors. **The interior of each store was visible over the hill (see Figure 4, Figure 5, and Figure 6).**³⁴

²⁹ https://www.lcatterton.com/Press.html#/LCatterton_invests_in_IL_MAKIAGE

³⁰ <https://www.lcatterton.com/Press.html#/LC-ilmakiage>

³¹ <https://www.ilmakiage.co.il/woke-up-like-this>

³² <https://www.ilmakiage.com/shop-all/featured-products/212-66010-woke-up-like-this>

³³ <https://www.ilmakiage.co.il/plumping-cream>

³⁴ All photos were taken in March 2024 at five locations.



Figure 4 Il Makiage stores' interior is worn down, stained and drawers are crooked, source: NINGI Research

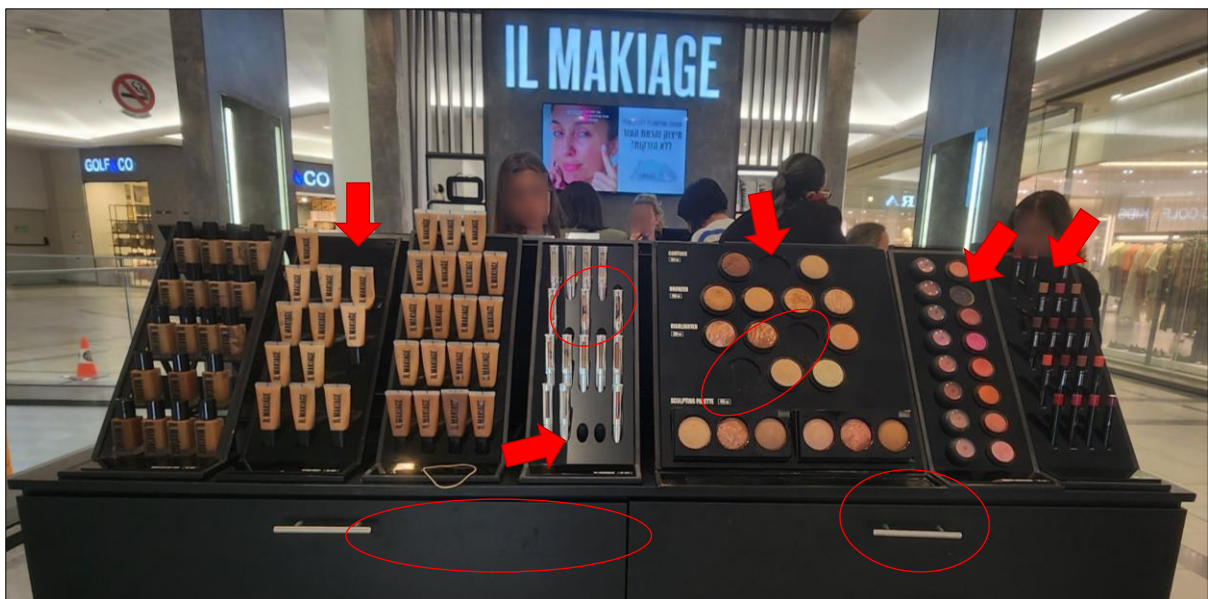


Figure 5 Missing products, stains on drawers, and drawers crooked, source: NINGI Research

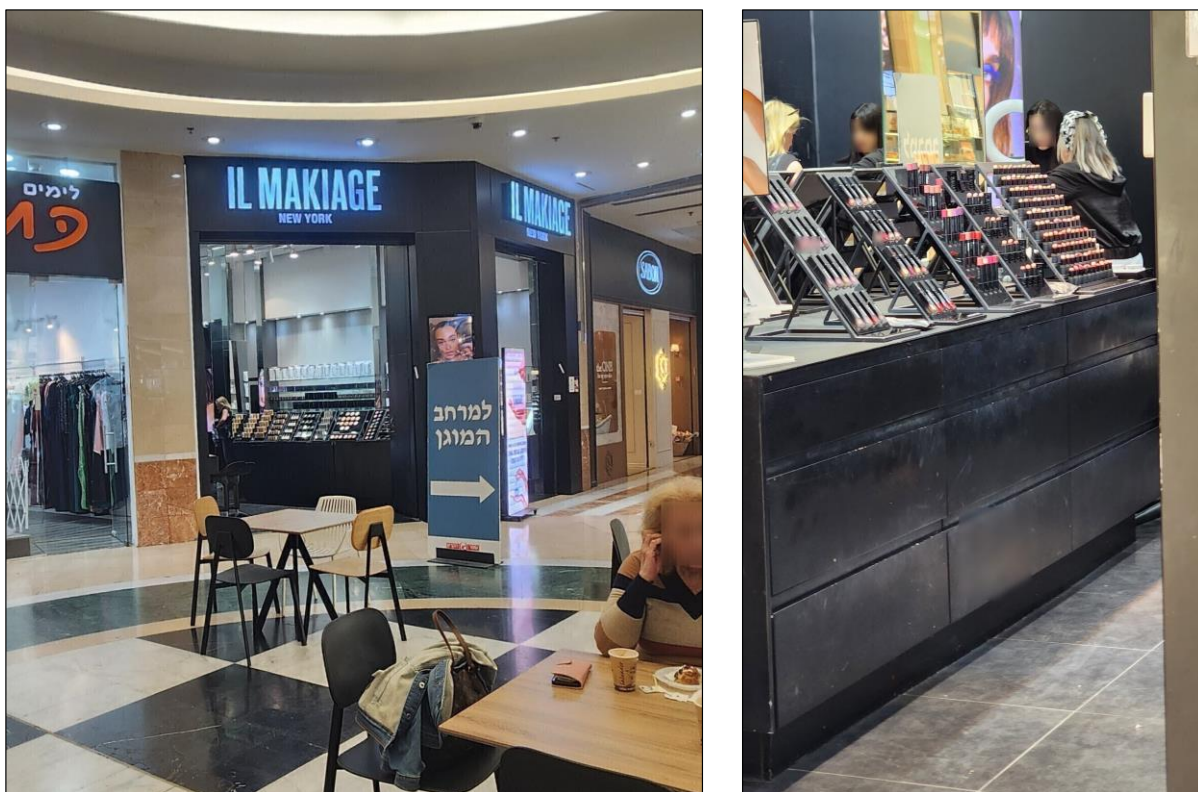


Figure 6 Il Makiage store in a shopping mall (left) and dirty drawers in the same shop (right), source: NINGI Research

We believe the run-down interior is probably the reason why ODDITY is currently renovating the shops. The company introduced a new store design in August 2023 which is entirely different from the current one.³⁵ Il Makiage started rebuilding its stores and has already finished two.^{36 37}

We expect that ODDITY will secretly divert a substantial part of its cash flow to fund the remodeling of all 43 stores. The renovated stores will flaunt a new design, entirely different from the current one: a brighter interior, high-end LCB digital screens at the entrance, LCD displays used as shelf labels, touch displays, and makeup application booths.^{38 39} In a 2014 interview, Oran Holtzman said that a new store cost around 700,000 Israeli shekels (around \$192,000 at the time).⁴⁰ We estimate that each store renovation will cost 909,000 shekels (\$247,000) to 1,140,000 Israeli shekels (\$313,000), adjusted for inflation and the new LCD display-focused store interior. In total, **the capex for renovating the remaining stores will cost between \$10.2 million and \$12.8 million.** However, none of the capex for remodeling 40-plus stores is included in the company's past disclosures. According to ODDITY, the company's capital expenditures *"are primarily related to expenditures associated with our headquarters and other office expenses."*⁴¹ Our investigation shows that's obviously not true.

In our opinion, ODDITY's retail stores have to make a significant return to justify this investment. The in-store products are priced at a significant markup to the US, and the staffing indicates that the stores are generating substantial profits. And ODDITY is obviously not saying anything as the entire business is hidden from investors.

³⁵ <https://realo.tech/casestudies/il-makiage/>

³⁶ <https://www.ipost.com/brandblend/article-791073>

³⁷ https://www.rashuiot.co.il/html5/ARCLookup.taf?_function=details&_ID=66054&did=1118&G=8703&SM=

³⁸ <https://realo.tech/wp-content/uploads/2023/08/Il-Makiage-Case-Study-PDF.pdf>

³⁹ https://www.linkedin.com/posts/realotech_beautyretail-innovation-collaboration-activity-7092557164329758722-SO1p/

⁴⁰ <https://www.calcalist.co.il/marketing/articles/0,7340,L-3634118,00.html>

⁴¹ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>, pg. 58

Next to the worn-down storefronts, we found at least one make-up application booth in each store, and at one location we counted four booths for any make-up services. Further to running the concealed store network, **it appears that ODDITY is also operating an additional service-focused business model in Israel:** customers can book ODDITY's make-up artists for any private event, either through a dedicated landing page online or in-store.⁴² We noticed that the make-up booths were regularly frequented by customers late in the afternoon.

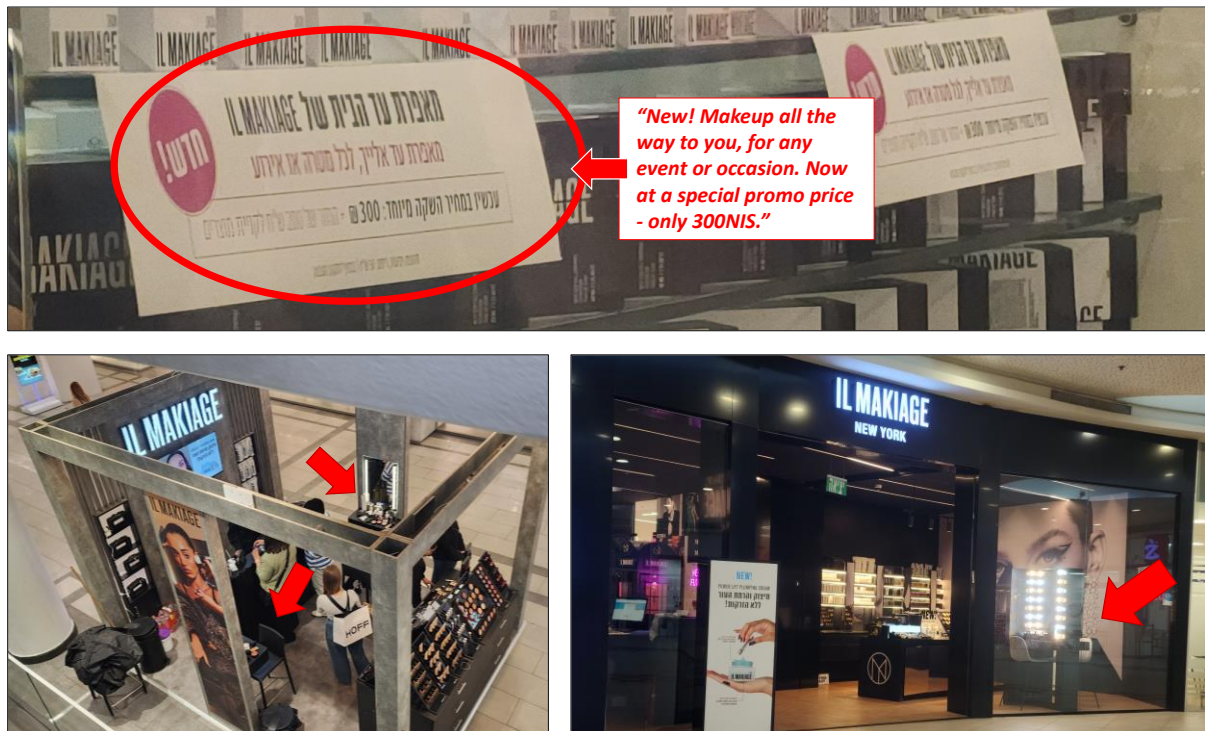


Figure 7 Ads for make-up artist booking and make-up booths at stores, source: NINGI Research

In our opinion, the service offerings are very important to the overall business because the company promotes the offered services on its website's main menu and with large banners in its stores (see Figure 7).⁴³ However, such a service-oriented business model is diametrical to the online-only model in terms of growth, scalability, and profitability. **ODDITY pretends to investors that it is an online-only company that sells cosmetics, but in reality, it sends beauticians to customers' homes to apply make-up.**

As part of our undercover investigation, we called all 43 stores (we reached 36 stores) and asked to book a makeup session for a larger group. The cost of an outbound session starts at 550 shekels (around 150 dollars), and most stores recommend booking an outbound session instead of an in-store session and booking days in advance.

All sales from these services flow through ODDITY's subsidiary Il Makiage Beauty I.L. Ltd.^{44 45} We wonder if the stores' revenue and the service revenue are spuriously reported as online sales.

⁴² <https://www.ilmakiage.co.il/homemakeup>

⁴³ <https://www.ilmakiage.co.il/>

⁴⁴ <https://www.ilmakiage.co.il/terms-and-conditions-touch-up>

⁴⁵ <https://www.ilmakiage.co.il/terms-and-conditions-homemakeup>

2.2. ODDITY's Undisclosed Makeup Schools Don't Square with Online-Only Story

In Israel, we found that ODDITY is running a vast network of retail stores and offers make-up services to customers, both are facts that would, in our opinion, materially change the 'total mix' of information about the company. But it goes even further than just ordinary brick-and-mortar stores.

According to local filings, lawsuits, and Il Makiage's website, **ODDITY runs six beauty schools with thousands of students** in the cities of Tel Aviv, Jerusalem, Be'er Sheva, Haifa, Karmiel, and Bnei Brak.⁴⁶
⁴⁷ The school's website emphasizes that it has had tens of thousands of graduates over a twenty-year period.⁴⁸ And at least one school occupies an entire floor at ODDITY's Tel Aviv offices.⁴⁹

"[...] IL Makiage - Professional Makeup School, the leading institution in Israel for professional makeup studies, which trains thousands of new makeup artists every year, and opens the doors to the makeup industry in Israel and around the world. With over twenty years of experience and tens of thousands of female graduates who have worked as professional makeup artists in the industry, [...]"

ODDITY even produced a high-end marketing video for its schools last year (see Figure 8 below), and most recently, **the company announced new full-year hair styling courses for 2024**.^{50 51} On Il Makiage Israel's YouTube channel, the company published dozens of videos about the courses, new teachers, and celebrity guest speakers.^{52 53} In our opinion, **there is no doubt that Il Makiage is operating a large and sophisticated school network to train beauticians.**

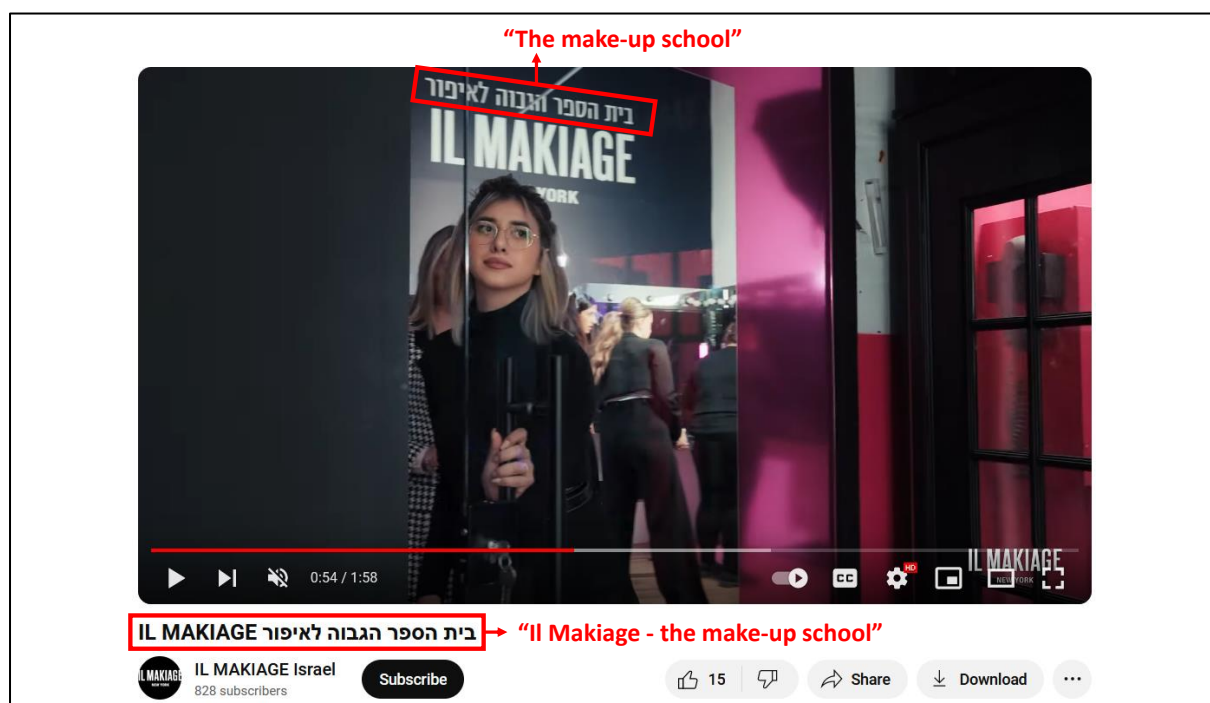


Figure 8 Marketing video of Il Makiage's make-up schools, source: NINGI Research, YouTube

⁴⁶ <https://www.ilmakiage.co.il/Professional-Makeup-School>

⁴⁷ <https://www.jpost.com/brandblend/article-787587>

⁴⁸ <https://www.ilmakiage.co.il/Professional-Makeup-School>

⁴⁹ <https://easy.co.il/en/page/2715176>

⁵⁰ <https://www.youtube.com/watch?v=42Vv32akD-E>

⁵¹ <https://www.jpost.com/brandblend/article-787587>

⁵² <https://www.youtube.com/@ilmakiageisrael55/videos>

⁵³ <https://www.youtube.com/watch?v=gLcOiC1aMy0>

And the contribution from the educational service revenue can easily run into millions, as a simple calculation shows. As of 2024, Il Makiage operates six schools that offer four different courses in each location. We know from several lawsuits that each class has a minimum attendance of 16 students, and the courses cost between \$4,000 and \$5,000 each.^{54 55 56 57} If each school location teaches four classes of the four offered courses at minimum attendance, this translates to 1,536 enrolled students. Il Makiage itself stated that each year thousands of students enroll in their schools.⁵⁸ At the midpoint of the courses' fees, the net sales are estimated at \$6.9 million. We believe it is reasonable to assume that each course exceeds the minimum attendance requirement of 16 students. Our estimate of an average of 30 students in each course at the six schools translates to \$13 million in annual revenue. In a 2021 lawsuit against ODDITY, we found revenue targets for a two-week period being set at 1.25 million shekels for four of the six schools, which translates to an estimated annualized revenue of \$12.1 million.⁵⁹ In our opinion, it is reasonable that the beauty schools made \$12 million or more in annual revenue. Because most of Il Makiage's employees are paid a flat fee of 6,500 shekels per month and bonus payments are 1.5 to 2.0 percent of sales, **we think the venture is highly profitable for ODDITY and could be a material contributor to the company's alleged "online-only" earnings.**⁶⁰

Likewise, with the stores, neither the beauty schools nor the associated revenue are disclosed in any of ODDITY's filings.⁶¹ We were only able to confirm their existence and ODDITY's ownership with the help of several lawsuits filed by former students, former employees working at the schools and Il Makiage itself suing students for unpaid fees.^{62 63 64 65}

We wonder if ODDITY disingenuously reports its beauty schools' revenue and profits as coming from online sales.

We would like to remind you that ODDITY introduced a new corporate design for the store interiors and started secretly renovating the retail stores. **We think it is very likely that ODDITY will have to renovate the six beauty schools to match the new in-store design. The schools' entry area and communal spaces currently have the old corporate design.**⁶⁶ In our opinion, the capital cost for the schools' renovation could be the same as for the stores, around 10 to 12 million dollars. Just the capital expenditures going into the concealed business, make us believe that the profits from Israel have to be significant. **Why pour so much money into an immaterial business?**

Likewise, with the retail stores, we wonder how much revenue from the schools is funneled through unaudited entities and dishonestly reported as online sales in ODDITY's consolidated statements.

⁵⁴ מ"בע (2013) קוסמטיקה 'מקיאג איל' י' חן אור

⁵⁵ מ"בע (2013) קוסמטיקה 'מקיאג איל' י' קיעאן אל אבו 20076-03-22 מ"תאד

⁵⁶ 'ואח סימון בן י' מ"בע (2013) קוסמטיקה 'מקיאג איל' 64433-06-16 מ"תא

⁵⁷ בושארי י' מ"בע (2013) קוסמטיקה 'מקיאג איל' 28093-01-18 מ"תא

⁵⁸ <https://www.ilmakiage.co.il/Professional-Makeup-School>

⁵⁹ מ"בע (2013) קוסמטיקה 'מקיאג איל' י' ונה-מימון 63754-10-21 ש"סע

⁶⁰ מ"בע (2013) קוסמטיקה 'מקיאג איל' י' ונה-מימון 63754-10-21 ש"סע

⁶¹ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>

⁶² מ"בע (2013) קוסמטיקה 'מקיאג איל' י' ונה-מימון 63754-10-21 ש"סע

⁶³ מ"בע (2013) קוסמטיקה 'מקיאג איל' י' חן אור

⁶⁴ 'ואח סימון בן י' מ"בע (2013) קוסמטיקה 'מקיאג איל' 64433-06-16 מ"תא

⁶⁵ בושארי י' מ"בע (2013) קוסמטיקה 'מקיאג איל' 28093-01-18 מ"תא

⁶⁶ <https://www.omydesign.com/il-makiage-beersheva>

2.3. The Employee Counts Disclosed in ODDITY's SEC Filings Are Also Inconsistent with Local Israeli Sources and On-The-Ground Checks We Did

In an interview with an Israeli newspaper, ODDITY co-founder Shiran Holtzman-Erel disclosed that the company had 520 employees globally and over 400 alone in Israel.⁶⁷ However, ODDITY reported just 237, 248, or 264 employees for 2021, depending on which SEC filing investors put their trust in.^{68 69 70} First of all, we think it's alarming that ODDITY adjusted its staff numbers three times in a row, more than a year after the reporting period ended. A company should easily know how many people they have on payroll. As of 2023, ODDITY reported a global workforce of 342 employees.⁷¹ Obviously, the reported total number of employees doesn't even come close to the size of the Israeli business, so ODDITY's figure is significantly understated. We believe the large gap in the workforce cannot be explained by pandemic-related layoffs because Israel's last lockdown ended in February 2021, and Il Makiage's in-store staffing compared to its stores' size was already low pre-Covid; a larger reduction in store headcount would not have been possible.⁷²



Figure 9 Il Makiage is looking for employees, source: NINGI Research

In an interview with a former employee, we asked about the store's staffing situation.

Interview with a former employee

NINGI Research: "Do you know, like, how many employees each store has?"

Former employee: "Most of the stores are stores in malls, not huge stores, depends on the size and location they would have 4 people present at any time."

⁶⁷ <https://www.calcalist.co.il/marketing/articles/0,7340,L-3795518,00.html>

⁶⁸ <https://www.sec.gov/Archives/edgar/data/1907085/000110465922010349/filename1.htm>, pg. 104

⁶⁹ <https://www.sec.gov/Archives/edgar/data/1907085/000110465922033780/filename1.htm>, pg. 110

⁷⁰ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>, pg. 117

⁷¹ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>, pg. 117

⁷² <https://www.timesofisrael.com/israel-set-to-open-stores-gyms-and-culture-sunday-in-major-move-toward-normalcy/>

Another employee told us, that each store has 10 employees which we deemed a little too high. During our investigation, we called all stores and asked to book an in-store make-up consultation for a larger group, which resulted in the employee on the phone pushing back on it, telling us the number of employees in the store at any time to signal that our group was too large. We counted 76 employees being active in the stores during our calls.⁷³ Taking the former employees' comments, the phone calls, our on-the-ground observations of the visited location, and the stores' 12-hour opening hours, we estimate that Il Makiage employs at least 218 to 221 people in its 43 stores.⁷⁴

And the company is actively looking for staff; see Figure 9 above. Furthermore, warehouse staff has to be added because Il Makiage operates a large warehouse at 158 Herzl Street, Giv'at Herzl neighborhood in South Tel Aviv.⁷⁵ ⁷⁶ We estimate that's an additional 20 workers, maybe even more.

Therefore, we believe ODDITY employs at least 240 people just for retail operations (excluding the schools or outbound make-up services). That's more than ODDITY disclosed as its total global headcount for 2021 in the company's first draft registration statement.⁷⁷

Because ODDITY's IPO prospectus and annual report obviously state a much lower figure and the employees are paid through the unaudited Il Makiage Beauty I.L. entity (see Figure 14), **the question is if these 240+ workers and the associated SGA expenses were even recorded for in ODDITY's financials?**

But how can you train thousands of students each year without hundreds of employees? The easy answer would be that the staff in the colleges are independent contractors, but we found various lawsuits from former employees who were directly employed by Il Makiage.⁷⁸ ⁷⁹

Ultimately, we estimate that **the company's true workforce is between 600 and 700 employees,** versus the reported number of 342 employees.⁸⁰

Figure 10 shows two side-by-side screenshots. The left screenshot is from the Il Makiage website's 'JOIN OUR TEAM' page. It features a header with 'IL MAKIAGE NEW YORK' and navigation links. The main content area has a large 'JOIN OUR TEAM' heading. Below it, there is a text block that says 'IL MAKIAGE מתחבבת ומחפשת את אנשי הצוות הבאים שיצטרפו אלינו למגוון משרות מגוונות ובעלות אופקיות קידום.' followed by a Gmail address 'ilmakiage.hr@gmail.com' and a phone number '03-5420200'. The right screenshot is from Dun's Guide, showing the profile for 'ODDITY TECH LTD'. It lists the company name, a description, and a phone number '03-5420200'. A red arrow points from the phone number on the Il Makiage HR page to the phone number on the Dun's Guide listing, with the text 'Same phone number'.

Figure 10 Il Makiage's HR page lists a Gmail address but the listed phone number matches ODDITY's number that is registered with regulatory bodies, source: NINGI Research, IlMakiage.co.il, Dun's Guide

ODDITY goes as far as using separate tools to recruit talent for its hidden operations; see Figure 10 above. For the online business, they use the LinkedIn Jobs tools.⁸¹ However, openings for its

⁷³ We were able to reach 36 of 43 stores at the time.

⁷⁴ Our assumption is based on our count of 76 employees being in the store during our calls (36 stores picked up the phone). Adding the average of 2 employees to the 7 stores that didn't pick up the phone, considering the 12 hours each store is open on a daily basis, and the fact that each store has a branch manager, we estimate 213 employees for retail operations. In addition, we assume that the stores have 5 to 8 area sales managers, e.g., one for the Haifa region.

⁷⁵ <https://www.ilmakiage.co.il/come-work-with-us>

⁷⁶ According to product labels, the warehouse is located at 158 Herzl Street, Tel Aviv.

⁷⁷ <https://www.sec.gov/Archives/edgar/data/1907085/000110465922010349/FILENAME1.htm>, pg. 104

⁷⁸ [D. v. Eyal Maciaj Cosmetics \(2013\) Ltd. - Pasadin \(psakdin.co.il\)](https://www.dv-eyal-maciaj-cosmetics.com/)

⁷⁹ סעי' 21-10-63754 מימון ונוה נ' איל מקיאג' (קוסמטיקה) 2013 (בע"מ)

⁸⁰ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>, pg. 117

⁸¹ <https://www.linkedin.com/company/ODDITYtech/jobs/>

undisclosed retail operations in Israel are done off-book using a single Gmail account.⁸² **Why is a \$2.3 billion company using “ilmakiage.hr@gmail.com” as its primary HR tool (see Figure 10)?** Perhaps so that investors researching ODDITY's open positions on LinkedIn to assess the company's growth prospects don't ask questions about why ODDITY is looking for retail staff if the company says it is an online-only business?

Taking all information about the stores, schools, make-up services, capex, and workforce into account, our estimate is that the annual revenue from Israel is at least \$46.1 to 49 million.⁸³ And that's a conservative estimate. In our opinion, the revenue and profit contribution from the undisclosed business is material, especially the contribution to ODDITY's net income. The fact that ODDITY Tech is pouring several millions into a new interior design can only be justified if the Israeli operations' returns are really good.

In conclusion, we believe ODDITY is actively hiding its business and materially misrepresenting its business model to investors.

3. Behind The Glamour: ODDITY Removed Auditors from Subsidiaries Operating the Undisclosed Business in Israel

As mentioned before, we downloaded the local company filings from the Israeli Corporation Authority with the goal of obtaining the local financial statements. However, this didn't work out but we analyzed the corporate filings of the Israeli business. We discovered some titbits not disclosed by ODDITY. For example, L. Catterton invested an additional \$6 million in 2019 at a \$90 million valuation, increasing their ownership to 42.3 percent. Its initial investment of \$29 million in 2017 was at a \$80 million valuation. Two and a half years later and the Israeli operations properly concealed from investors, Fidelity, Franklin Templeton, and others suddenly invested at a \$1.5 billion valuation.

Next to such titbits, we focused on the corporate structure of ODDITY's Israeli business to better understand the hidden operations. First, we found the two Israeli subsidiaries, Voyage81 and Neowize Ltd., that make up the “Tel Aviv R&D centers,” highlighted in ODDITY's IR materials.⁸⁴ Both entities are audited by Ernst and Young (see Figure 11 and Figure 12).^{85 86} However, our investigation revealed that ODDITY operates additional wholly-owned subsidiaries. **We dug through the latest company reports in Israel, and it turns out that three subsidiaries,** Il Makiage Beauty I.L. Ltd. (Business ID: 516459831, Hebrew: איל מקיאג ביוטי אי.ל בע"מ), IM Retail Management Ltd. (Business ID: 515613669, Hebrew: אימ רטייל מנג'מנט בע"מ), and Miss Beauty Ltd. (Business ID: 516106523, Hebrew: מיס ביוטי בע"מ), **are not audited (see Figure 11 and Figure 12).**^{87 88} But an audit is mandatory for every (!) company in Israel.⁸⁹

⁸² <https://www.ilmakiage.co.il/come-work-with-us>

⁸³ The assumptions are: reported 2016 store revenue of \$24.3 million, revenue CAGR (2012–2016) of 15.8 percent, a 50 percent hit in 2020 from pandemic-related store closures and subsequent recovery at 15.8 percent, and the estimated \$12 to 13.1 million in beauty school sales.

⁸⁴ <https://ODDITY.com/about>

⁸⁵ Voyage81 Ltd. (515828838) – Annual details update – 02/28/2024, Israel Corporations Authority

⁸⁶ Neowize Ltd. (515476091) – Annual details update – 02/28/2024, Israel Corporations Authority

⁸⁷ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231xex8d1.htm>

⁸⁸ Irrespective of the limited partnership set up with ODDITY as an LP and an unaudited subsidiary as the GP, its audit status is unclear.

⁸⁹ https://www.icnl.org/wp-content/uploads/Israel_CompaniesLaw.pdf, pg. 48

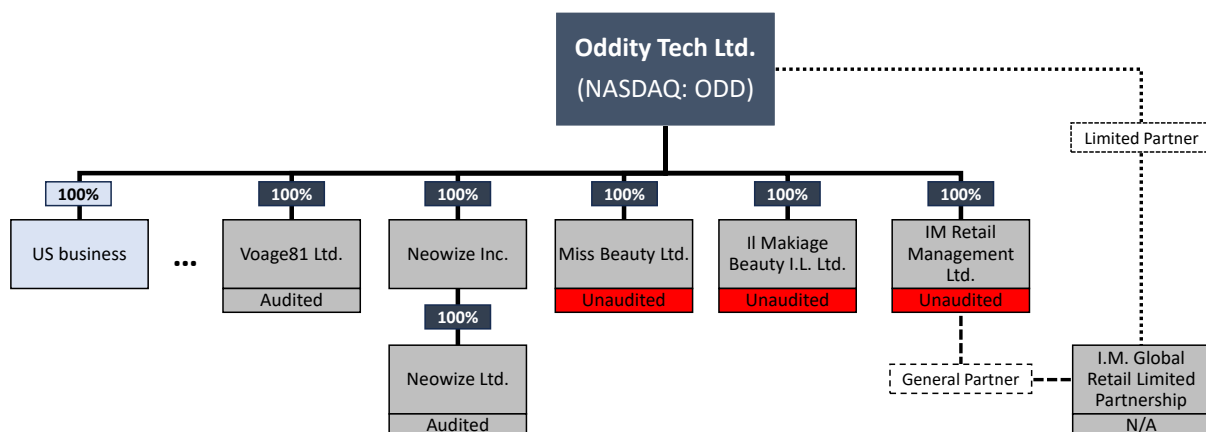


Figure 11 ODDITY Tech corporate structure, source: NINGI Research, company filings

Name	Latest annual update filed	Auditor box ticked	Auditor	Reported as subsidiary in SEC filings	R&D related
Voyage81 Ltd.	2024	Yes	Kost Forer Gabbay & Kasierer	Yes	Yes
Miss Beauty Ltd.	2024	No	N/A	Yes	No
Neowize Ltd.	2024	Yes	Ernst & Young Israel	Yes	Yes
IM Retail Management Ltd.	2024	No	N/A	Yes	No
Il Makiage Beauty I.L. Ltd.	2024	No	N/A	Yes	No

Figure 12 ODDITY's subsidiaries without an auditor in 2024, source: NINGI Research, Israeli Corporations Authority

Per Section 154 of Israel's 1999 Companies Law, an audit is mandatory for every (!) company, irrespective of any parent company or group audit, and the above-mentioned subsidiaries even stated in their articles of incorporation that they are required to appoint an auditor.^{90 91}

The most relevant of the unaudited entities is **Il Makiage Beauty I.L. Ltd.**, which was incorporated in **September 2021**, and is listed as the legal business entity in the Terms and Conditions for the Israeli customers.^{92 93} Since its incorporation, **the entity has never reported an auditor** in its corporate filings.^{94 95} The make-up services are offered through this unaudited subsidiary.⁹⁶ A mystery shopper purchased two of Il Makiage's best-selling products in store in April 2024: the 'Woke Up Like This' foundation and the 'Power Lift Plumping' cream. On the receipts as well as on the bottom of the products, it states that the **unaudited Il Makiage Beauty I.L. Ltd. is the seller**; see Figure 13 below.

⁹⁰ https://www.icnl.org/wp-content/uploads/Israel_CompaniesLaw.pdf, pg. 48

⁹¹ IM Retail Management Ltd. (2017), Articles of Incorporation, pg. 2

⁹² <https://www.ilmakiage.co.il/terms-and-conditions-touch-up>

⁹³ <https://www.ilmakiage.co.il/terms-and-conditions-homemakeup>

⁹⁴ Il Makiage Beauty I.L. Ltd. – Reg-No. 516459831 (2022), Annual details update report, submitted 12/14/2022

⁹⁵ Il Makiage Beauty I.L. Ltd. – Reg-No. 516459831 (2024), Annual details update report, submitted 02/28/2024

⁹⁶ Il Makiage Beauty I.L. Ltd. – Reg-No. 516459831 (2024), Annual details update report, submitted 02/28/2024

Purchased in store in April 2024:

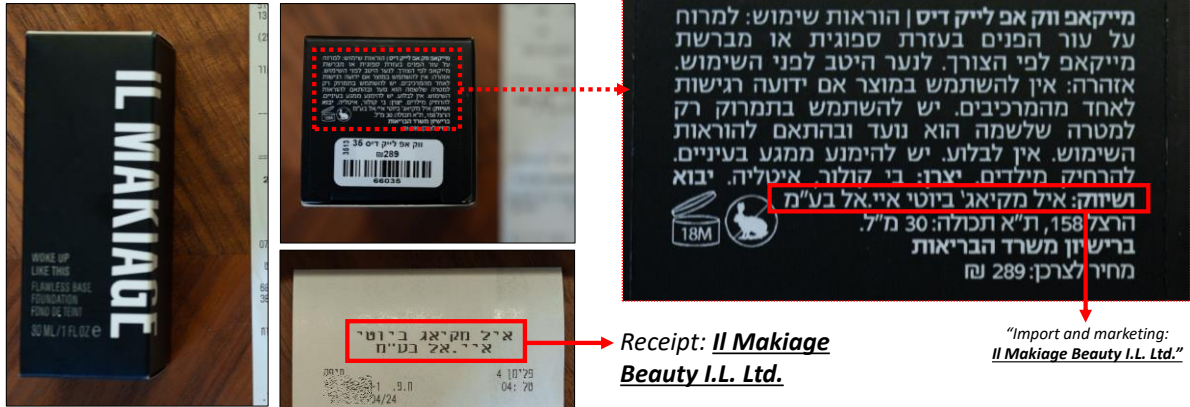


Figure 13 On the bottom of an in-store purchased 'Woke Up Like This' foundation and on the receipt, its subsidiary, Il Makiage Beauty I.L. Limited, is listed as the seller, source: NINGI Research

Why are products being sold by an unaudited subsidiary in a physical store that should not exist in the first place?

However, there is even more hard evidence that unaudited Il Makiage Beauty I.L. Ltd. is active and that's how Oddity runs the Israeli business. In a labor rights lawsuit, ODDITY's lawyer attached a worker's pay slip, issued by Il Makiage Beauty I.L. Ltd., as a piece of evidence for their arguments (see Figure 14).⁹⁷

Date of record: 4/01/2022	2021 salary statement	Il Makiage Beauty I.L. Ltd. (unaudited)
8 10:30 1 מתוך 1	תאריך הדפסה : 01/04/2022 מספר דף : 1	חברה - 22 : איל מקיאג' ביזניס אייל בע"מ שם המשתמש : מנהל מערכת
ריכוז משכורות שנתי לשנת 2021		
מספר מחלקה : 93	שם : [REDACTED]	מספר זהות : [REDACTED]
		מספר העובד : 2632

Figure 14 Worker's salary statement issued on April 1, 2022, for the FY2021, source: NINGI Research, 16319-03-22 טע"ש 2021, אוקוביט נ' איל מקיאג' (קוסמטיקה) 2013 (בע"מ)

Above in Figure 14, you can see the letterhead of the pay slip, listing April 1, 2022, as its date of record, Il Makiage Beauty I.L. Ltd. as the employing business entity, and personal details of the employee (name and government ID, which we have redacted).

Furthermore, the other two subsidiaries (Miss Beauty Ltd. and IM Retail Management Ltd.) stopped being audited at some point in 2021, see Figure 15 and Figure 16 below.⁹⁸ In past submissions to the Israel Corporations Authority, these subsidiaries have reported that they are audited and have also named the auditor at the time, e.g., Zeev Salomon (auditor before E&Y Israel) and Kost Forer Gabbay & Kasierer (E&Y Israel).

⁹⁷ מ"ב (2013) קוסמטיקה 'מקיאג' איל' נ' אוקוביט 16319-03-22 טע"ש 2021

⁹⁸ As mentioned, the financial statements are not publicly available, but every active company has to file a company update form (and other forms) annually with the Israeli Corporations Authority. In the company update form, a company reports basic information about its business, e.g., the company's auditor, as required by Israel's 1999 Companies Laws.

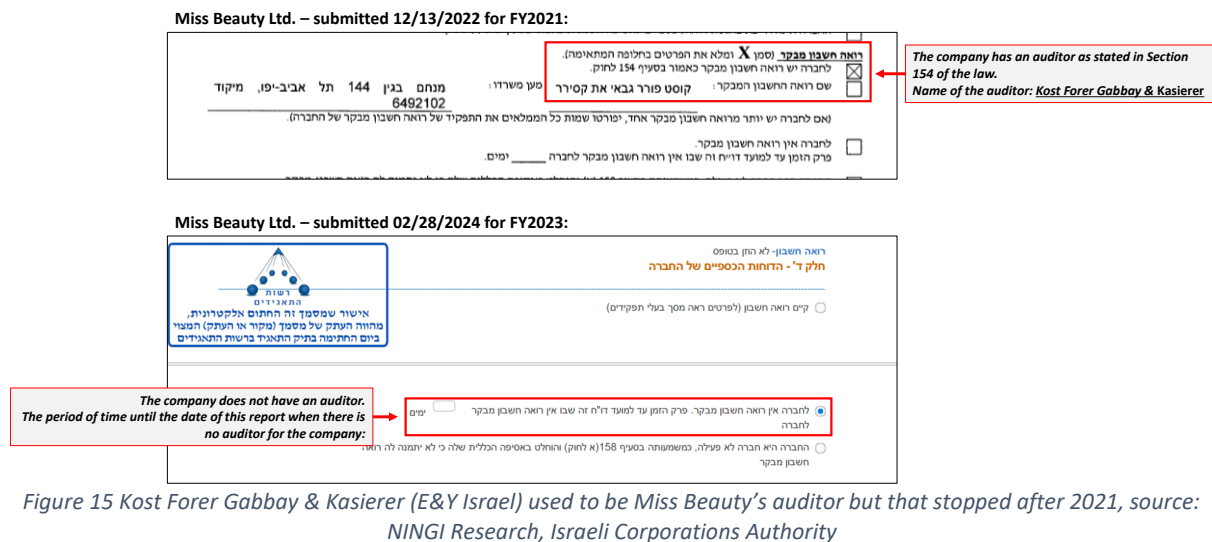


Figure 15 Kost Forer Gabbay & Kasierer (E&Y Israel) used to be Miss Beauty's auditor but that stopped after 2021, source: NINGI Research, Israeli Corporations Authority

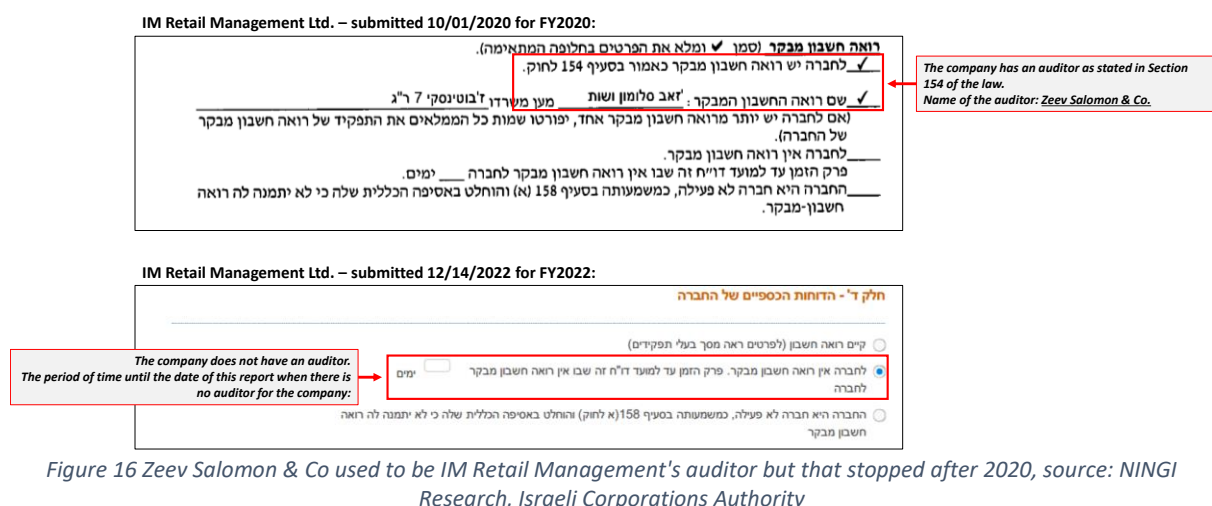


Figure 16 Zeev Salomon & Co used to be IM Retail Management's auditor but that stopped after 2020, source: NINGI Research, Israeli Corporations Authority

However, as of 2024, all three subsidiaries don't have an auditor even though each entity's articles of incorporation require the appointment of an auditor through a general meeting and the articles require the company to comply with Israel's Companies Law from 1999.^{99 100 101} Oddly enough, Zeev Salomon & Co. (former auditor of Il Makiage and local competitor to E&Y) is still reported as the auditor for one of ODDITY's subsidiaries for the 2020 financial statements (see Figure 16 above), even though Ernst and Young Israel stated in their audit opinion that E&Y has been ODDITY's auditor since 2019.¹⁰²

Ultimately, there are unaudited subsidiaries of a business that ODDITY never disclosed to investors.

Comparing the local documents with the disclosures in the SEC filings, we discovered that ODDITY reports its R&D center is in Israel, but Israel hasn't been reported as a sales market (see Figure 17).¹⁰³

⁹⁹ IM Retail Management Ltd. (2017), Articles of Incorporation, pg. 2

¹⁰⁰ Miss Beauty Ltd. (2019), Articles of Incorporation, pg. 2

¹⁰¹ Il Makiage Beauty I.L. Ltd. (2021), Articles of Incorporation, pg. 2

¹⁰² <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>, F-2

¹⁰³ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>, pg. 57

Our business model is centered on our in-house technology capabilities, with leading expertise in data science, machine learning, and computer vision. We operate a cutting-edge R&D and technology center in Tel Aviv that is fully integrated with our business operations in New York City. Our tech team is the largest team within our

Figure 17 ODDITY's HQ is in New York and R&D is done in Tel Aviv, source: NINGI Research, company filings

Even though Israel is not a direct sales market and ODDITY operates only R&D teams in Tel Aviv, the company is generating 87 percent of its net profits in the country (see Figure 17 and Figure 18).¹⁰⁴ ¹⁰⁵ R&D is typically a cost center but at ODDITY it's generating massive profits. We analyzed the disclosed financials from the SEC filings, and ODDITY's US operations which account for 81 percent of total revenue only contribute 18.7 percent to its total pre-tax income.¹⁰⁶ However, the company's Non-US operations account for 19 percent of total revenue but 81 percent of ODDITY's total pre-tax income is generated in Israel; see Figure 18 below.¹⁰⁷

Contribution by country in 2023, in thousand USD	Revenue	Pre-tax income	Net income (est.)
Israel	94,580	63,895	50,926
US	414,105	14,706	7,608
Total	508,685	78,601	58,534

Contribution by country in 2023, in %	Revenue	Pre-tax income	Net income (est.)
Israel	18.6%	81.3%	87.0%
US	81.4%	18.7%	13.0%
Total	100.0%	100.0%	100.0%

Figure 18 Contribution by country, source: NINGI Research, company data

In addition, ODDITY disclosed that the retained earnings in its foreign subsidiaries – aka the United States – grew from \$10 million to \$18 million in 2023, indicating a net income of \$8 million in the US.^{108 109} We estimate that around \$51 million of \$58.5 million of the company's 2023 net income was generated in Israel, or about 87 percent of ODDITY's total earnings; see Figure 18 above.

How is that possible? The company's current tax rate is 23 percent, equal to Israel's statutory tax rate. The US has a tax rate of 21 percent, so transfer pricing schemes can be ruled out as a reason. Furthermore, ODDITY's assumption that the company is eligible for the PTE regime's lower tax rate is just bogus because it is for high-tech R&D like aerospace, biotechnology, and semiconductors.^{110 111} ODDITY Tech, despite its company name, is a cosmetics company selling consumer products, and the company never disclosed its R&D expenses, thus failing two of the PTE requirements.¹¹²

We wonder if the large profits in Israel were generated from the unaudited subsidiaries, especially from Il Makiage Beauty I.L. Limited which is operating the undisclosed stores.

¹⁰⁴ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>, pg. 58

¹⁰⁵ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>, pg. 79

¹⁰⁶ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>, F-34

¹⁰⁷ ODDITY Tech reports that 18.6 percent of its total revenue is coming from 'Others,' but 81.3 percent of its net income is generated in Israel. However, the geographic region 'Others' is not defined.

¹⁰⁸ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>, F-34

¹⁰⁹ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>, F-31

¹¹⁰ <https://taxsummaries.pwc.com/israel/corporate/tax-credits-and-incentives>

¹¹¹ The PTE regime requires a company to engage in the technology sector, that a company's average R&D expenses in the three years prior to the current tax year are equal to or greater than 7 percent of its total revenue, and that 20 percent of a company's salaries are fully recorded as R&D expenses.

¹¹² <https://taxsummaries.pwc.com/israel/corporate/tax-credits-and-incentives>

4. Could ODDITY's Sales Figures Too Good to Be True? Past Sales Number Have Been Secretly Restated

On Wall Street, ODDITY has been applauded for its rapid revenue growth and since 2020, doing it profitable.¹¹³ The company has beaten its own guidance every quarter by \$10 million or more (see Figure 19).¹¹⁴ ODDITY has beaten every metric they have set for FY 2023, twice (see Figure 19). In the end, we all know the saying, “If it’s too good to be true, it probably isn’t.”

2023 Guidance	Actual	November '23 Update	August '23 Update
Net revenue, in million	\$509	\$493 to 497	\$475 to 480
Net revenue growth	57.0%	52.0 to 53.0%	46.0 to 48.0%
Gross margin	70.40%	70.00%	69.50%
Adjusted EBITDA, in million	\$107	\$104 to 105	\$96 to 101
Adjusted EBITDA margin	21.10%	21.00%	20.0 to 21.0%
Adjusted diluted EPS	\$1.31	\$1.21 to 1.23	\$1.11 to 1.17

Figure 19 Full-year 2023 guidance given by ODDITY Tech in August 2023, November 2023, and actual financial results published in March 2024, source: NINGI Research, company filings

In our opinion, the company is also manipulating its revenue to fool investors. **We believe the company deliberately removed disclosures about past revenue restatements and didn’t disclose new issues arising.** In its third draft registration statement, ODDITY disclosed that the company had to restate its 2020 revenue by \$5.6 million, or about 4.8 percent of net sales.¹¹⁵ In the final IPO prospectus, however, ODDITY removed the disclosures on the restated revenue, so that investors in the IPO never found out about it.¹¹⁶ We found further undisclosed restatements; **the company secretly restated its sales contribution by country by \$17.6 million and \$8.6 million for 2022 and 2021; see Figure 20 below.**

Revenue contribution from North America, in thousand USD	2022	2021
Reported in July 2023 IPO prospectus	258,726	170,543
Reported in 2023 annual report	241,123	161,925
Delta	(17,603)	(8,618)

Figure 20 Restatement of revenue for 2022 and 2021, source: NINGI Research, company data

We believe a company should know if it made \$17 million, or about 5.4 percent of its net sales, in the US or somewhere else because ODDITY’s entities must have records of the reported sales. Except, of course, that these sales are coming from unaudited subsidiaries. The icing on the cake is that ODDITY didn’t disclose any accounting restatement to its investors, and the company's auditor, Kost Forer Gabbay & Kasierer (Ernst & Young Israel), didn’t feel obligated to do so.¹¹⁷

In three of the last four years, ODDITY had to restate its revenue, but the company claims that it beat its own revenue guidance twice in the one year that was not restated.

We further investigated ODDITY’s internal controls and discovered the company’s entire finance department consists of nine (!) employees, mostly located in New York. **In addition, no bookkeeper or accountant at ODDITY stayed longer than 18 months, and the last employee in that position left after 10 months.**^{118 119 120} However, ODDITY has two CFOs (!), one is Lindsay Drucker Mann, acting as

¹¹³ <https://www.barrons.com/articles/oddiy-tech-stock-earnings-f4e62c9b>

¹¹⁴ <https://seekingalpha.com/article/4676321-ODDITY-tech-ltd-odd-q4-2023-earnings-call-transcript>

¹¹⁵ <https://www.sec.gov/Archives/edgar/data/1907085/000110465922060481/filename1.htm>, F-27

¹¹⁶ <https://www.sec.gov/Archives/edgar/data/1907085/000110465922033780/filename1.htm>

¹¹⁷ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>, F-2

¹¹⁸ <https://www.linkedin.com/in/iayinrong/>

¹¹⁹ <https://www.linkedin.com/in/amandalyu/>

¹²⁰ <https://www.linkedin.com/in/rebhuerta/>

a front for the investors, and the real one is long-standing **CFO Chen Russo, running the show including the undisclosed Israeli operations as she is listed as the direct contact for unaudited subsidiary Il Makiage Beauty I.L. Limited.**^{121 122 123 124} Chen Russo also signed off the new \$100 million credit facility, not Lindsay Drucker Mann.¹²⁵


<p>Financial Controller</p> <p>ODDITY Tel Aviv District, Israel On-site</p> <ul style="list-style-type: none"> • Provide comprehensive financial updates to management by evaluating, analyzing, and raising flags as needed. • Supervise and support the outsource accounting team regularly.  • Develop and enforce internal controls to maximize the protection of the company's assets, policies, procedures, and workflows

Figure 21 The Open position requires supervising and supporting the outsourced accounting team regularly, source: NINGI Research, LinkedIn.com

Furthermore, it appears that **most if not all accounting work has been outsourced for years** to an undisclosed Israeli third-party company (see Figure 21), and **in the past, ODDITY has identified material weaknesses in its internal control over financial reporting.**^{126 127 128} How is possible that ODDITY's accounting team is in such disarray, even though the CEO is an accountant by trade? Despite the past material weaknesses, **ODDITY opted not to disclose until 2025 if the company currently has material weaknesses by using a loophole in the Sarbanes-Oxley Act.**¹²⁹ On top of that, Ernst & Young Israel is not required to audit any internal controls and has never done so.¹³⁰

But that doesn't shock us anymore because we caught ODDITY lying about the most basic stuff. In January 2024, ODDITY entered into a \$100 million credit facility with two Israeli banks.^{131 132 133} We wondered why the company needs a hundred-million-dollar credit facility if they report more than \$166 million in cash and cash equivalents on their consolidated balance sheet at year-end 2023.¹³⁴ Therefore, we made further inquiries and discovered that the new credit facility replaced a previous credit facility, which in turn had replaced a previous one.¹³⁵

In ODDITY's SEC filings, the years of inception of the respective facilities were reported as 2016 and 2020 but when we checked with the Israeli Corporation Authority, we found that the credit facilities commencement was 2014 and 2021 (see Figure 22).¹³⁶ And that's easily verifiable because Israel has an equivalent to the UCC form, and each creditor files such a form with the public commercial registry.¹³⁷ In regards to the previous facility, that form was filed by Bank Hapoalim on October 20, 2021, see Figure 22 below.

¹²¹ <https://www.linkedin.com/in/chen-russo-854a29b7/>

¹²² <https://www.linkedin.com/in/lindsay-drucker-mann-2595a359/>

¹²³ We came to that conclusion because Chen Russo signed off the new \$100 million credit facilities, not Ms. Drucker Mann.

¹²⁴ <https://en.checkid.co.il/company/IL+MAKIAGE+BEAUTY+I.L++LTD-ibjgMGG-516459831>

¹²⁵ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231xex4d15.htm>

¹²⁶ https://www.sec.gov/Archives/edgar/data/1907085/000110465924034990/tm247561-8_424b4.htm, pg. 14

¹²⁷ <https://www.linkedin.com/jobs/view/3873205491/>

¹²⁸ <https://www.tamal.co.il/>

¹²⁹ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>, pg. 56

¹³⁰ https://www.sec.gov/Archives/edgar/data/1907085/000110465923082792/tm223332-38_424b4.htm, F-2

¹³¹ https://www.sec.gov/Archives/edgar/data/1907085/000110465924008779/tm243915d1_6k.htm

¹³² <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231xex4d15.htm>

¹³³ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231xex4d16.htm>

¹³⁴ https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm#CONSOLIDATEDBALANCESHEETS_70624, F-3

¹³⁵ <https://en.checkid.co.il/company/ODDITY+TECH++LTD-7G974La-514936269>

¹³⁶ https://www.sec.gov/Archives/edgar/data/1907085/000110465923082792/tm223332-38_424b4.htm, pg. 96

¹³⁷ The Companies Ordinance [New Version], 5743-1983 (Section 183), http://www.nevo.co.il/Law_Word/law01/139_003.doc, pg. 12

NINGI Research: Is it kind of more of just like a marketing ploy?

Former employee: *I would say it is. I would say like to me, what AI is, is when I'm searching and in real-time copilot [Microsoft's AI tool] is coming back at me with things, and we're having, like, not a conversation, but it's like a give and take, right? Like it's responding instantly to me. And what their quiz is doing is of the ten questions, say, the first question has three options. I'm going down that tree. Then I have three more options. I'm going down that tree. But the questions aren't dynamic and the questions aren't changing in real time. You're all going through the same maze. And it's just sorting you out by the bottom. But you're not being presented with: oh, you have redness? Let's go over here. It's like, you have redness so that equals one of these three options. You have pale skin? That's one of these three options. It's not a dynamic quiz.*

This was also confirmed by Chief Product Officer Shiran Holtzman-Erel, who told a journalist that it is just a quiz of 20 questions.¹³⁹ During the interview, **co-founder Holtzman herself described it as “simple questions with four possible answers,”** and there was no mention of AI.¹⁴⁰ In our opinion, the claim that ODDITY is using AI is just a lie, and the company is misleading customers and investors.

Ultimately, ODDITY's ‘Powermatch’ and ‘SpoiledBrain’ quizzes are simply rule-based and not artificial intelligence like Microsoft's Copilot, which is what a consumer would expect by any AI claim that says “*SpoiledBrain AI determines the exact products you need by combining millions of data points with your personal profile.*” **ODDITY's AI claim can be refuted on the customer-facing front.**

On the back end, ODDITY states in its SEC filings that “*our AI capabilities deliver a hyper-personalized beauty experience to the customer to drive customer loyalty and repeat purchase rates.*”¹⁴¹ However, former employees told us **sales are “all driven by the performance marketing team”** and we discovered that ODDITY is using a regular marketing automation platform from Klaviyo.¹⁴² It's the same solution from Klaviyo that ODDITY's competitor Coty is using.¹⁴³ When we did the AI quizzes we entered our email and since then we've been bombarded daily with emails offering free giveaways. Therefore, it is not AI-powered targeting but aggressive performance marketing. **We think that ODDITY's claim of hyper-personalized targeting through AI is refuted as well.**

6. Raging Customer Complaints Allege Fraud

Even though ODDITY wants to convey an image of a successful business that uses AI to drive customer loyalty and repeated purchase rates, customers on social media paint a different picture. **Customers call it a fraud and a scam on Better Business Bureau, Facebook, Reddit, and TikTok** and advise other people against buying ODDITY's brands Il Makiage and SpoiledChild.^{144 145 146 147 148 149}

¹³⁹ <https://www.calcalist.co.il/marketing/articles/0,7340,L-3795518,00.html>

¹⁴⁰ <https://www.calcalist.co.il/marketing/articles/0,7340,L-3795518,00.html>

¹⁴¹ https://www.sec.gov/Archives/edgar/data/1907085/000110465924034990/tm247561-8_424b4.htm, pg. 11

¹⁴² <https://www.klaviyo.com/blog/ecommerce-quizzes>

¹⁴³ <https://www.klaviyo.com/>

¹⁴⁴ <https://www.bbb.org/us/ny/new-york/profile/beauty/il-makiage-0121-9390/complaints>

¹⁴⁵ <https://www.bbb.org/us/ny/new-york/profile/vitamins-and-supplements/spoiledchild-inc-0121-87156298>

¹⁴⁶ https://www.reddit.com/r/MakeupAddiction/comments/f4h3jl/il_makiage_is_a_scam/

¹⁴⁷ https://www.reddit.com/r/MakeupAddiction/comments/scpepz/il_makiage_is_it_a_scam/

¹⁴⁸ https://www.reddit.com/r/Makeup/comments/10squ6t/do_not_fall_for_the_il_makiage_scam/

¹⁴⁹ <https://www.tiktok.com/@joiofromtheblock/video/7319929134434635054>

In a Facebook group called ‘Il Makiage is a Fraud’ with more than 2,600 members, users posted dozens of stories about unwarranted charges and other issues.¹⁵⁰ One member described a situation that appears to be happening regularly, *“I called Makiage and since I didn’t place the order and am not in their system, they refuse to refund. I had no idea who the company was until my card was charged.”*^{151 152} In the end, Il Makiage allegedly refuses a refund because the company doesn’t have any records of the cardholder being a customer.¹⁵³ Other group members say that they had to get a new card to stop the unjustified charges.¹⁵⁴ **As of May 2024, individuals still complain that their accounts are charged even though they never ordered anything from Il Makiage.**¹⁵⁵ Another BBB complaint alleged six *“unauthorized fraudulent charges.”*¹⁵⁶ On Reddit, users echoed the same issues of unauthorized charges, with **one user reporting in April 2024 that they were called by their bank’s fraud department because of repeated attempts by Il Makiage to charge them.**^{157 158} Another Reddit user couldn’t order from Il Makiage because the bank labeled the transaction as “suspicious activity.”¹⁵⁹ Similar allegations are reported on ODDITY’s second brand, SpoiledChild.^{160 161} **Is that what drives ODDITY’s revenue growth?**

One Facebook user replied with *“It’s really a trap”* to another customer’s complaint about not getting a refund.¹⁶² We discovered that she used the same words how former employees described Il Makiage’s sales practices to us. *“He’s [Oran] really good at getting that first consumer in the trap, and he’s decent at keeping that consumer in the trap,” a former manager explained to us, and concluded, “The model is the trap.”* Former employees told us stories where executives said it was not about ODDITY building a sustainable brand, but an effective trap.

We believe the trap consists of dubious sales practices combined with opaque subscription models that are hard to cancel. Why is that ‘trap’ so important? In our opinion, that’s how ODDITY is able to report such high repeat purchase rates that sell-side analysts and investors consider so important. But how sustainable is such a trap, and does the reported ‘repeat purchase rate’ really indicate high customer satisfaction as well as long-term customer retention? According to ODDITY, more than 50% of revenue comes from repeat purchases.¹⁶³ So, how much of these sales are in fact genuine repeat purchases and how much are non-cancelable subscription plans?

As an example, a customer orders an Il Makiage product, and without noticing, enters into a pre-paid plan.¹⁶⁴ Upon receiving the product, the customer is not satisfied with the product and will try to cancel the plan. However, as stated in Il Makiage’s FAQ, **the customer cannot get out for a year; it is neither cancelable nor refundable.**¹⁶⁵ Now the customer is more than upset because she will have to pay for a product she doesn’t like and doesn’t want, **but ODDITY, on the other end, can report a high repeat purchase rate in the coming three quarters.** How sustainable do you think such a business model is, and do you think the customer will endorse ODDITY’s products in her social group? It is more likely that the customer will warn anyone not to buy from ODDITY.

¹⁵⁰ <https://www.facebook.com/groups/461022014780854/>

¹⁵¹ https://www.facebook.com/groups/461022014780854/posts/1080272776189105/?comment_id=1132728307610218

¹⁵² https://www.facebook.com/groups/461022014780854/posts/1172577383625310/?comment_id=1182938242589224

¹⁵³ https://www.facebook.com/groups/461022014780854/posts/1172577383625310/?comment_id=1182938242589224

¹⁵⁴ https://www.facebook.com/groups/461022014780854/posts/1147711466111902/?comment_id=1167622360787479

¹⁵⁵ https://www.bbb.org/us/ny/new-york/profile/beauty/il-makiage-0121-9390/complaints#0121_9390_21476563

¹⁵⁶ https://www.bbb.org/us/ny/new-york/profile/beauty/il-makiage-0121-9390/complaints#0121_9390_21465717

¹⁵⁷ <https://www.reddit.com/r/MakeupAddiction/comments/11y63x1/comment/kwtk2g9/>

¹⁵⁸ <https://www.reddit.com/r/MakeupAddiction/comments/pdvgrg/comment/kz21bfj/>

¹⁵⁹ <https://www.reddit.com/r/MakeupAddiction/comments/f4h3jl/comment/kedssz9/>

¹⁶⁰ https://www.bbb.org/us/ny/new-york/profile/vitamins-and-supplements/spoiledchild-inc-0121-87156298/complaints#0121_87156298_21478973

¹⁶¹ https://www.bbb.org/us/ny/new-york/profile/vitamins-and-supplements/spoiledchild-inc-0121-87156298/complaints?page=2#0121_87156298_21355010

¹⁶² https://www.facebook.com/groups/461022014780854/posts/1181400966076285/?comment_id=1186105048939210

¹⁶³ <https://seekingalpha.com/article/4690988-oddiy-tech-ltd-odd-q1-2024-earnings-call-transcript>

¹⁶⁴ https://www.bbb.org/us/ny/new-york/profile/beauty/il-makiage-0121-9390/complaints?page=2#0121_9390_21406494

¹⁶⁵ <https://www.ilmakiage.com/faq#prepaid-plan-refunds>

ODDITY's hard-to-cancel subscriptions, auto-replenishment orders, concealed pre-paid plans, and unauthorized charges have been reported for years, going back to 2021.^{166 167 168 169}

In our opinion, it appears that ODDITY never changed its deceptive billing and sales practices but allocated resources to a special task force that specifically should resolve complaints on BBB, so it looks like the company has a clean slate.¹⁷⁰ That's why Il Makiage's BBB rating went from an 'F' (worst rating possible on BBB) in September 2023 to an 'A+' rating in May 2024.^{171 172} **Ultimately, we believe that ODDITY's high repeat purchase rates are coming from shady practices, and it will backfire one way or another.**

Next to dubious sales methods, a common issue appears to be that customers oppose the pre-authorization charges on their cards.¹⁷³ On TikTok, one customer stated:¹⁷⁴

[...] I literally just received my makeup yesterday. You are supposed to have a 14-day trial before they take the hundred dollars or whatever out of your account. They hit my account today. Right after I processed the return label. I had that makeup less than 24 hours and so I was supposed to have 14 days and they just took the money out of my account. [...]

Former employees told us that the problem of preauthorization, as part of the "Try before you buy"-program (TBYB) being perceived by customers as being fully charged despite the tryout, was a well-known issue. **It is also the reason no competitor is offering such a program.**

Interview with a former employee

NINGI Research: *One of the things, again, that stood out to us is why aren't other competitors doing that?*

Former employee: *Because consumers hate it. The consumers hate it. So "Try Before You Buy," you give the credit card, they put a hold for whatever it is, \$40, \$50, whatever the product is. You then have 30 days to return it before the charge goes through. But what's not made clear to the consumer, and this is why they have so many complaints about this, is that the money is held.*

NINGI Research: *So you think that those consumer complaints are generally it's a combination of a model that maybe isn't the most transparent and then just consumers' misunderstanding or lack of understanding around how it works?*

Former employee: *It's deliberate. It's deliberate that it's not clear. And the Better Business Bureau has complained so many times.*

According to a former employee, the Better Business Bureau has complained many times about ODDITY's TBYB program.

¹⁶⁶ https://www.bbb.org/us/ny/new-york/profile/beauty/il-makiage-0121-9390/complaints#0121_9390_21465717

¹⁶⁷ https://www.bbb.org/us/ny/new-york/profile/beauty/il-makiage-0121-9390/complaints?page=10&type=billingissues#0121_9390_15983536

¹⁶⁸ https://www.bbb.org/us/ny/new-york/profile/beauty/il-makiage-0121-9390/complaints?page=1&type=#0121_9390_21480905

¹⁶⁹ https://www.bbb.org/us/ny/new-york/profile/beauty/il-makiage-0121-9390/complaints?page=111#0121_9390_15434442

¹⁷⁰ https://www.bbb.org/us/ny/new-york/profile/beauty/il-makiage-0121-9390/complaints?page=1#0121_9390_21476563

¹⁷¹ <https://thebearcave.substack.com/p/problems-at-ODDITY-tech-odd>

¹⁷² <https://www.bbb.org/us/ny/new-york/profile/beauty/il-makiage-0121-9390>

¹⁷³ https://www.facebook.com/groups/461022014780854/posts/1147711466111902/?comment_id=1167622360787479

¹⁷⁴ https://www.tiktok.com/@jojofromtheblock/video/7319929134434635054?_r=1&_t=8kR0eYzdt8F

In addition, the FTC has taken action against other companies that have operated in similar ways in the past.¹⁷⁵ In a lawsuit filed by the FTC against Apex Capital Group in 2018, the agency cracked down on the questionable sales tactics of Apex’s portfolio companies and we found dozens of complaints about Il Makiage that allege similar tactics, see an example below.^{176 177}

FTC’s 2018 complaint:

“[...] the defendants’ modus operandi was to lure consumers in with a “free” or “risk free” trial purportedly available for a shipping and handling fee of \$4.95. But the FTC says the true nature of the transaction either wasn’t disclosed or was buried in hard-to-read and hard-to-find fine print. As a result, consumers were in for a surprise about two weeks later – when they may have just received the item – to learn their credit or debit cards were dinged for the full price of the product, usually about \$90. Until consumers were able to reach the defendants and cancel – not an easy feat – more shipments and more charges kept coming. [...]”

Customer complaint on BBB from April 2024:

“[...] I was offered a sample and told if only need to pay \$5.95 for shipping. Next thing I know, I was being charged for a full size foundation, primer, concealer and an acne product from spoiled child. The company takes you through quizzes and about products, but charges you for the product unknowingly. Not only that, they set the products on auto replenish and even after you change that multiple times, every time you go back into your account, it puts the products back on auto replenish so you must uncheck again or youll [sic] be charged hundreds If [sic] followed again. [...]”

In our opinion, the complaints on BBB and social media against Il Makiage and SpoiledChild allege almost a very similar process:^{178 179 180 181 182} ODDITY’s brands offer a free trial where only the shipping costs need to be paid by the customer. The company puts a hold on the customer’s account for the full amount, a fact that is buried in ODDITY’s fine print, but at the time the order arrives, the trial period is over, and ODDITY charges the customer the full amount. **Since there are 1,400 complaints on BBB alone and several hundred on Reddit and Facebook, we believe that the procedure described above is not a one-off error.**

Ultimately, it is not a sustainable business to upset the customers, who are supposed to buy your products, for a one-time gain. **But the company’s priority is not the customer. It’s the transaction.**

Interview with a former employee

Former employee: *I would say, like, as I’m saying all this out loud, what I’m realizing, and not that I didn’t realize this before, but I haven’t articulated it this way, is like the consumer’s actually not his priority. The transaction is the priority, right? So he’s [Oran] literally focused the entire resources of the company onto the transaction versus like the overall experience of the product. And you know, everything else. Like he’s [Oran] just focusing on this one moment.*

This explanation ties back to the other former describing ODDITY’s sales funnel as a “mouse trap” and that the entry to that trap is social media advertising. We think that customers are starting to notice that Il Makiage wants to lure them into a transaction. Most recently, customers discussed on social media that they perceived **Il Makiage’s social media ads to be heavily alternated in a way that even the product was blurred from the smoothing filters (see Figure 23).**¹⁸³ The heavily alienated video of

¹⁷⁵ <https://www.ftc.gov/business-guidance/blog/2018/11/complaint-alleges-unauthorized-charges-and-credit-card-laundering-put-consumers-through-spin-cycle>

¹⁷⁶ <https://www.ftc.gov/business-guidance/blog/2018/11/complaint-alleges-unauthorized-charges-and-credit-card-laundering-put-consumers-through-spin-cycle>

¹⁷⁷ https://www.bbb.org/us/ny/new-york/profile/beauty/il-makiage-0121-9390/complaints?page=3#0121_9390_21573256

¹⁷⁸ https://www.reddit.com/r/MakeupAddiction/comments/pdvgrg/il_makiage_card_scam/

¹⁷⁹ https://www.reddit.com/r/Makeup/comments/10ulakn/il_makiage_scam_tried_to_charge_me_81_for_the_try/

¹⁸⁰ https://www.reddit.com/r/MakeupAddiction/comments/f4h3jl/il_makiage_is_a_scam/

¹⁸¹ https://www.reddit.com/r/Makeup/comments/10squ6t/do_not_fall_for_the_il_makiage_scam/

¹⁸² <https://www.bbb.org/us/ny/new-york/profile/beauty/il-makiage-0121-9390>

¹⁸³ https://www.reddit.com/r/BeautyGuruChatter/comments/1bb6nu1/il_makiage_ad_misleading/

actress Janet Levinson (known from the TV series "The Office"), in which she applies Il Makiage's foundation, has been circulating on social media since 2023 and initially provoked ridicule from some users, "Foundation so good it even blurs your hair..." ¹⁸⁴ Nowadays, customers denounce Il Makiage for this.

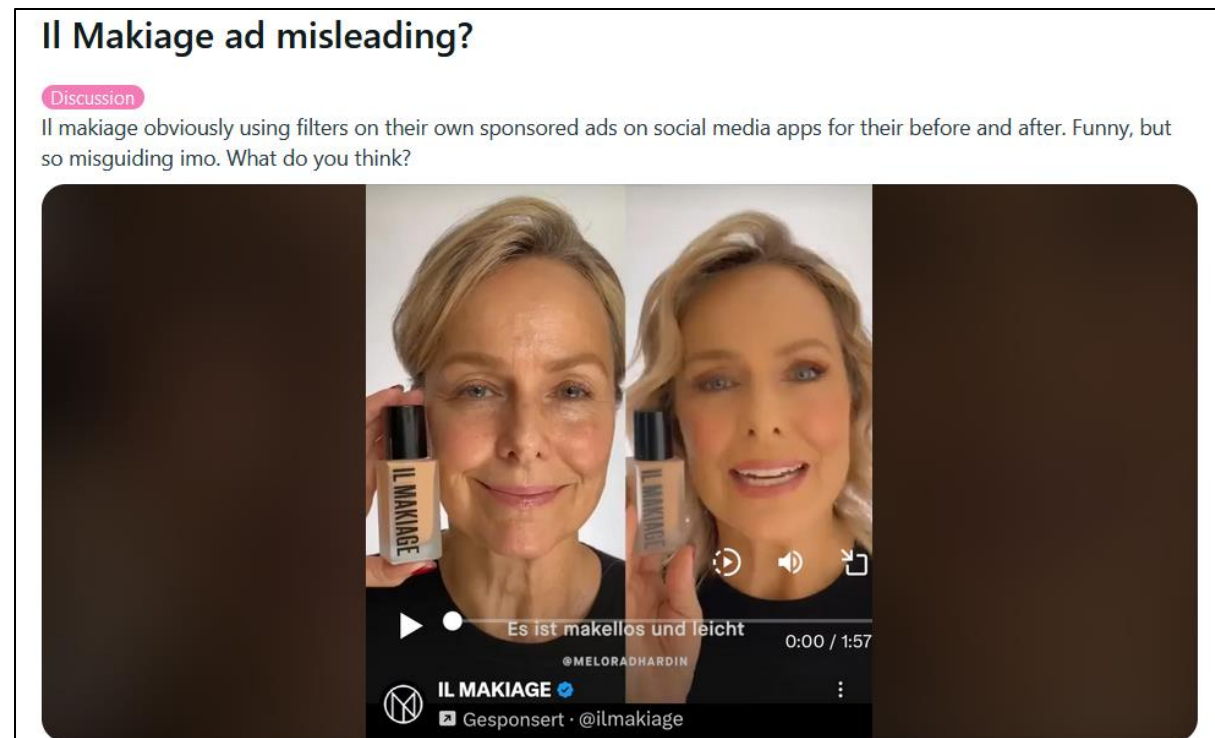


Figure 23 Customers discussing on Reddit if Il Makiage's social media ads are misleading, source: reddit.com

A YouTube influencer highlighted the dubious social media marketing in a twenty-minute video on YouTube, which generated more than 170,000 views and 1,500 comments in the first four weeks. ¹⁸⁵

In the video, he shows several of Il Makiage's social media ads, and in one instance (at mark 10:00), you can see that a model's beauty marks disappear and reemerge within milliseconds on a skin patch where no makeup was applied. ¹⁸⁶ In our opinion, that's an indication that the social media ads are alternated with beauty filters. Viewers in the comment section under the YouTube video concluded that it is deceptive marketing. ¹⁸⁷ **Another influencer called Il Makiage "the most deceptive makeup brand"** in a twenty-minute video, exposing the digitally manipulated social media ads in full. ¹⁸⁸

In contrast to social media, on Il Makiage's web shop its best-selling products are rated with 4.5 out of 5 stars and these reviews don't report anything negative about the products or the company. ¹⁸⁹ **But a former manager explained that "the reviews you are seeing on their site are moderated by them. That is why it is like 4,000 five-star reviews."** ODDITY is "holding the keys to the reviews." We checked these statements and it appears ODDITY is aggressively moderating its reviews, especially any negative feedback.

We analyzed the product reviews on Il Makiage's and SpoiledChild's web shops and **found that there is a pattern of low-star reviews being disabled.** We monitored eight products: four from Il Makiage and four from SpoiledChild. When we first analyzed the customer reviews, we noticed that two- and

¹⁸⁴ https://www.reddit.com/r/Instagramreality/comments/10laech/foundation_so_good_it_even_blurs_your_hair/

¹⁸⁵ <https://www.youtube.com/watch?v=28mG0IVlig4>

¹⁸⁶ <https://www.youtube.com/watch?v=28mG0IVlig4&t=596s>

¹⁸⁷ <https://www.youtube.com/watch?v=28mG0IVlig4>

¹⁸⁸ <https://www.youtube.com/watch?v=f3Xog73WAuQ>

¹⁸⁹ <https://www.ilmakiage.com/shop-all/featured-products?menu=shop>

one-star reviews on Il Makiage and SpoiledChild stopped appearing on February 29, 2024, and March 21, 2024; see Figure 24 below. So for 38 and 17 days, no low-star review was posted, while thousands of five-star reviews were posted during that time. This is not random because low-star reviews on all monitored products stopped appearing on the same day. We believe posting low-star reviews was disabled.

'Woke Up Like This' Foundation		Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
Number of reviews		1,006,331	611,777	204,399	120,261	36,560	33,334
In % of total reviews		100.00%	60.79%	20.31%	11.95%	3.63%	3.31%
Date of newest review		4/7/2024	4/7/2024	4/7/2024	4/7/2024	2/29/2024	2/29/2024
'Power Lift Plumping Cream		Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
Number of reviews		28,978	20,183	5,383	2,643	406	363
In % of total reviews		100.00%	69.65%	18.58%	9.12%	1.40%	1.25%
Date of newest review		4/7/2024	4/7/2024	4/7/2024	4/6/2024	2/29/2024	2/29/2024
'F*ck I'm Flawless' Concealer		Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
Number of reviews		291,124	199,306	51,444	23,429	7,548	9,397
In % of total reviews		100.00%	68.46%	17.67%	8.05%	2.59%	3.23%
Date of newest review		4/7/2024	4/7/2024	4/7/2024	4/7/2024	2/29/2024	2/29/2024
'No Filter' Primer		Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
Number of reviews		162,228	117,425	25,207	13,145	2,874	3,577
In % of total reviews		100.00%	72.38%	15.54%	8.10%	1.77%	2.20%
Date of newest review		4/7/2024	4/7/2024	4/7/2024	4/7/2024	2/29/2024	2/29/2024
'E27 Extra Strength' Liquid Collagen		Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
Number of reviews		71,066	55,142	10,648	3,232	842	1,202
In % of total reviews		100.00%	77.59%	14.98%	4.55%	1.18%	1.69%
Date of newest review		4/7/2024	4/7/2024	4/7/2024	3/21/2024	3/21/2024	3/21/2024
'A22 Biotin Boost' Hair + Scalp Serum		Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
Number of reviews		27,070	15,962	5,693	3,297	990	1,128
In % of total reviews		100.00%	58.97%	21.03%	12.18%	3.66%	4.17%
Date of newest review		4/7/2024	4/7/2024	4/7/2024	3/21/2024	3/21/2024	3/21/2024
'S24 Rapid Recovery' Hair Mask		Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
Number of reviews		18,282	11,492	3,051	1,872	818	1,049
In % of total reviews		100.00%	62.86%	16.69%	10.24%	4.47%	5.74%
Date of newest review		4/7/2024	4/7/2024	4/6/2024	3/21/2024	3/21/2024	3/21/2024
'J29 Apple Cider Vinegar + Probiotics' Nutraceuticals		Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
Number of reviews		8,101	6,225	1,115	395	153	213
In % of total reviews		100.00%	76.84%	13.76%	4.88%	1.89%	2.63%
Date of newest review		4/7/2024	4/7/2024	4/7/2024	3/21/2024	3/21/2024	3/21/2024

Figure 24 Analysis of best-selling products (Il Makiage in light grey) and most-reviewed products (SpoiledChild in orange)
¹⁹⁰, source: NINGI Research, company data

So, ODDITY wants to make us believe that there hasn't been a single one-star review of its best-selling products in 38 days? The same question applies to SpoiledChild on three-star reviews over 17 days. We think that is unlikely.

In a second analysis of the product reviews on April 29, 2024, we noticed that the company coincidentally allowed low-star reviews on Il Makiage products to be posted from April 7 to April 9, 2024 again. An example can be seen in Figure 25 below, as the cut-off of low-star reviews for Il Makiage's best-selling product, the 'Woke Up Like This' foundation, is obvious. We discovered the same shady practices at the monitored SpoiledChild products; only the cut-off dates differed. We added the full statistics in the Annex.

¹⁹⁰ We chose the best-selling products for Il Makiage because the brand has a distinct landing page for its best sellers. However, SpoiledChild doesn't highlight its best sellers, so we chose the most-reviewed products from its 'All Products' landing page.

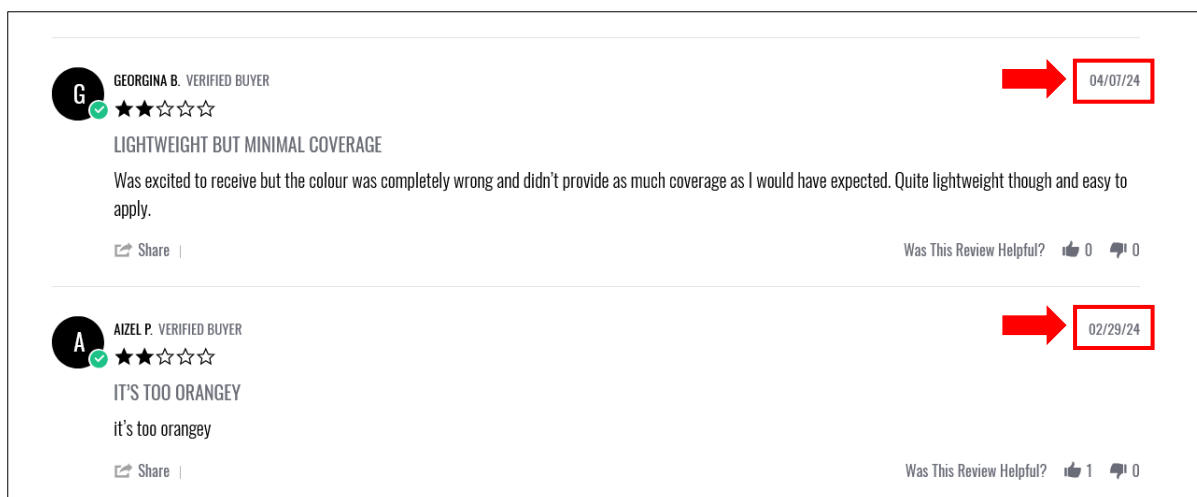


Figure 25 Cut-off between two moderated "comment periods" on Il Makiage US online shop, source: NINGI Research, ilmakiage.com

Furthermore, we found that ODDITY actively deleted low-star reviews from its web shop (Figure 26). For its 'A22 Biotin Boost' product, SpoiledChild removed more than 10 percent of the low-star reviews.

'A22 Biotin Boost' Hair + Scalp Serum	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
Additional reviews, absolute	872.00	701.00	275.00	130.00	(138.00)	(96.00)
Growth in %	3.22%	4.39%	4.83%	3.94%	-13.94%	-8.51%
Days between newest comment	22	22	22	23	21	23

Figure 26 Stats on added reviews between 4/7/24 and 4/29/24, source: NINGI Research, spoiledchild.com

Another product, the 'S24 Rapid Recovery' hair mask, supposedly had only two additional one-star reviews since our first analysis on April 7, 2024 (22 days). However, that product had three new pages with each of five customer reviews, translating to 15 (!) additional reviews instead of the delta of 2 reviews (see Figure 27). In our opinion, SpoiledChild actively deleted low-star reviews for this product as well.

'S24 Rapid Recovery' Hair Mask	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
Additional reviews, absolute	598.00	314.00	98.00	68.00	116.00	2.00
Growth in %	3.27%	2.73%	3.21%	3.63%	14.18%	0.19%
Days between newest comment	22	22	23	23	22	23

Figure 27 Stats on added reviews between 4/7/24 and 4/29/24, source: NINGI Research, spoiledchild.com

In a third analysis on May 11, 2024, we observed similar patterns, however, ODDITY disabled two and one-star reviews since April 9, 2024, for the monitored Il Makiage products. For SpoiledChild, low-star reviews were posted most recently on April 25, 2024. You can find the full tables in the Annex.

In our opinion, ODDITY is actively blocking negative reviews from its online shops so that all products have a 4.5-star review. The company is deceiving potential customers about the feedback it receives from existing customers.

Suppressing reviews based upon their negativity is one instance where the FTC is currently amending legislation to make such suppression illegal.¹⁹¹

¹⁹¹ https://www.ftc.gov/system/files/ftc_gov/pdf/r311003consumerreviewsandtestimonials_nprm.pdf

7. New Users Don't Come From AI-Powered Targeting But From Constant Product Giveaways

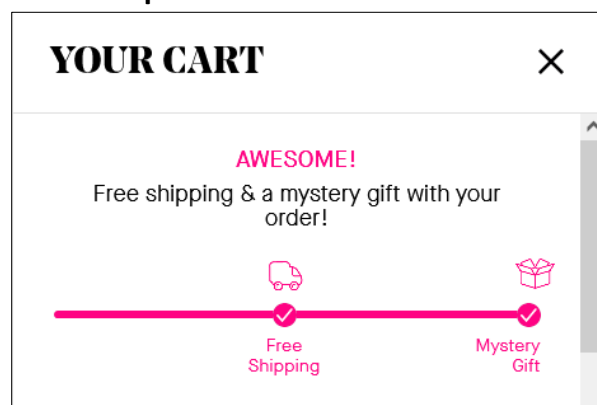
Considering the thousands of complaints online, **if customers are aware of the shady practices at Il Makiage and SpoiledChild, how is the company able to still grow in revenue?**

It was not ODDITY's product development or its claimed AI capabilities that had been driving sales. **Revenue simply grows because customers are given free stuff! Constantly.**

A former employee explained to us that ODDITY experimented with discounts and promotions but in the end, turned to gifting. **SpoiledChild's "marketing plan was always to keep gifts in place," according to a former staff member.** Because SpoiledChild's products were solely sold through the company's 'Try before you buy'-program (14-day¹⁹² free return), *"that led a lot of sales,"* but if the customers return the initially ordered product in the trial period, the *"client can keep the gifts."*

And the marketing plan with free products is still in place (see Figure 28 below). As we mentioned before, we entered our email addresses at the end of the quizzes, and to date, we get emails on a daily basis from SpoiledChild that say *"Remember the match we found for you? Try it for FREE with our Try Before You Buy offer and unlock a luxurious mystery gift – just to add a little extra sparkle to your day! Why wait? Claim it now!"*

Il Makiage product giveaways in the checkout process:



SpoiledChild product giveaways for first orders:

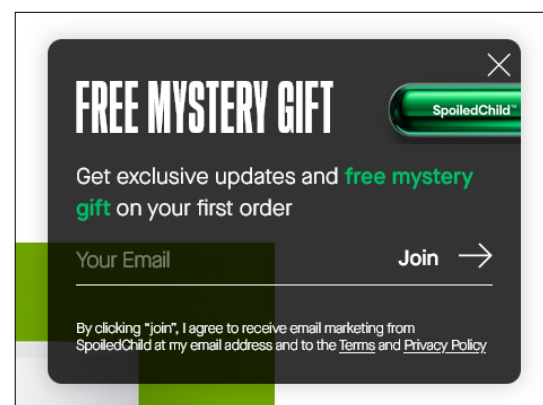


Figure 28 Product giveaway on ilmakiage.com and spoiledchild.com, source: NINGI Research, ilmakiage.com, spoiledchild.com

In early April, **Ulta Beauty issued a profit warning to investors citing "a faster than anticipated slowdown"** in the beauty category, **but ODDITY pushed back on that in its First Quarter Earnings Call that the company didn't see any softness.**^{193 194 195} Even sell-side analysts were surprised by the numbers, questioning the momentum with reference to ODDITY's competitors softening revenue growth. We believe the company beat its own guidance again because ODDITY did a large giveaway campaign for Il Makiage and SpoiledChild to boost revenue. In addition, sell-side analysts became very focused on the return rate, pressuring management on the topic.¹⁹⁶ ODDITY didn't disclose any figure but defensively pushed back that it's allegedly lower than in the first quarter of 2023.¹⁹⁷ The return

¹⁹² The return period depends on which A/B test ODDITY is running at the time. Employees told us about a 30-day return window but we noticed a 14-day as well as a 21-day return period. It depends which channel (direct, paid search, social media, etc.) and at what time a customer enters the website.

¹⁹³ <https://www.sec.gov/Archives/edgar/data/1403568/000155837024004685/ulta-20240403x8k.htm>

¹⁹⁴ Goldman Sachs & Co. LLC (2023), ODDITY Tech Ltd. - Strong momentum, but fairly valued; initiate at Neutral, pg. 5

¹⁹⁵ <https://seekingalpha.com/article/4690988-oddity-tech-ltd-odd-q1-2024-earnings-call-transcript>

¹⁹⁶ <https://seekingalpha.com/article/4690988-oddity-tech-ltd-odd-q1-2024-earnings-call-transcript>

¹⁹⁷ <https://seekingalpha.com/article/4690988-oddity-tech-ltd-odd-q1-2024-earnings-call-transcript>

rates won't include any giveaways as those are promotions not reported as a returned product, incentivizing customers to order at Il Makiage and SpoiledChild to receive the free product and return the ordered products. Free giveaways were always in place and very costly for ODDITY.

One former manager concluded on ODDITY's efforts to launch SpoiledChild with, "We spent a lot of money for not very much revenue."

In our opinion, this could explain why ODDITY rejected the SEC's request to disclose its customer acquisition cost (CAC) calculation separately from its customer's lifetime value (LTV).^{198 199} In the end, ODDITY completely removed any mention of CAC or LTV from its IPO prospectus and annual report.²⁰⁰

²⁰¹ **Based on our interviews with former employees, we wonder if that metric turned negative due to ODDITY's permanent gifting practices.**

We believe ODDITY's and its executives' goal is revenue growth, at all costs. ODDITY's management is not only incentivized to report increasing sales numbers to keep the facade of a high-growth company for investors but also because of its executive incentive programs. **Oran Holtzman and his sister, Shiran Holtzman-Erel, were paid a \$30 million cash bonus because the company's brand, SpoiledChild, achieved \$110 million in sales.**^{202 203 204} Even though the brand was developed by ODDITY's business development team called 'New Ventures,' the self-proclaimed "founders" of SpoiledChild got a 30 percent cut in revenue without having to bear any costs.^{205 206}

Next to the gifting and Holtzman's cut vaporizing any SpoiledChild's profits immediately, **the former manager told us that ODDITY is losing money due to enormous logistic costs.** ODDITY repeatedly failed at forecasting enough inventory and had to fly in products from China and Europe at very costly rates. **The former manager concluded, "We were flying a lot of goods from place to place and it was costing a lot of money."** Our analysis of bill of lading records from US Customs and Border Protection indirectly supports these statements.

Ultimately, ODDITY doesn't care about the bad reviews or its customers in general but about each individual transaction. In our opinion, each transaction should succeed at any cost, even if this means soliciting the purchase through giveaways. We believe focusing on the transaction rather than on building a brand is unsustainable and that's why competitors have never applied such sales tactics. **Launching a new brand every two years to lure customers into the trap and solely focusing on soliciting the transaction is by no means a long-term business model.** A company cannot repeat it twenty times because at one point, maybe already after the third brand launch, not just the public but regulatory bodies could notice these deceiving sales practices. **We think that ODDITY's customer acquisition model is unsustainable in the long term.**

Furthermore, Goldman Sachs already highlighted in detail that the brand sentiment and volume ranking for Il Makiage and SpoiledChild are much lower compared to other brands like Elf, Revlon, Mac, and Fenty Beauty.²⁰⁷ Most equity research analysts expect ODDITY's future revenue growth to come from new brands. However, ODDITY already spent \$32.2 million on Voyage81, whose technology should be the basis for Brand 3, and on top of that, ODDITY has to invest millions into the

¹⁹⁸ <https://www.sec.gov/Archives/edgar/data/1907085/000000000022002328/filename1.pdf>

¹⁹⁹ <https://www.sec.gov/Archives/edgar/data/1907085/000110465922060490/filename1.htm>

²⁰⁰ https://www.sec.gov/Archives/edgar/data/1907085/000110465923082792/tm223332-38_424b4.htm

²⁰¹ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>

²⁰² https://www.sec.gov/Archives/edgar/data/1907085/000110465923082792/tm223332-38_424b4.htm, pg. 152

²⁰³ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>, pg. 84

²⁰⁴ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>, pg. 101

²⁰⁵ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>, pg. 81

²⁰⁶ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>, pg. 59

²⁰⁷ Goldman Sachs & Co. LLC (2023); ODDITY Tech Ltd. - Strong momentum, but fairly valued; initiate at Neutral, pg. 5

launch, product design, and marketing for that Brand 3.²⁰⁸ The same applies to Brand 4, which should use the technologies developed by Revela, a \$67.4 million acquisition in 2023.²⁰⁹ We estimate that **ODDITY has to spend more than \$130 million before Brand 3 and Brand 4 will generate any revenue**, because Brand 3 and 4 have zero visibility. This ties back to the former employee's comment on SpoiledChild: *"We spent a lot of money for not very much revenue."* In our opinion, it is an **unsustainable allocation of capital and comparable to the classic public equity roll-up strategies, which almost always fail.**

In addition to the unsustainability of ODDITY's business model, we believe there is an inherent risk of pushing the regulatory boundaries. **ODDITY Tech and its subsidiaries have been sued hundreds of times** because of unsolicited advertising, shady sales practices, breach of contract, unpaid severance, outstanding insurance payments, and other stuff in Israel. **Oran Holtzman was personally sued in connection with ODDITY's undisclosed retail operations.**²¹⁰ That is another part of the business ODDITY never disclosed.

8. Hundreds of Lawsuits Reveal ODDITY's Repeatedly Deceptive Behavior

Doing business always brings risk with it; outside of geopolitical, staffing, or operational risks, there are always legal and regulatory risks associated with running a business. **But we were completely astonished after we scoured the Israeli court systems to assess the legal risks related to ODDITY's Israeli business.**

We found hundreds of lawsuits – at least 218²¹¹ directly connected to ODDITY and its subsidiaries – from government agencies, landlords, business partners, insurers, suppliers, employees, and customers.^{212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229}

We attached the entire list of lawsuits from Israel in the Annex. For your information, the previous legal name of ODDITY Tech Limited was 'Il Makiage Cosmetics (2013) Ltd.,' and that's why a lot of lawsuits against ODDITY list 'Il Makiage Cosmetics (2013)' as the defendant even though it's not a reported subsidiary in the SEC filings.²³⁰

²⁰⁸ https://www.sec.gov/Archives/edgar/data/1907085/000110465924034990/tm247561-8_424b4.htm, pg. 108

²⁰⁹ https://www.sec.gov/Archives/edgar/data/1907085/000110465924034990/tm247561-8_424b4.htm, pg. 10

²¹⁰ ואח"מ"בע (2013) קוסמטיקה 'מקיאג איל' נ' מ"בע אביב תל העיר קניון 56434-07-21 א"ת

²¹¹ We found 12 lawsuits against Il Makiage Ltd., the bankrupt entity that Oran Holtzman bought the assets out of receivership in 2013. However, these lawsuits were filed recently and the company is represented by Battash & Co, ODDITY's go-to law firm. The 12 lawsuits are not included in our count of 218 complaints.

²¹² ת"ק 39202-02-24 עמנואלוב נ' 'איל מקיאג' בע"מ

²¹³ ת"ק 24453-03-23 שטיפניוק נ' 'איל מקיאג' בע"מ

²¹⁴ ת"ק 16923-11-22 לוי נ' 'איל מקיאג' בע"מ

²¹⁵ ת"ק 55014-06-21 נורילוב נ' 'איל מקיאג' קוסמטיקה (2013) בע"מ

²¹⁶ ת"ק 11349-06-20 ישראלי נ' 'איל מקיאג' קוסמטיקה (2013) בע"מ

²¹⁷ ת"מ 73726-01-20 מירם אל הבול ייבוא ייצור ושיווק מכשירי בתיבה ואלבון נ' 'איל מקיאג' קוסמטיקה (2013) בע"מ

²¹⁸ ת"ק 58366-09-20 הרמון נ' 'איל מקיאג' קוסמטיקה (2013) בע"מ

²¹⁹ ת"א 56434-07-21 קניון העיר תל אביב בע"מ נ' 'איל מקיאג' קוסמטיקה (2013) בע"מ ואח

²²⁰ ק"ג 32696-02-21 הראל פנסיה וגמל בע"מ נ' 'איל מקיאג' קוסמטיקה (2013) בע"מ

²²¹ ת"א 56434-07-21 קניון העיר תל אביב בע"מ נ' 'איל מקיאג' קוסמטיקה (2013) בע"מ ואח

²²² נ' מ.מ. גלואו בע"מ ואח AZMERA ד"מ 61385-07-23

²²³ סע"ש 16319-03-22 אוקוביט נ' 'איל מקיאג' קוסמטיקה (2013) בע"מ

²²⁴ ע"ע 20529-04-21 איל מקיאג' קוסמטיקה (2013) בע"מ נ' דמרי

²²⁵ סע"ש 63754-10-21 מימון-ונה נ' 'איל מקיאג' קוסמטיקה (2013) בע"מ

²²⁶ סע"ש 780-11-21 אודד נ' 'איל מקיאג' קוסמטיקה (2013) בע"מ

²²⁷ סע"ש 72424-01-18 חאג' נ' 'איל מקיאג' קוסמטיקה (2013) בע"מ

²²⁸ סע"ש 51023-11-19 בשייר נ' 'איל מקיאג' קוסמטיקה (2013) בע"מ

²²⁹ ת"ת 35794-07-16 שחר צאיג דפוס פלוס בע"מ נ' 'איל מקיאג' קוסמטיקה (2013) בע"מ ואח

²³⁰ Il Makiage Cosmetics (2013) Ltd. (Reg-No. 514936269), Minutes of General Meeting of Shareholders, held on January 6, 2022, submitted 01/09/2022

To begin with, **Il Makiage was sued in several class action lawsuits in 2014, 2015, 2016, 2017 (twice), 2021, and 2022.**^{231 232 233 234 235 236 237} The value in dispute of the class actions exceeded more than \$10 million.

Investors have seen bad reviews from US customers about ODDITY's billing practices for overcharging for "Try before you buy"-purchases.²³⁸ Similar to that, **a class action lawsuit from 2015 alleged that, over the course of two years, the company overcharged a customer for purchases at Il Makiage stores.**²³⁹ The scheme allegedly consisted of the cash registers rounding up each product's price by a few cents and charging the higher amount, without the customer noticing.²⁴⁰ For example, when the product price was 445 shekels, Il Makiage would charge the customer's card 449 shekels.²⁴¹ The company denied any wrongdoing but paid the plaintiff's legal fees and donated some products to a charity.²⁴²

In 2014, a woman filed a class action lawsuit against Il Makiage for unsolicited ads she allegedly received via text.²⁴³ Next to the class action complaints, we found dozens of individual complaints related to these spam texts or spam mail.^{244 245 246 247 248 249 250} The damages sued for range from a couple of thousand to several million shekels.²⁵¹ In the complaints, the plaintiffs stated that they told Il Makiage that they didn't want to receive any advertisements or promotions from the company. However, the spamming allegedly didn't stop.

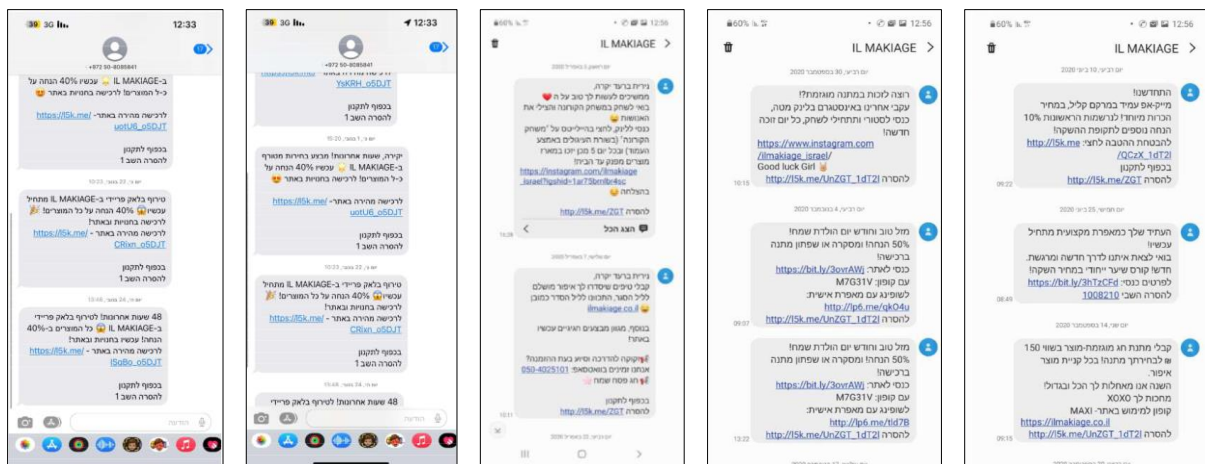


Figure 29 Spam texts advertising Il Makiage products and services, source: ת"ק 45400-03-23 רופא נ' איל מקיאג ביטוי אי.אל, בע"מ תאד"מ 29929-05-23 ברע נ' אודיטי טק בע"מ

²³¹ ת"צ 62443-01-14 פיליבה נ' איל מקיאג 'קוסמטיקה' 2013 (בע"מ ואח

²³² ת"צ 59346-03-17 אור חן נ' איל מקיאג 'קוסמטיקה' 2013 (בע"מ

²³³ ת"א 23339-03-21 לסקין נ' לסקין/פורמלי (ואח

²³⁴ ת"צ 54471-03-22 ברק נ' איל מקיאג 'קוסמטיקה' 2013 (בע"מ

²³⁵ ת"צ 26737-12-15 בר נוי נ' איל מקיאג 'קוסמטיקה' 2013 (בע"מ

²³⁶ ת"צ 21533-01-16 עקיבא נ' איל מקיאג 'קוסמטיקה' 2013 (בע"מ

²³⁷ ת"צ 60104-09-17 עקיבא נ' איל מקיאג 'קוסמטיקה' 2013 (בע"מ

²³⁸ https://www.reddit.com/r/Makeup/comments/10squ6t/do_not_fall_for_the_il_makiage_scam/

²³⁹ ת"צ 26737-12-15 בר נוי נ' איל מקיאג 'קוסמטיקה' 2013 (בע"מ

²⁴⁰ ת"צ 26737-12-15 בר נוי נ' איל מקיאג 'קוסמטיקה' 2013 (בע"מ

²⁴¹ ת"צ 26737-12-15 בר נוי נ' איל מקיאג 'קוסמטיקה' 2013 (בע"מ

²⁴² ת"צ 26737-12-15 בר נוי נ' איל מקיאג 'קוסמטיקה' 2013 (בע"מ

²⁴³ ת"צ 62443-01-14 פיליבה נ' איל מקיאג 'קוסמטיקה' 2013 (בע"מ ואח

²⁴⁴ מ"ב טק אודיטי נ' ברע 29929-05-23 מ"תאד

²⁴⁵ מ"ב 'מקיאג איל' נ' ג'ל'ח 48896-07-23 ק"ת

²⁴⁶ מ"ב 'מקיאג איל' נ' דודיב 46085-10-23 מ"תאד

²⁴⁷ מ"ב (2013) קוסמטיקה 'מקיאג איל' נ' דודיב 42846-07-22 מ"תאד

²⁴⁸ מ"ב (2013) קוסמטיקה 'מקיאג איל' נ' לוי 39501-12-21 ק"ת

²⁴⁹ מ"ב (2013) קוסמטיקה 'מקיאג איל' נ' מאירי 68794-06-20 מ"תא

²⁵⁰ תא"מ 29648-02-19 דרן נ' איל מקיאג 'קוסמטיקה' 2013 (בע"מ

²⁵¹ ת"צ 62443-01-14 פיליבה נ' איל מקיאג 'קוסמטיקה' 2013 (בע"מ ואח

Evidence from **two lawsuits filed in 2023** reveals the spam texts that promote Il Makiage's products and services; see Figure 29 above. That is in stark contrast to ODDITY's claim that *"our AI capabilities deliver a hyper-personalized beauty experience to the customer to drive customer loyalty and repeat purchase rates."*²⁵² **We believe spamming individuals with coupons and discounts via text is not what investors would understand under "AI capabilities [to] deliver a hyper-personalized beauty experience."**

In view of the dozens of lawsuits, we wonder whether the data of allegedly 50 million users, which ODDITY likes to emphasize in its earnings calls, is being processed and used in a legally correct manner at all.²⁵³

In a 2017 class action lawsuit, an Il Makiage college student sued because she canceled the year-long course in advance after moving abroad.²⁵⁴ During the trial, Il Makiage employees had become entangled in contradictions, which the judge calmly reproached them with, *"Therefore, I am unable to accept [Il Makiage employee]'s version in her testimony that the fax was not received by the respondent."*²⁵⁵ The judge rejected a class action procedure because the claims were specifically attributed to the plaintiffs' contractual agreement with Il Makiage.²⁵⁶

In a 2018 class action lawsuit, a customer alleged violations of Israel's Consumer Protection Laws because Il Makiage allegedly didn't pay out the excess cash if a product purchased with a voucher was lower than the amount of the voucher.²⁵⁷ The plaintiff withdrew the complaint because the parties agreed that Il Makiage reinforces its procedures, checks the computer systems in all branches, provides training to its staff, and posts a notice on its website for other customers who were affected.²⁵⁸

In a 2018 labor dispute, Il Makiage was sued for firing a beauty school's principal because of an alleged lack of performance a month after she underwent fertility treatment.²⁵⁹ Ultimately, Il Makiage was ordered to pay the plaintiff on various claims, including compensation for violations of Israel's Women's Labor Law.²⁶⁰ Strikingly, the company claimed to have paid the former employee her severance pay, but the court called the company out: *"Defendant [Il Makiage] didn't present even a shred of evidence that the check was sent to the plaintiff and when it was sent. The judgment was given about four years after the date on which the severance pay was supposed to be paid, and until the date it was signed, the defendant [Il Makiage] didn't bother to pay the plaintiff what she was duly entitled to."*²⁶¹

In 2020, a long-term supplier sued Il Makiage for unpaid bookcases that the company produced in 2018. Il Makiage's defense was that they allegedly canceled the orders without providing evidence to the court. Later, Il Makiage alleged that the albums were never produced in the first place. Ultimately, Il Makiage was ordered to pay for the products, including interest and court fees.

In 2021, Israel's largest insurance company, Harel, sued Il Makiage because the insurer wired too much money to Il Makiage by accident.²⁶² As it was a mistake, they asked Il Makiage to just wire it

²⁵² https://www.sec.gov/Archives/edgar/data/1907085/000110465924034990/tm247561-8_424b4.htm, pg. 11

²⁵³ <https://investors.ODDITY.com/static-files/dfdc80b5-049e-4227-8db0-e92cd1bf542b>, pg. 1

²⁵⁴ מ"בע (2013) קוסמטיקה 'מקיאג איל' נ' חן אור

²⁵⁵ מ"בע (2013) קוסמטיקה 'מקיאג איל' נ' חן אור

²⁵⁶ מ"בע (2013) קוסמטיקה 'מקיאג איל' נ' חן אור

²⁵⁷ מ"בע (2013) קוסמטיקה 'מקיאג איל' נ' עקיבא 60104-09-17 צ"ת

²⁵⁸ מ"בע (2013) קוסמטיקה 'מקיאג איל' נ' עקיבא 60104-09-17 צ"ת

²⁵⁹ סע"ש 24127-04-18 דמרי נ' איל מקיאג 'קוסמטיקה' (2013) (בע"מ)

²⁶⁰ סע"ש 24127-04-18 דמרי נ' איל מקיאג 'קוסמטיקה' (2013) (בע"מ)

²⁶¹ סע"ש 24127-04-18 דמרי נ' איל מקיאג 'קוסמטיקה' (2013) (בע"מ)

²⁶² מ"בע (2013) קוסמטיקה 'מקיאג איל' נ' מ"בע וגמל פנסיה הראל 32696-02-21 ג"ק

back, but Il Makiage allegedly declined.²⁶³ Harel had to sue because of ILS 13,794 (\$3,800 at the time) and ultimately the case was settled.²⁶⁴

In 2022, another student filed a complaint against the company for postponing classes and breach of contract.²⁶⁵ The lawsuit alleges that after the school postponed its classes several times, the student requested a cancellation and repayment of around \$4,200 (15,400 ILS).²⁶⁶ However, the request was not answered, which led to Il Makiage being sued.²⁶⁷

Over the years, **ODDITY Tech and Il Makiage have also filed complaints against their school attendees because the students' checks bounced, leaving Il Makiage holding the bag.**²⁶⁸ ²⁶⁹ The enrolled students posted the first check for the classes and bailed on sending in the second and third payments.

Furthermore, the company's brick-and-mortar business is the center of several individual lawsuits as well. A former employee who was a manager at two different stores sued Il Makiage for compensation, redemption, and damages after allegedly being fired when she revealed she was pregnant.²⁷⁰ Another woman successfully sued Il Makiage for damages.²⁷¹ Another woman sued Il Makiage successfully for not hiring her after the company found out that she was pregnant.²⁷² Other employees sued Il Makiage for compensation.²⁷³ ²⁷⁴

In 2021, a Tel Aviv mall sued Il Makiage for allegedly unpaid rent for one of its locations.²⁷⁵ **ODDITY's CEO, Oran Holtzman, was also named a defendant in the complaint because he personally guaranteed the lease agreement in 2019 (see Figure 30 below).**²⁷⁶ Another property manager already sued the company and Holtzman in 2015 for payables due.²⁷⁷

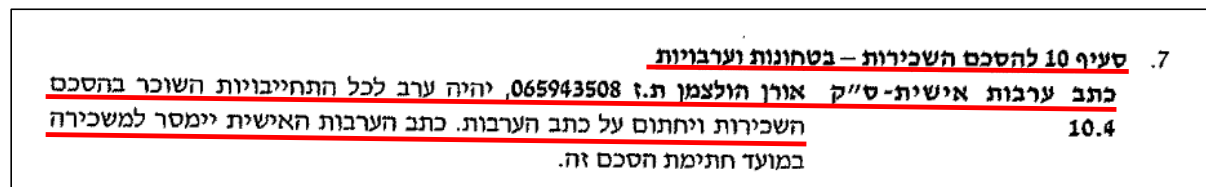


Figure 30 ODDITY CEO Oran Holtzman personally guaranteed the lease in 2019, source: ת"א 56434-07-21 קניון העיר תל אביב 'בע"מ נ' איל מקיאג' (קוסמטיקה) 2013 (בע"מ ואח

But the legal trouble is not limited to Israel. The company operated four stores in the US and hired star architect Zaha Hadid for the US store's design.²⁷⁸ ²⁷⁹ **Up until early 2022, these US stores were embroiled in lawsuits from business partners and landlords because ODDITY allegedly just stopped paying them** and defaulted on contracts as well as lease agreements.²⁸⁰ ²⁸¹ ²⁸² At the moment, ODDITY

²⁶³ מ"בע (2013) קוסמטיקה 'מקיאג איל' נ' מ"בע וגמל פנסיה הראל 32696-02-21 ג"ק

²⁶⁴ מ"בע (2013) קוסמטיקה 'מקיאג איל' נ' מ"בע וגמל פנסיה הראל 32696-02-21 ג"ק

²⁶⁵ מ"בע (2013) קוסמטיקה 'מקיאג איל' נ' קיעאן אל אבו 20076-03-22 מ"תאד

²⁶⁶ מ"בע (2013) קוסמטיקה 'מקיאג איל' נ' קיעאן אל אבו 20076-03-22 מ"תאד

²⁶⁷ מ"בע (2013) קוסמטיקה 'מקיאג איל' נ' קיעאן אל אבו 20076-03-22 מ"תאד

²⁶⁸ 'ואח סימון בן' נ' מ"בע (2013) קוסמטיקה 'מקיאג איל' 64433-06-16 מ"תא

²⁶⁹ בושארי' נ' מ"בע (2013) קוסמטיקה 'מקיאג איל' 28093-01-18 מ"תא

²⁷⁰ psakdin.co.il פסקדין - מ"בע (2013) קוסמטיקה 'מקיאג איל' נ' זור

²⁷¹ [Compulsory leave until receiving a permit to dismiss an employee under the Women's Labor Law \(workrights.co.il\)](https://workrights.co.il/)

²⁷² [Eyal Maciaj will pay NIS 85,000 after not hiring a pregnant woman \(mako.co.il\)](https://mako.co.il/)

²⁷³ [DM 61385-07-23 AZMERA v. M.M. Glow Ltd. et al. Trial Worm \(xn----8hcborozt8bdd.xn--9dbq2a\)](https://dm61385-07-23.AZMERA.v.M.M.Glow.Ltd.et.al.Trial.Worm(xn----8hcborozt8bdd.xn--9dbq2a))

²⁷⁴ טע"ש 16319-03-22 אוקוביט נ' איל מקיאג 'קוסמטיקה' 2013 (בע"מ ואח

²⁷⁵ ת"א 56434-07-21 קניון העיר תל אביב בע"מ נ' איל מקיאג 'קוסמטיקה' 2013 (בע"מ ואח

²⁷⁶ ת"א 56434-07-21 קניון העיר תל אביב בע"מ נ' איל מקיאג 'קוסמטיקה' 2013 (בע"מ ואח

²⁷⁷ ת"א 8524-10-15 אילות השקעות בבנסיים) כפר סבא (1992) בע"מ ואח' נ' איל מקיאג 'קוסמטיקה' 2013 (בע"מ ואח

²⁷⁸ https://www.zaha-hadid.com/interior_design/il-makiage-pavilion/#

²⁷⁹ [\(givatayimplus.co.il\) גם בעסקי הביזי אפרש לעשות אקזיט](https://givatayimplus.co.il/)

²⁸⁰ [https://www.docketalarm.com/cases/New_York_State_Nassau_County_Supreme_Court/605506---2021/Kliger-](https://www.docketalarm.com/cases/New_York_State_Nassau_County_Supreme_Court/605506---2021/Kliger-Weiss_Infosystems_Inc._v._IM_Pro_Makeup_NY_LP/)

²⁸¹ [https://www.docketalarm.com/cases/Florida_State_Miami-Dade_County_Eleventh_Circuit_Court/2021-021821-CA-](https://www.docketalarm.com/cases/Florida_State_Miami-Dade_County_Eleventh_Circuit_Court/2021-021821-CA-01/SDG_DADELAND_ASSOCIATES_INC_VS_IM_PRO_MAKEUP_NY_LP/)

²⁸² [https://www.docketalarm.com/cases/New_York_State_Nassau_County_Supreme_Court/614481---](https://www.docketalarm.com/cases/New_York_State_Nassau_County_Supreme_Court/614481---2021/The_Retail_Property_Trust_v._IM_Pro_Makeup_NY_LP/)

²⁸³ [2021/The_Retail_Property_Trust_v._IM_Pro_Makeup_NY_LP/](https://www.docketalarm.com/cases/New_York_State_Nassau_County_Supreme_Court/614481---2021/The_Retail_Property_Trust_v._IM_Pro_Makeup_NY_LP/)

still has a warrant outstanding against it for unpaid taxes.²⁸³ A repeated offense, as the IRS already filed a UCC lien against the company in 2019.²⁸⁴

In our opinion, the bad customer experiences reported on social media are not anecdotal evidence, but our analysis of Israeli legal cases paints a similar picture of ODDITY.

Why has ODDITY Tech been sued by almost every possible stakeholder in the past ten years?

9. Publicly Pumping and Secretly Dumping, \$600m Sold in Less Than 9 Months

In our opinion, ODDITY Tech Inc. is a classic pump-and-dump scheme. We believe that the company, its executives, and its pre-IPO owners embellished the company's story, concealed ugly truths, and jumped on the AI hype to offload their shares to clueless investors. **While CEO Oran Holtzman told investors that ODDITY is a cutting-edge tech company, he reduced his stake in the company from 100 to 32.4 percent (see Figure 31).**²⁸⁵ ²⁸⁶ Without the Class B shares, in which he is the sole owner of share capital, it would be just 15 percent.²⁸⁷

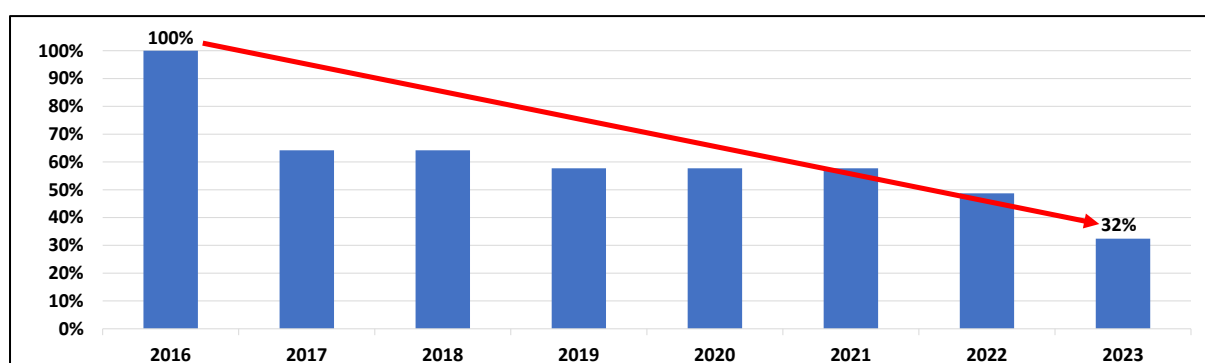


Figure 31 Holtzman's ownership in ODDITY Tech Ltd., source: NINGI Research, company data, Israeli Corporations Authority

The company and its management are touting being a market leader by using what is hot at the moment (“as-a-Service”-Solutions in 2019, Data Science in 2021, Crypto-Coin in 2022, and AI in 2023), but the underlying business is highly reliant on undisclosed brick-and-mortar operations and sketchy practices.²⁸⁸ ²⁸⁹ ²⁹⁰ ²⁹¹ **In our opinion, ODDITY materially misrepresented its business so a chosen few could enrich themselves.**

Prior to the IPO, Holtzman had already sold \$128 million in shares to Fidelity, Franklin Templeton, and the Tull Family in January 2022.²⁹² ²⁹³ At the time, ODDITY described the private offering as a direct equity investment in the company: “*Il Makiage receives \$130 million investment at \$1.5 billion valuation.*”²⁹⁴ However, this turned out to be a lie, as ODDITY disclosed the true nature of the

²⁸³ https://www.docketalarm.com/cases/Washington_State_Thurston_County_Superior_Court/24-2-00281-34/STATE_REVENUE_vs_IIM_PRO_MAKEUP_NY_LP_et_al/

²⁸⁴ <https://appext20.dos.ny.gov/ASPIMGVIEWP8/IMGVIEW.ASPX?pdoid={00DFD36C-0000-C930-82FC-6CBEC947684E}&pidmname=DEFAULT&pApp=UCC>

²⁸⁵ https://www.sec.gov/Archives/edgar/data/1907085/000110465923082792/tm223332-38_424b4.htm#tPRSH, pg. 164

²⁸⁶ https://www.sec.gov/Archives/edgar/data/1907085/000110465924034990/tm247561-8_424b4.htm#tPASS, pg. 148

²⁸⁷ https://www.sec.gov/Archives/edgar/data/1907085/000110465924034990/tm247561-8_424b4.htm#tPASS, pg. 148

²⁸⁸ <https://www.calcalistech.com/ctech/articles/0,7340,L-3772275,00.html>

²⁸⁹ <https://www.wd.com/feature/il-makiage-acquires-israeli-tech-startup-neowize-1203375705/>

²⁹⁰ <https://www.wsj.com/articles/beauty-company-oddity-to-offer-crypto-token-tied-to-ipo-11650934255>

²⁹¹ <https://www.voguebusiness.com/beauty/beauty-oddity-acquire-ai-biotech-startup-reveals-76-million-il-makiage>

²⁹² <https://www.sec.gov/Archives/edgar/data/1907085/000110465922010349/FILENAME1.htm>, F-23

²⁹³ We believe Holtzman was the sole seller of the shares because L. Catterton's stake remained at 42.3 percent from 2019 until the IPO in 2023.

²⁹⁴ <https://www.businesswire.com/news/home/20220110005261/en/Following-Years-of-Record-Growth-IL-MAKIAGE-Receives-130-Million-Investment-at-1.5-Billion-Valuation>

transaction in its first draft registration statement: it was a secondary market transaction.²⁹⁵ ODDITY Tech also issued a crypto token in early 2022 but only raised \$648,000.²⁹⁶

Ultimately, we believe the material misrepresentations helped ODDITY reprice its IPO, with ODDITY’s advisor Latham & Watkins reporting “a very strong investor demand with significant engagement” in a letter to the SEC.²⁹⁷ Ultimately, Oran Holtzman sold \$232 million in stock, and L. Catterton sold around \$165 million.²⁹⁸ Only \$51.3 million went to the company.³⁰⁰ In the classic fashion of a pump-and-dump scheme, ODDITY even ventured into filing promotional press releases with the SEC, for example, when ODDITY’s CFO bought \$1 million in stock in September 2023.³⁰¹

“[...] Ms. Drucker Mann’s decision to purchase shares reflects the compelling value she sees in the stock and her strong confidence in the business.”

But three months later, on December 14, 2023, Drucker Mann secretly adopted a 10b5-1 plan to sell her shares; see Figure 32 below.³⁰²

144: Remarks and Signature	
Remarks	Under a 10b5-1 sale plan adopted on 12/14/2023
Date of Notice	03/18/2024
Date of Plan Adoption or Giving of Instruction, If Relying on Rule 10b5-1	12/14/2023
ATTENTION:	
The person for whose account the securities to which this notice relates are to be sold hereby represents by signing this notice that he does regard to the current and prospective operations of the Issuer of the securities to be sold which has not been publicly disclosed. If such person trading instructions to satisfy Rule 10b5-1 under the Exchange Act, by signing the form and indicating the date that the plan was adopted or representation as of the plan adoption or instruction date.	
Signature	Lindsay Drucker Mann

Figure 32 Drucker Mann’s Form 144 filing unveils the adoption of a 10b5-1 plan, source: NINGI Research, company filings

On March 19, 2024, Drucker Mann sold shares worth 577,590 dollars in a single trade, and we estimate the sale accounts for 47.7 percent of her publicly touted September 2023 share purchase.³⁰³

Pending her sale and related Form 144 filing, the adoption of the 10b5-1 plan hasn’t been disclosed, and we believe other ODDITY executives have similar plans that haven’t yet been properly disclosed. We think Drucker Mann’s 10b5-1 plan adoption went unnoticed by investors to date because this wasn’t disclosed in ODDITY’s 20-F form filed with the SEC.³⁰⁴

Ultimately, ODDITY’s CFO Drucker Mann publicly claimed to do one thing and three months later secretly did the opposite. In addition, we found out that Drucker Mann was paid \$6 million in cash as a bonus for ODDITY’s IPO.³⁰⁵ If the stock is so valuable, why did Drucker Mann take a \$6 million cash bonus instead of stock-based compensation for the successful IPO, and also secretly adopt a stock sale plan?

²⁹⁵ <https://www.sec.gov/Archives/edgar/data/1907085/000110465922010349/filename1.htm>, F-23

²⁹⁶ https://www.sec.gov/Archives/edgar/data/1907085/000110465924034990/tm247561-8_424b4.htm, F-36

²⁹⁷ <https://www.sec.gov/Archives/edgar/data/1907085/000110465923081749/filename1.htm>, pg. 2

²⁹⁸ https://www.sec.gov/Archives/edgar/data/1907085/000110465923082792/tm223332-38_424b4.htm, pg. 164

²⁹⁹ Holtzman sold 7,097,696 shares (incl. Greenshoe) and L. Catterton sold 5,068,969 shares (incl. Greenshoe).

³⁰⁰ https://www.sec.gov/Archives/edgar/data/1907085/000110465923082792/tm223332-38_424b4.htm, pg. 79

³⁰¹ https://www.sec.gov/Archives/edgar/data/1907085/000110465923099861/tm2325923d1_ex99-1.htm

³⁰² https://www.sec.gov/Archives/edgar/data/2008127/000197640824000082/xsl144X01/primary_doc.xml

³⁰³ Our assumption is that she purchased the shares at the lowest price prior to the issued press release on September 12, 2023. That would be \$36.65 per share and she sold 13,000 shares for \$44.43 per share, translating to a 21 percent gain.

³⁰⁴ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>

³⁰⁵ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924031179/tmb-20231231x20f.htm>, pg. 101

Furthermore, if the stock is so valuable, why are the Holtzman siblings taking \$30 million in cash bonuses instead of stock-based compensation?

More executives started dumping shares after the lock-up period expired on January 14, 2023.

ODDITY's Chief Legal Officer, Jonathan Truppmann, immediately started selling and has sold \$3.2 million in stock since then.³⁰⁶ A closer analysis of Mr. Truppmann's stock sales revealed that he adopted a 10b5-1 plan on September 14, 2023; that's two days after ODDITY filed a press release with the SEC bragging that Lindsay Drucker Mann had purchased \$1 million worth of stock because of "*her strong confidence in the business.*"³⁰⁷ ³⁰⁸As a reminder, Mrs. Drucker Mann also adopted a stock sale plan three months later.³⁰⁹

The company's Chief Technology Officer, Niv Price, also started dumping his shares after pre-IPO investor Catterton filed a secondary offering to sell 4.7 million shares.³¹⁰ ³¹¹ ³¹²

The company boasts about the stock's compelling value, but **ODDITY insiders favor cash bonuses over stock comp and have sold \$599 million in shares (see Figure 33 below).**

Selling party	Event	Date	Shares	Gross dollar amount	Net dollar amount	Average price per share
Pre-IPO shareholders	IPO	7/18/2023	10,350,876	362,280,660	337,826,715	\$ 32.64
Pre-IPO shareholders	IPO Greenshoe	7/18/2023	1,815,789	63,552,615	59,262,813	\$ 32.64
Jonathan Truppmann	144 filing	1/22/2024	5,000	222,872	222,872	\$ 44.57
Jonathan Truppmann	144 filing	2/6/2024	675	29,728	29,728	\$ 44.04
Jonathan Truppmann	144 filing	2/8/2024	22,610	1,016,779	1,016,779	\$ 44.97
Jonathan Truppmann	144 filing	2/9/2024	26,630	1,202,787	1,202,787	\$ 45.17
Jonathan Truppmann	144 filing	2/12/2024	10,085	461,305	461,305	\$ 45.74
Niv Price	144 filing	3/12/2024	7,000	317,520	317,520	\$ 45.36
L Catterton	Secondary	3/14/2024	4,782,609	208,043,492	198,681,534	\$ 41.54
Lindsay Drucker Mann	144 filing	3/18/2024	13,000	577,590	577,590	\$ 44.43
Jonathan Truppmann	144 filing	5/16/2024	6,180	272,644	272,644	\$ 44.12
Total			17,040,454	637,977,991	599,872,288	\$ 35.20

Figure 33 Stock sold by pre-IPO shareholders and insiders, source: NINGI Research, company filings

In our opinion, ODDITY's insider actions speak louder than any press release. **Everybody is selling while saying that the company has great prospects! Think about that.**

For all information herein, we are short ODDITY Tech Ltd. (Nasdaq: ODD).

³⁰⁶ https://www.sec.gov/Archives/edgar/data/1791898/000196530124000018/xsl144X01/primary_doc.xml

³⁰⁷ https://www.sec.gov/Archives/edgar/data/1791898/000196530124000016/xsl144X01/primary_doc.xml

³⁰⁸ https://www.sec.gov/Archives/edgar/data/1907085/000110465923099861/tm2325923d1_ex99-1.htm

³⁰⁹ https://www.sec.gov/Archives/edgar/data/2008127/000197640824000082/xsl144X01/primary_doc.xml

³¹⁰ https://www.sec.gov/Archives/edgar/data/2008012/000197640824000077/xsl144X01/primary_doc.xml

³¹¹ <https://www.sec.gov/Archives/edgar/data/1907085/000110465924033463/odd-20231231xf1.htm>

³¹² https://www.sec.gov/Archives/edgar/data/1907085/000110465924034683/tm247561d7_f1mef.htm

Questions for ODDITY Tech, its board, and its executives that are of interest to the investing public:

- Why did ODDITY not disclose the Israeli business to its investors?
- Did ODDITY disclose the Israeli operations to the Tull family, Franklin Templeton, and Fidelity at the pre-IPO secondary offering in January 2022?
- What is the revenue, EBITDA, and net income of the Israeli business, per year since 2016?
- Did ODDITY report revenue from its Israeli retail stores as online sales?
- Why does ODDITY not audit some of its subsidiaries even though an audit is mandatory for every company?
- Why did the company remove the disclosure about revenue restatement for FY2020?
- Why did ODDITY not disclose the revenue restatements for FY2021 and FY2022?
- How much capital has been invested into the Israeli business since 2018?
- How much will be the capital expenditure for the new store design?
- What is cost acquisition cost for Il Makiage and SpoiledChild by vintage year?
- What is the average order value for Il Makiage and SpoiledChild?
- What is the consumer lifetime value for Il Makiage and SpoiledChild by vintage year?
- Did the FTC request any information about ODDITY's activities?
- What was the reasoning for ODDITY to award \$30 million in cash to the Holtzman siblings for SpoiledChild's success even though the brand was developed by the company's 'New Ventures' department and neither of them was SpoiledChild's CEO?
- Who of ODDITY's executives have adopted a disclosed and undisclosed 10b5-1 plan?
- Did ODDITY or any of its subsidiaries do business with Nadav Meir Illouz or any of his companies (irrespective of Mr. Illouz's direct control over the companies)?
- Why has the 'Other accounts payables' subaccount labeled 'Government authorities' increased from \$2.5 million in 2020 to \$24.7 million in 2023? And what's recorded in it?
- Why does ODDITY use a single Gmail account for its HR operations and talent acquisitions in Israel?

ANNEX

List of store locations in Israel:

Store Address (Hebrew)	Phone	Opening Hours
ביל"ו 2, רחובות	89348266	Sun-Thu 10am-10pm Friday 10am-3pm
סחרב 23, ראשון לציון	35420239	Sun - Thu 9-10, Fri: 9-3;30, Saturday - Hour after Shabat is over till 11
אגודת הספורט בית"ר 1, ירושלים	35420511	Sun - Thu 9-10, Fri: 9-3;30, Saturday - Hour after Shabat is over till 11
דרך עבו, 192 קריית ביאליק	48754959	Sun-Thu: 9:30-10, Fri 9:30-2:30, Sat: Half an hour after Shabbat is over-10
שדרות דוד טוביהו 125, באר שבע	35420252	Sun-Thu: 9:30-10, Fri 9:30-2:30, Sat: Half an hour after Shabbat is over-11
אבא הלל סילבר 301, רמת גן	35420233	Sun-Thursdays: 9:10, Fri: 9-14; Saturday: One hour after Shabbat is over till 23:00
הרצל 60, נתניה	35420243	Sun-Thursdays: 9:30:11, Fri: 9-14; Saturday: One hour after Shabbat is over till 23:00
שדרות דוד דויאל 1, רמלה	88699052	Sun - Thu 9-10, Fri: 9-3;30, Saturday - Hour after Shabat is over till 11
שלמה המלך 37 קרית אנו	35420259	Sun-Thu: 10-10, Fri: 10-2, Sat: 20:30-2300
ויצמן 207 כפר סבא	98857149	
חוטשילד 45 ראשון לציון	35420240	SunThu- 9:00-9:30; Friday 9:00-14:00; Sat-closed
דרך מנחם בגין 132 תל אביב	35420508	SunThu- 9:00-9:30; Friday 9:00-14:00; Sat-closed (for now, due to demonstrations in Tel Aviv, next to the store)
גולדה מאיר 7 חולון	35420241	Sun - Thu 9:30-10, Fri: 9:30-3;30, Saturday - Hour after Shabat is over till 11
לב העיר 2 מודיעין	35420258	Sun - Thu 9-10, Fri: 9-3;30, Saturday - Hour after Shabat is over till 11
דרך משה פלימן חיפה	35420236	Sun - Thu 9:30-9:30; Fri 9:30-14:30; Saturday - an hour after Shabbat is over till 23:00
שדרות שבעת הכוכבים 8 הרצליה	99509107	Sun - Thu 9-10, Fri: 9-3;30, Saturday - Hour after Shabat is over till 11
הפלמ"ח 1 אילת	35420238	
קאמפן 8 אילת	35420517	Sun - Thu- 9:00-23:00; Friday 9:00-17:00; Sat-closed
כצנלסון 14 כפר סבא	35420234	Sun - Thu 9:30-9:30; Fri 9:30-14:30; Saturday - an hour after Shabbat is over till 23:00
דרך שמחה גולן 54 חיפה	46796953	
חוטשילד 40 חדרה	35420250	Sun - Thu 9:00-9:00; Fri 9:00-15:00; Saturday - half an hour after Shabbat is over till 23:00
אל גליל 805, סח'נין	538851331	Sun - Thu 10-10, Fri: 10-3;30, Saturday - Hour after Shabat is over till 11
דרך חיפה 30 קרית אתא	46317721	Sun - Thu 10-10, Fri: 9-3;30, Saturday - Hour after Shabat is over till 11
הגדוד העברי 6 אשדוד	546016050	
צומת אלי כהן באר שבע	86236483	
המלאכה 2 רעננה	35420228	Sun - Thu 10-10, Fri: 9-3;30, Saturday - Hour after Shabat is over till 11
בני ברמן 2 פולג, נתניה	97494518	
שדרות נים 2 ראשון לציון	35420545	Sun - Thu 9:00-9:00; Fri 9:00-15:00; Saturday - half an hour after Shabbat is over till 23:00
יצחק רבין 53 גבעתיים	35710901	Sun - Thu 9:30-10:00; Fri 9:30-15:00; Saturday - half an hour after Shabbat is over till 23:00
דרך משה דיין 3 יהוד	36320049	Sun - Thu 10-8:30, Fri: 9-14, Saturday - closed
דיזינגוף 50 תל אביב	36349805	Sun - Thu 9-8:30, Fri: 9-14, Saturday - closed
ז'בוטינסקי 72 פתח תקווה	35420259	Sun - Thu 9:30-9:30; Fri 9:30-15:00; Saturday - half an hour after Shabbat is over till 23:00
שדרות דוד בן גוריון 21, אשקלון	86845294	Sun - Thu 9-9:30, Fri: 9-3;30, Saturday - Hour after Shabat is over till 11
רבי עקיבא 36	35420558	Sun - Thu 9-10, Fri: 10-12:30, Saturday - Closed
יוספטל 92, בת ים	35420232	Sun - Thu 9-9:30, Fri: 9-3;30, Saturday - Hour after Shabat is over till 11
דן שכטמן 10, חדרה	NA	
יהודה הלי 1, טבריה	35420242	
קניון עופרים, ירכא	722748888	Sun - Thu 10-10, Fri: 10-10, Saturday - 10-10
ברל כצנלסון 14, כפר סבא	35420234	Sun - Thu 9-9:30, Fri: 9-3;30, Saturday - Hour after Shabat is over till 11
מעלה הכמון 2, כרמיאל	35420212	Sun - Thu 9-9:30, Fri: 9-3;30, Saturday - Hour after Shabat is over till 11
תופיק זאיד 53, נצרת	35420526	Sun - Thu 10-10, Fri: 10-3;30, Saturday - Hour after Shabat is over till 11
שדרות ההסתדרות 45, לב המפרץ	35420524	Sun - Thu 9-9:30, Fri: 9-3;30, Saturday - Hour after Shabat is over till 11
גברל פייר קניג 26, ירושלים	25004385	Sun - Thu 9-9:30, Fri: 9-3;30, Saturday - Hour after Shabat is over till 11

Customer review statistics on eight products from Il Makiage and SpoiledChild aggregated on April 7th, April 29th, 2024, and May 11th, 2024 (Zoom in for the details):

April 7th, 2024

Woke Up Like This Foundation						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	1,006,331	611,777	204,399	120,261	36,560	33,334
Date of newest review	4/7/2024	4/7/2024	4/7/2024	4/7/2024	2/29/2024	2/29/2024
*Power Lift Plumping Cream						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	28,978	20,183	5,383	2,643	406	363
Date of newest review	4/7/2024	4/7/2024	4/7/2024	4/6/2024	2/29/2024	2/29/2024
*I*ck I'm Flawless* Concealer						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	291,124	199,206	51,444	23,429	7,548	9,397
Date of newest review	4/7/2024	4/7/2024	4/7/2024	4/7/2024	2/29/2024	2/29/2024
No Filter Primer						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	162,228	117,425	25,207	13,145	2,874	3,577
Date of newest review	4/7/2024	4/7/2024	4/7/2024	4/7/2024	2/29/2024	2/29/2024
E27 Extra Strength Liquid Collagen						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	71,066	55,142	10,648	3,232	842	1,202
Date of newest review	4/7/2024	4/7/2024	4/7/2024	3/21/2024	3/21/2024	3/21/2024
A22 Biotin Boost Hair + Scalp Serum						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	27,070	15,962	3,297	1,288	990	1,128
Date of newest review	4/7/2024	4/7/2024	4/7/2024	3/21/2024	3/21/2024	3/21/2024
S24 Rapid Recovery Hair Mask						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	18,282	11,492	3,051	1,872	818	1,049
Date of newest review	4/7/2024	4/7/2024	4/6/2024	3/21/2024	3/21/2024	3/21/2024
J29 Apple Cider Vinegar + Probiotics Nutraceuticals						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	8,101	6,225	1,115	395	153	213
Date of newest review	4/7/2024	4/7/2024	4/7/2024	3/21/2024	3/21/2024	3/21/2024
April 29th, 2024						
Woke Up Like This Foundation						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	1,017,105	619,093	206,355	121,590	36,638	33,429
Date of newest review	4/29/2024	4/29/2024	4/29/2024	4/29/2024	4/9/2024	4/9/2024
*Power Lift Plumping Cream						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	30,968	21,545	5,738	2,894	416	375
Date of newest review	4/29/2024	4/29/2024	4/29/2024	4/28/2024	4/9/2024	4/9/2024
*I*ck I'm Flawless* Concealer						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	295,188	201,977	52,509	23,999	7,573	9,435
Date of newest review	4/29/2024	4/29/2024	4/29/2024	4/29/2024	4/9/2024	4/9/2024
No Filter Primer						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	167,402	121,208	25,953	13,720	2,903	3,618
Date of newest review	4/29/2024	4/29/2024	4/29/2024	4/29/2024	4/9/2024	4/9/2024
E27 Extra Strength Liquid Collagen						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	83,584	64,117	12,861	4,042	1,085	1,479
Date of newest review	4/29/2024	4/29/2024	4/29/2024	4/13/2024	4/13/2024	4/13/2024
A22 Biotin Boost Hair + Scalp Serum						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	27,942	16,663	5,968	3,427	852	1,032
Date of newest review	4/29/2024	4/29/2024	4/29/2024	4/13/2024	4/13/2024	4/13/2024
S24 Rapid Recovery Hair Mask						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	18,880	11,806	3,149	1,940	934	1,051
Date of newest review	4/29/2024	4/29/2024	4/29/2024	4/13/2024	4/12/2024	4/13/2024
J29 Apple Cider Vinegar + Probiotics Nutraceuticals						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	10,492	7,960	1,462	542	205	273
Date of newest review	4/29/2024	4/29/2024	4/29/2024	4/13/2024	4/13/2024	4/13/2024
May 11th, 2024						
Woke Up Like This Foundation						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	1,021,664	622,173	207,291	122,133	36,638	33,429
Date of newest review	5/11/2024	5/11/2024	5/11/2024	5/11/2024	4/9/2024	4/9/2024
*Power Lift Plumping Cream						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	31,760	22,124	5,874	2,971	416	375
Date of newest review	5/11/2024	5/11/2024	5/11/2024	5/11/2024	4/9/2024	4/9/2024
*I*ck I'm Flawless* Concealer						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	296,980	203,172	52,557	24,243	7,573	9,435
Date of newest review	5/11/2024	5/11/2024	5/11/2024	5/11/2024	4/9/2024	4/9/2024
No Filter Primer						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	171,594	122,835	28,287	13,951	2,903	3,618
Date of newest review	5/11/2024	5/11/2024	5/11/2024	5/11/2024	4/9/2024	4/9/2024
E27 Extra Strength Liquid Collagen						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	88,559	67,605	13,725	4,423	1,181	1,625
Date of newest review	5/11/2024	5/11/2024	5/11/2024	4/25/2024	4/25/2024	4/25/2024
A22 Biotin Boost Hair + Scalp Serum						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	28,528	17,003	6,083	3,496	875	1,071
Date of newest review	5/11/2024	5/11/2024	5/11/2024	4/25/2024	4/25/2024	4/25/2024
S24 Rapid Recovery Hair Mask						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	19,127	11,959	3,189	1,976	943	1,060
Date of newest review	5/11/2024	5/11/2024	5/9/2024	4/24/2024	4/24/2024	4/25/2024
J29 Apple Cider Vinegar + Probiotics Nutraceuticals						
Number of reviews	Total	Five Stars	Four Stars	Three Stars	Two Stars	One Star
In % of total reviews	11,355	8,557	1,598	649	240	311
Date of newest review	5/11/2024	5/11/2024	5/11/2024	4/25/2024	4/25/2024	4/24/2024

Lawsuits (incl. link to the dockets) connected to ODDITY Tech Ltd. and its subsidiaries in Israel:

ODDITY Tech Ltd.

ת"ט 27991-03-23 אודיטי טק בע"מ נ' ברוכוב
ד"מ 61385-07-23 AZMERA נ' מ.מ. גלואו בע"מ ואח'
ת"ט 56189-07-23 אודיטי טק בע"מ נ' נגר
תאד"מ 29929-05-23 ברעד נ' אודיטי טק בע"מ
ת"ט 57481-12-22 אודיטי טק בע"מ נ' טאקלה

IL Makiage Cosmetics (2013) Ltd.

ת"ט 56263-09-14 איל מקיאג' קוסמטיקה (2013) בע"מ נ' בן לולו
ת"ק 60985-01-20 שטוביה נ' איל מקיאג' קוסמטיקה (2013) בע"מ
ת"צ 14839-12-20 דגש נ' ב.א. זול סטוק הפצה בע"מ ואח'
ת"ק 11349-06-20 ישראלי נ' איל מקיאג' קוסמטיקה (2013) בע"מ
ד"מ 60903-07-20 נבולסקיך נ' איל מקיאג' קוסמטיקה (2013) בע"מ
ע"ע 20529-04-21 איל מקיאג' קוסמטיקה (2013) בע"מ נ' דמרי
ת"ק 40531-10-16 סיבוני נ' איל מקיאג' קוסמטיקה (2013) בע"מ
ת"ק 68082-01-17 כהן נ' איל מקיאג' קוסמטיקה (2013) בע"מ
ת"ק 12646-09-16 כהן נ' איל מקיאג' קוסמטיקה (2013) בע"מ
ת"ק 26932-09-13 [חסיון 70 (ג)] נ' איל מקיאג' קוסמטיקה (2013) בע"מ
תא"מ 68794-06-20 מאירי נ' איל מקיאג' קוסמטיקה (2013) בע"מ
ת"א 11664-12-13 בוחניק ואח' נ' איל מקיאג' קוסמטיקה (2013) בע"מ
ת"ק 44337-05-16 גוטמן נ' איל מקיאג' קוסמטיקה (2013) בע"מ
ת"ק 43867-04-17 אוסטרוביץ נ' איל מקיאג' קוסמטיקה (2013) בע"מ
ת"ק 5011-11-15 דולב נ' איל מקיאג' קוסמטיקה (2013) בע"מ
תא"מ 29870-07-15 איל מקיאג' קוסמטיקה (2013) בע"מ נ' בראון
סע"ש 17788-11-13 רגב נ' איל מקיאג' קוסמטיקה (2013) בע"מ
תא"מ 29648-02-19 דהן נ' איל מקיאג' קוסמטיקה (2013) בע"מ
ת"ק 55014-06-21 נורילוב נ' איל מקיאג' קוסמטיקה (2013) בע"מ
תא"מ 73726-01-20 מירם אל הבול ייבוא וייצור ושיווק מכשירי כתיבה ואלבו נ' איל מקיאג' קוסמטיקה (2013) בע"מ
ת"ק 15945-12-18 כץ נ' איל מקיאג' קוסמטיקה (2013) בע"מ
תא"מ 64433-06-16 איל מקיאג' קוסמטיקה (2013) בע"מ נ' בן סימון ואח'
ת"ק 24616-08-16 אמר נ' איל מקיאג' קוסמטיקה (2013) בע"מ
סע"ש 65880-08-21 אבגי נ' איל מקיאג' קוסמטיקה (2013) בע"מ
ת"ק 14076-09-15 חרש נ' איל מקיאג' קוסמטיקה (2013) בע"מ
ת"א 41703-08-19 אבו שארב נ' איל מקיאג' קוסמטיקה (2013) בע"מ
תא"מ 35326-09-14 איל מקיאג' קוסמטיקה (2013) בע"מ נ' זחאלקה
ת"צ 21533-01-16 עקיבא נ' איל מקיאג' קוסמטיקה (2013) בע"מ
תא"מ 22041-03-17 איל מקיאג' קוסמטיקה (2013) בע"מ נ' אלעברה
תא"מ 41874-12-17 איל מקיאג' קוסמטיקה (2013) בע"מ נ' עודת אללה
ת"ק 13995-02-16 לוי נ' איל מקיאג' קוסמטיקה (2013) בע"מ
ת"ק 5770-06-15 בנון נ' איל מקיאג' קוסמטיקה (2013) בע"מ
ת"ק 37478-01-20 גבעון נ' איל מקיאג' קוסמטיקה (2013) בע"מ

סע"ש 11925-10-14 שלמייב נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 8797-04-15 ברש נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תא"מ 30859-03-17 איל מקיאג' קוסמטיקה (2013) בע"מ נ' אלעוברה
 ת"ק 37223-10-14 פרסקי נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תא"מ 23803-06-17 זרו נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תא"מ 53346-12-19 אגאי נ' איל מקיאג' בע"מ ואח'
 ת"ק 14549-06-15 אונגר ואח' נ' איל מקיאג' בע"מ ואח'
 ת"ק 47923-12-18 קפון נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 30707-10-18 דגול יונה נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 2672-09-14 ברזילי נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 17854-01-17 דדון נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 24680-09-20 אבו בליב נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ט 42040-02-15 איל מקיאג' קוסמטיקה (2013) בע"מ נ' בורוכוב
 ד"מ 2465-02-15 מזוז נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תא"מ 28093-01-18 איל מקיאג' קוסמטיקה (2013) בע"מ נ' בושארי
 תא"מ 20845-05-19 מרעי נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 37289-12-16 וורנר ואח' נ' איל מקיאג' קוסמטיקה (2013) בע"מ ואח'
 תאד"מ 36591-06-21 פיינ נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ט 15447-12-20 איל מקיאג' קוסמטיקה (2013) בע"מ נ' אבן עתמי
 סע"ש 72424-01-18 חאג' נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 39232-08-18 דרור נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ד"מ 62265-03-14 מיה נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 30078-10-15 הוארי נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"צ 26737-12-15 בר נוי נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 41888-09-14 זחאלקה נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ט 47060-01-19 איל מקיאג' קוסמטיקה (2013) בע"מ נ' טבע
 ת"ק 43435-01-16 בהן נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 69243-03-17 מלמד נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 41743-01-15 מימון נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"א 14432-07-16 קספר ואח' נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ע"א 25896-12-21 איל מקיאג' קוסמטיקה (2013) בע"מ נ' פורת
 ת"ק 34275-12-18 ג'ריס נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 15-06-16 נגוסה נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 37060-09-14 חנה נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 20531-01-19 לפק נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ע"ע 51595-04-17 איל מקיאג' קוסמטיקה (2013) בע"מ ואח' נ' צפור
 ת"ק 35264-10-15 סעדון נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 19100-03-17 פחימה נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 897-02-14 ישראל נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 44446-11-20 מיכאל נ' איל מקיאג' קוסמטיקה (2013) בע"מ ואח'
 ת"ק 27055-08-18 גרינברג נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"צ 59346-03-17 אור חן נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 56808-06-14 שניידר נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 12576-01-15 אזולאי נ' איל מקיאג' קוסמטיקה (2013) בע"מ

ד"מ 66294-12-20 tsega נ' א.ס טהר בע"מ ואח'
 ת"ק 67886-09-19 פרי ואח' נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"צ 60104-09-17 עקיבא נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תא"מ 18384-05-18 איל מקיאג' קוסמטיקה (2013) בע"מ נ' וקנין
 תא"מ 18079-01-18 איל מקיאג' קוסמטיקה (2013) בע"מ נ' עודת אללה
 ת"ק 65823-12-15 בן סעדון נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 13807-08-13 בן שלוש נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 45359-11-16 רפאלי פלד נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 49578-08-20 סלמונסון נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 65338-05-19 עבד אללטיף נ' ישראלכרט בעמ ואח'
 ת"ק 26847-05-17 אבישר נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 23622-10-18 זיזוב נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ט 33459-08-14 איל מקיאג' קוסמטיקה (2013) בע"מ נ' חופית
 תא"מ 21518-04-18 איל מקיאג' קוסמטיקה (2013) בע"מ נ' סוס
 ת"ק 10636-08-16 ווינשטיין נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 32683-12-14 לביא נ' איל מקיאג' קוסמטיקה (2013) בע"מ ואח'
 ת"ט 24223-01-16 איל מקיאג' קוסמטיקה (2013) בע"מ נ' טלקר
 ת"ק 6069-08-18 טייברג נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ע"ע 2849-01-20 זר נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ד"מ 18730-11-16 מלמד סגלוביץ נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 סע"ש 55026-05-17 פלמן נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 סע"ש 1544-06-16 רפאילוב נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תאד"מ 42846-07-22 דוידוב נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תא"מ 2853-05-15 איל מקיאג' קוסמטיקה (2013) בע"מ נ' גיל
 סע"ש 20088-01-18 שניידמסר נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 5524-07-19 דמרי נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 65959-05-18 ביבס נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 6240-03-17 בנטל נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 50942-06-15 עומר נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 50399-02-17 שקד נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 55500-03-16 עמר נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"צ 54471-03-22 ברק נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 28276-02-14 ליטבק נ' איל מקיאג' קוסמטיקה (2013) בע"מ ח.פ 5149362269 ואח'
 ת"א 8524-10-15 אילות השקעות בנכסים (כפר סבא) 1992 בע"מ ואח' נ' איל מקיאג' קוסמטיקה (2013) בע"מ ואח'
 ת"ק 17059-05-16 אברג'ל נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ט 43766-12-15 איל מקיאג' קוסמטיקה (2013) בע"מ נ' שוורץ
 תא"מ 70161-01-19 איל מקיאג' קוסמטיקה (2013) בע"מ נ' אבו חלא
 ת"א 41665-08-19 אבו עגינה נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ט 30208-05-16 איל מקיאג' קוסמטיקה (2013) בע"מ נ' כהן
 ת"ק 5907-01-21 בדר נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 36280-08-18 חדד ואח' נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תא"מ 69772-12-18 דדון יעקב ודדון שלמה ואח' נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ק"ג 32696-02-21 הראל פנסיה וגמל בע"מ נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 46008-01-15 גולדפרב נ' איל מקיאג' קוסמטיקה (2013) בע"מ

ס"ע 38206-06-18 ינושבסקי נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 50035-10-17 ברט נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 סע"ש 780-11-21 אזרד נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תא"מ 2839-05-15 איל מקיאג' קוסמטיקה (2013) בע"מ נ' גיל
 ת"ק 35917-11-16 הרוש נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 סע"ש 63754-10-21 מימון-ונה נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 רת"ק 56012-01-16 איל מקיאג' קוסמטיקה (2013) בע"מ נ' הוארי
 ת"ק 10558-08-14 סולימנדה נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 4576-01-16 הולנדר נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תא"מ 47266-09-16 איל מקיאג' קוסמטיקה (2013) בע"מ נ' חג'ג' כהן
 תא"מ 10292-12-17 איל מקיאג' קוסמטיקה (2013) בע"מ נ' סויסה ואח'
 ת"ט 48005-09-16 איל מקיאג' קוסמטיקה (2013) בע"מ נ' שרון
 ת"ת 35794-07-16 שהר צאיג דפוס פלוס בע"מ נ' איל מקיאג' קוסמטיקה (2013) בע"מ ואח'
 ת"ק 31996-11-14 פונרוב נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 39674-12-15 אלגלי נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 6299-11-16 ליטני נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ט 38310-02-17 איל מקיאג' קוסמטיקה (2013) בע"מ נ' פיקארד
 פלוני נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 2873-12-14 בורוכוב נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 66089-03-17 חייאייב נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 33706-01-20 שמעוני נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תא"מ 11813-05-19 בושרי נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 סע"ש 17322-09-17 זר נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 68960-01-17 לוי נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 12633-07-14 בללי נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 14678-09-21 דניאל נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ט 5445-08-21 איל מקיאג' קוסמטיקה (2013) בע"מ נ' אבו סבית
 ת"ק 16643-12-16 מגן נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 58366-09-20 הרמן נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 2344-09-14 פרץ נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 55048-01-17 פאָרס נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 63268-02-16 פיקאר נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תא"מ 19284-12-19 פורת נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תאד"מ 20184-11-20 איל מקיאג' קוסמטיקה (2013) בע"מ נ' אבו עשיבה
 תאד"מ 34766-06-21 יצחק חיים ואח' נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 סע"ש 65762-03-18 לוי נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ט 12269-11-20 איל מקיאג' קוסמטיקה (2013) בע"מ נ' עאבד
 סע"ש 14082-08-14 ציפור נ' איל מקיאג' קוסמטיקה (2013) בע"מ ואח'
 רת"ק 12992-01-21 איל מקיאג' קוסמטיקה (2013) בע"מ נ' שטוביה
 ת"ק 22369-08-20 אילוז ואח' נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 45898-07-15 מהלר נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 60635-12-13 סנש נ' איל מקיאג' קוסמטיקה (2013) בע"מ ואח'
 סע"ש 51023-11-19 בשיר נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תא"מ 17348-02-19 וקנין נ' איל מקיאג' קוסמטיקה (2013) בע"מ

ת"ק 4677-01-17 זלמנוביץ נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 סע"ש 32899-08-16 מוכעאבל נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 39524-06-16 כהן נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 סע"ש SEMRET GEBREHIW 6588-03-21 ואח' נ' בע"מ ואח'
 ת"ט 20269-12-20 איל מקיאג' קוסמטיקה (2013) בע"מ נ' דיאב
 ת"ק 38444-07-15 סירדה נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 35580-03-15 מרדכי נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"צ 9752-02-15 חנא נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תאד"מ 20076-03-22 אבו אל קיעאן נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 21368-10-19 שדה נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 29916-03-21 אבו שארב ואח' נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 13987-11-18 פינטוק נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תא"מ 31101-02-15 איל מקיאג' קוסמטיקה (2013) בע"מ נ' בקר
 ת"ק 16667-07-14 גלס נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תא"מ 51532-07-14 איל מקיאג' קוסמטיקה (2013) בע"מ נ' ממן
 ת"ק 34736-12-14 קלוש נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תאד"מ 39859-03-21 גבראיי נ' אי.אר.אן. ישראל בע"מ ואח'
 סע"ש 16319-03-22 אוקוביט נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 53568-11-14 כהן נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תא"מ 36256-06-19 בשארי נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 32507-11-15 יוספזון בוסני נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"א 23339-03-21 לסקין נ' לסקין(פורמלי) ואח'
 ת"ק 27432-05-17 אשר נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 39501-12-21 לוי נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תא"מ 6023-06-15 חזן נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 52830-05-15 בביאן נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תא"מ 40989-09-19 אביקסיס נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ט 70893-01-17 איל מקיאג' קוסמטיקה (2013) בע"מ נ' בן סימון
 ת"ק 49063-02-17 טוויזר נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"א 56434-07-21 קניון העיר תל אביב בע"מ נ' איל מקיאג' קוסמטיקה (2013) בע"מ ואח'
 ת"ק 42247-09-18 עמוס רוזנברגר נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 11-12-16 שרון נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ק 23149-02-21 טוצילרו נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ד"מ 38635-07-14 לוי נ' איפור מקצועי הפעלה בע"מ ואח'
 סע"ש 24127-04-18 דמרי נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 ת"ט 23498-03-17 איל מקיאג' קוסמטיקה (2013) בע"מ נ' אלעוברה
 ת"צ 62443-01-14 פיליבה נ' איל מקיאג' קוסמטיקה (2013) בע"מ ואח'
 תא"מ 74368-12-20 סנדר נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 תא"מ 13400-06-17 איל מקיאג' קוסמטיקה (2013) בע"מ נ' אבו חדיר
 ת"ק 40249-07-13 אשטמקר נ' איל מקיאג' קוסמטיקה (2013) בע"מ
 רע"צ 16-04-1075 גיגי נ' בנק הפועלים ואח'

ת"ק 72585-07-19 ייבין נ' איל מקיאג' בע"מ
רער"צ 14490-03-23 אהרון נ' איל מקיאג' בע"מ ואח'
תא"מ 53346-12-19 אגאי נ' איל מקיאג' בע"מ ואח'
ת"ק 1476-01-19 כהן ואח' נ' איל מקיאג' בע"מ
ת"ק 42664-03-19 אילוז ואח' נ' איל מקיאג' בע"מ
ת"ק 48896-07-23 חג'ג' נ' איל מקיאג' בע"מ
ת"ק 24453-03-23 שטיפניוק נ' איל מקיאג' בע"מ
ת"ק 29803-07-23 גואטה נ' איל מקיאג' בע"מ
תאד"מ 53220-07-22 טאקלה נ' איל מקיאג' בע"מ
ת"ק 25411-02-20 נעאמי ואח' נ' איל מקיאג' בע"מ
ת"ק 16923-11-22 לוי נ' איל מקיאג' בע"מ

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ת"ק 23-03-45400 רופא נ' איל מקיאג' ביוטי איי.אל בע"מ