

A close-up portrait of a young woman with dark hair, smiling broadly with her eyes closed. The image is the background for the text.

waldencast[®]

TD Cowen 7th Annual Future of the Consumer Conference

June 2023

Disclaimer

Cautionary Statement Regarding Forward-Looking Statements

Statements in this release that are not historical, are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements regarding Waldencast's outlook and guidance for Fiscal 2023; and any assumptions underlying any of the foregoing. Words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "plan," "predict," "project," "should," and "will" and variations of such words and similar expressions are intended to identify such forward-looking statements.

These forward-looking statements are not guarantees of future performance, conditions or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside the control of Waldencast, that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements. Important factors, among others, that may affect actual results or outcomes include, but are not limited to: (i) the inability to recognize the anticipated benefits of the transactions with Obagi Skincare and Milk Makeup; (ii) changes in general economic conditions, including as a result of continuing inflationary pressure and the COVID-19 pandemic, (iii) the ability to continue to meet Nasdaq's listing standards; (iv) volatility of Waldencast's securities due to a variety of factors, including Waldencast's inability to implement its business plans or meet or exceed its financial projections and changes; (v) the ability to implement business plans, forecasts, and other expectations, and identify and realize additional opportunities; and (vi) the ability of Waldencast to implement its strategic initiatives and continue to innovate Obagi Skincare's and Milk Makeup's existing products and anticipate and respond to market trends and changes in consumer preferences.

These and other risks, assumptions and uncertainties are more fully described in the Risk Factors section of our Registration Statement on Form F-1 (File No. 333-267053), originally filed with the Securities and Exchange Commission (the "SEC") on August 24, 2022 and as thereafter amended, and in our other documents that we file or furnish with the SEC, which you are encouraged to read.

Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. Accordingly, you are cautioned not to rely on these forward-looking statements, which speak only as of the date they are made. The degree to which global economic conditions and/or COVID-19 may adversely affect Waldencast's results and operations, including its ability to achieve its outlook and guidance for Fiscal 2023, will depend on numerous evolving factors and future developments, which are highly uncertain, including, but not limited to, federal, state and local governmental policies and interest rate adjustments by the Federal Reserve, the ongoing conflict in Ukraine, and initiatives designed to reduce the transmission of COVID-19 and emerging new variants and how quickly and to what extent normal economic and operating conditions can resume. As a result, the impact on Waldencast's financial and operating results cannot be reasonably estimated with specificity at this time, but the impact could be material. Waldencast expressly disclaims any current intention, and assumes no duty, to update publicly any forward-looking statement after the distribution of this release, whether as a result of new information, future events, changes in assumptions or otherwise. Waldencast gives no assurance that the combined company will achieve its expectations.

Reconciliation of Non-GAAP Financial Measures

The financial information and data contained in this release have not been audited in accordance with the standards of the Public Company Accounting Oversight Board and does not conform to Regulation S-X.

Waldencast separately reports financial results on the basis of adjusted gross margin, adjusted EBITDA and adjusted EBITDA margin, which are non-GAAP financial measures. See the attached tables for a reconciliation of adjusted gross margin, adjusted EBITDA and adjusted EBITDA margin to net sales and net income (loss), which are the most directly comparable GAAP financial measures.

For Obagi Skincare, adjusted gross margin excludes the sales related to the China distributor under a transition services agreement, the impact of Obagi Skincare's related party sales to the China distributor, and the impact of the inventory fair value step-up as a result of the business combination accounting. For Milk Makeup, adjusted gross margin excludes the impact of the inventory fair value step-up as a result of the business combination accounting.

Adjusted EBITDA is defined as net income (loss) excluding the impact of income tax benefit, interest expense, net, depreciation and amortization and the transaction costs, non-cash items, and certain non-recurring income and expense that do not occur regularly as part of the normal activities of Obagi Skincare and Milk Makeup.

Adjusted EBITDA margin is defined as adjusted EBITDA divided by net sales.

Waldencast believes the non-GAAP measures of adjusted gross margin, adjusted EBITDA and adjusted EBITDA margin provide useful information to management and investors regarding certain financial and business trends relating to its financial condition and results of operations. Waldencast believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends in comparing its financial measures with other similar companies, many of which present similar non-GAAP financial measures to investors. These non-GAAP measures also provide perspective on how Waldencast's management evaluates and monitors the performance of the business and provides a view on how the on-going operating company performs. These non-GAAP financial measures are subject to inherent limitations as they reflect the exercise of judgments by management about which expense and income are excluded or included in determining these non-GAAP financial measures.

Comparable net sales for Obagi Skincare in predecessor periods excludes sales related to its former Obagi China business.

In addition, the Company has presented the comparative quarterly results that combine the predecessor and post-acquisition periods for Obagi Skincare and the pre and post-acquisition periods for Milk Makeup. Under U.S. Generally Accepted Accounting Principles ("GAAP"), the periods prior to and subsequent to the acquisition date should not be combined, and Milk Makeup's pre-acquisition period should not be included. Management believes these non-GAAP comparative quarterly results provide a perspective on the on-going performance of the combined companies' operations.





Our ambition is to build a global best-in-class beauty and wellness multi-brand platform by creating, acquiring, accelerating, and scaling the next generation of high-growth, purpose-driven brands



A platform poised for long-term profitable growth



House of brands built for scale and speed



Pure-play in beauty



Diversified portfolio

(category, channel, geography, price point)



Significant opportunity for accelerated long-term growth



Proven model with sustained profitability



World-class management teams with deep operating experience and expertise

US Beauty continues its strong momentum growing double-digit despite economic uncertainties

BEAUTY

+16%

Value Growth

+14%

Unit Growth

MAKE UP

+24%

Value Growth

+19%

Unit Growth

SKIN CARE

+11%

Value Growth

+12%

Unit Growth

Prestige Beauty grew double digit in 2022 and has continued into early 2023, as sales continue to go up as confidence went down, another illustration of the “lipstick effect” and “treat” mindset.

Makeup back to pre-pandemic levels in units, slightly behind on value due to mix with the lower price points while the Lip category is growing fast, recovering from the pandemic mask dip.

Skin Care momentum continues, driven by the medicalisation of beauty and the desire for more effective, science backed skin care with 39% of US Skincare consumers (Gen X or Older) feel it’s important for skin care products to be recommended by a doctor.



Source: NPD US March 2023. US Dollar & Units Sales Growth. Mintel 2023 Global Beauty & Personal Care Trends.

Strictly confidential. Property of Waldencast.

Waldencast has the leading brands in two of the most resilient high-growth beauty markets

OBAGI®

Leading physician-dispensed brand

Attractive growth potential and strong anchor capabilities in skin health, complemented by a robust financial and operational backbone

#1

Perceived best performing brand among US providers¹

80+

Patents worldwide²



Milk

MAKEUP

Leading clean makeup brand

Cult following among Gen-Z consumers known for its cultural relevance and iconic products. Anchored by strong community in a rapidly growing makeup segment

#2

Clean brand at Sephora US³

2.2M

Instagram followers⁴



¹ "2020 Kline Physician-Dispensed Skincare: US Perception & Satisfaction Survey," Kline & Company

² Obagi Information

³ Sephora management

⁴ As of March 7th, 2023 9:00am ET



OBAGI®

Differentiated competitive advantage through a highly credentialed and sticky business model

Credentialed recommendation



Science-led rigorous testing driving transformative results



Full range of skin solutions



Highly specialized organization



We formulate leading products through three vectors of innovation

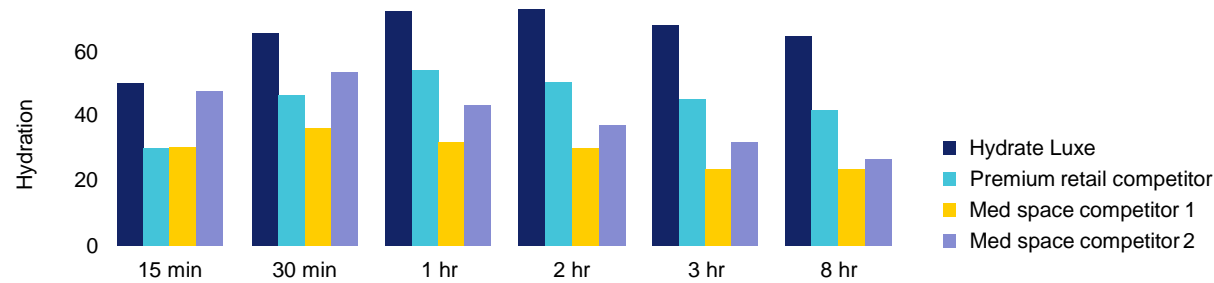
Characterization innovation	Benefit innovation	Ingredient innovation
Disease state Skin conditions	Performance strength	Mechanism of action Elastin maturation, collagen coiling
Population Urbanites, country of origin	Performance speed	Technical concept Inflammaging, urbanization
Claims Magnitude, incidence, speed, QoL	Indication Sagging, radiance	Ingredient
Instrument Cutometry, optical coherence tomography, hydration mapping, ballistometry		Product form Powder-to-liquid, anhydrous chassis



Our products outperform competitors across key attributes

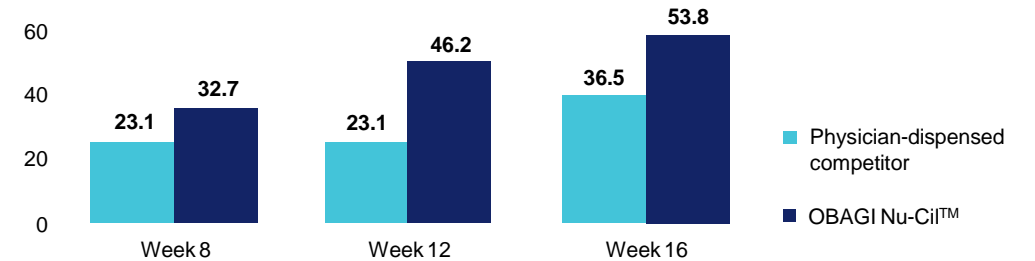
Hydrate Luxe® vs competitors

Instrumental assessment



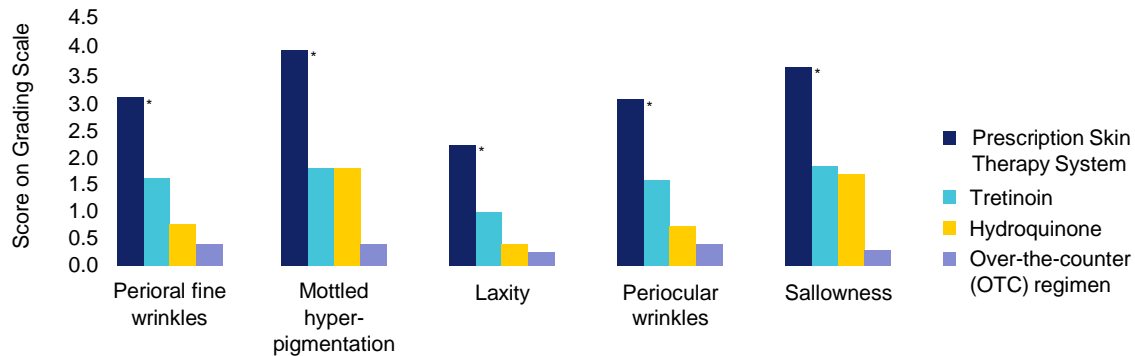
OBAGI Nu-Cil™ vs physician-dispensed competitor

% mean improvement in clinical grading (expert grader assessment) from baseline



OBAGI Nu-Derm® System vs competitors

Comparative efficacy at 24 weeks



Pro-C 20% vs competitor

Consumer preference



*P<0.05 vs comparators.

We test and demonstrate our transformative research-backed results in studies and visuals

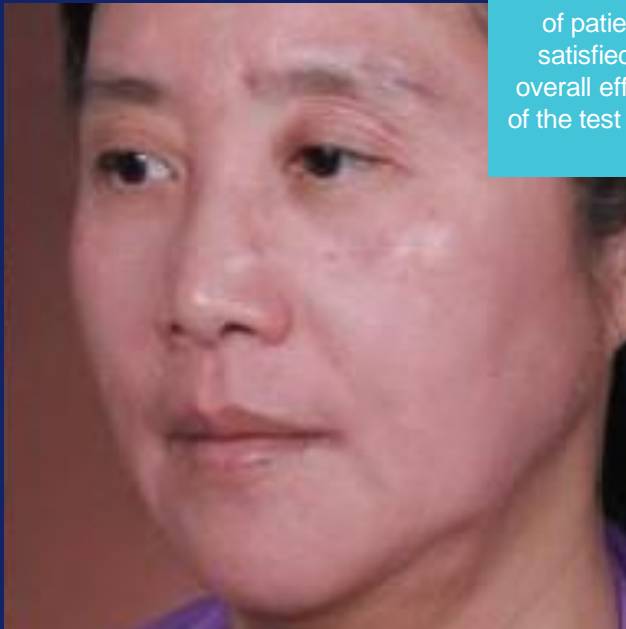
Case study: Nu-Derm®

93%
of patients rated their test treatment as more effective than other medications⁽²⁾



Baseline

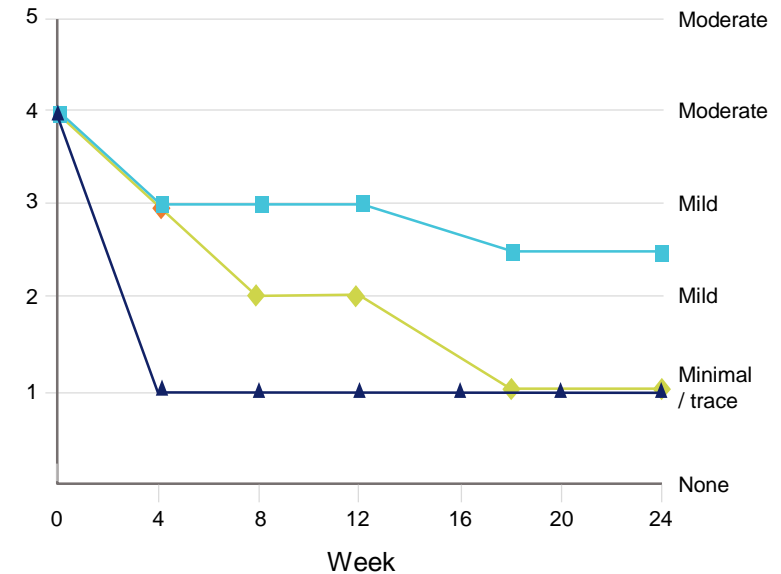
95%
of patients were satisfied with the overall effectiveness of the test treatment⁽²⁾



Week 4

Skin condition treated: Melasma⁽¹⁾

Median grade for melasma severity



- 4% hydroquinone skin care system + 0.025% tretinoin cream
- ◆ 4% hydroquinone skin care system + 0.05% tretinoin cream
- ▲ 4% hydroquinone skin care system + 0.1% tretinoin cream

Source: "Treating Melasma With a 4% Hydroquinone Skin Care System Plus Tretinoin Cream: Results From 3 Studies in A Variety Patient Types"; Authors: Michael Gold, MD; Suzanne Bruce, MD; Pearl Grimes, MD; Barry DiBernardo, MD; JoAnne Watson, DPM; Marta Rendon, MD, FAAD & Chere Lucas-Anthony, MD, FAAD; Number of subjects who completed the study: 61; ¹ A condition in which brown patches appear on the face. **P<.01, ***P<.001 versus baseline; ² Data as of week 24.

Note: For Important Safety Information, please see slide [66]; The photos have not been retouched, results may vary.



OBAGI GROWTH STRATEGY

Grow Core Medical

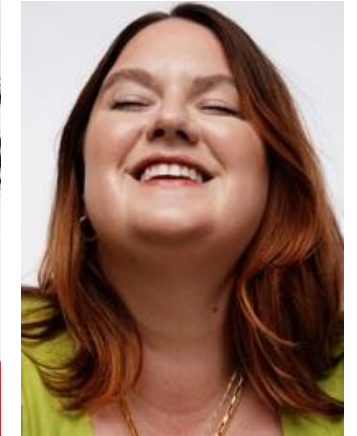
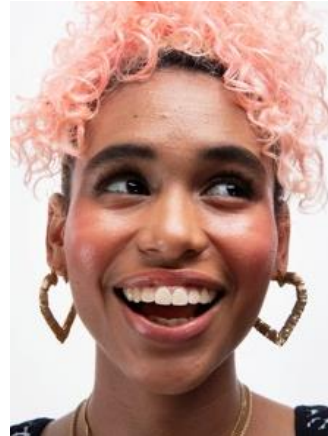
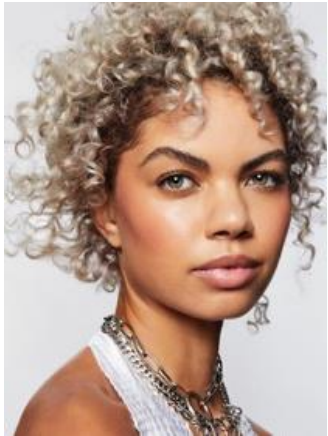
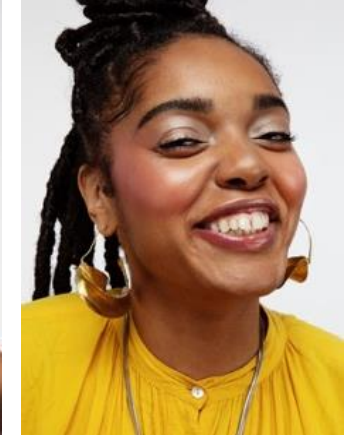
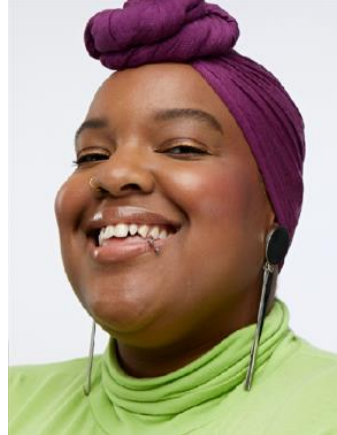
Strategic Growth Levers:

1. Expand US physician penetration
2. Expand portfolio breadth and depth
3. Expand US and international footprint



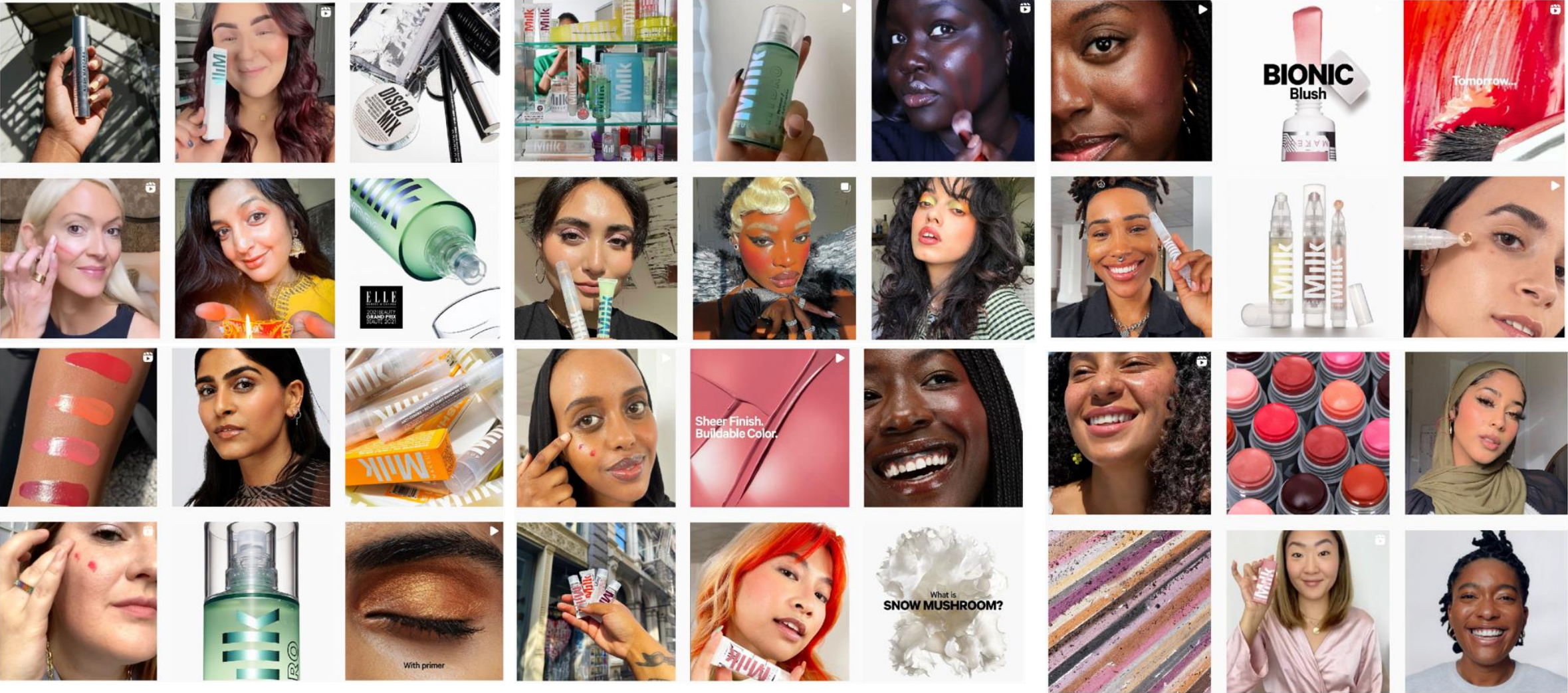
Milk
MAKEUP

BUILD THE TOP GLOBAL BEAUTY BRAND FOR THE NEXT GENERATION



OUR COMMUNITY IS OUR SUPERPOWER

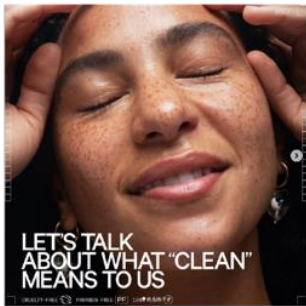
OUR DNA IS BUILT AROUND THEIR VALUES: SELF-EXPRESSION + INCLUSION + COMMUNITY



OUR VALUES ARE ALIGNED WITH THE NEXT GENERATION

WE BELIEVE IN DOING THE RIGHT THING FOR OUR COMMUNITY AND FOR THE PLANET

CLEAN FORMULAS



01 WE'RE LEAPING BUNNY CERTIFIED, CRUELTY-FREE, AND 100% VEGAN.
We don't test on animals at any stage, and none of our ingredients are derived from animals.

02 WE WILL NEVER USE OVER 2500 CONTROVERSIAL INGREDIENTS.
Our products will never contain the controversial and potentially harmful or irritating ingredients on our Ingredient Blacklist, including parabens, sulfates, plastic microbeads, and mineral oil.

03 WE'RE WORKING TOWARDS NEW FORMULAS BEING OVER 80% NATURAL.
We follow ISO 16128 guidelines, where natural means plant, mineral, and/or microbologically derived ingredients. We want to bring you products that are as natural as possible, while also not compromising on payoff and performance.

04 WE SOURCE INGREDIENTS FOR OUR PRODUCTS ETHICALLY AND RESPONSIBLY.
For any products containing mica or palm-derived ingredients, we only use ethically-sourced and sustainable mica and sustainability certified palm-derived ingredients.

05 WE'RE CERTIFIED "CLEAN AT SEPHORA."
We're proud to have Sephora's Clean Seal, which is based on a strict formulation charter prohibiting over 50 ingredients.

IMPROVING OUR FOOTPRINT

SUNSHINE SKIN TINT SPF 30 REFILL CARTRIDGE REDUCES PLASTIC BY UP TO 66%*
*COMPARED TO REPURCHASING FULL SIZE VERSION.

PETROLEUM-FREE PLANT-BASED INKS
MADE IN U.S.A.
RECYCLABLE

pact

SUPPORTING CONSERVATION INTERNATIONAL ON EARTH DAY
Milk x

RE-INVESTING IN OUR COMMUNITY



June 2021 Updates

Here Are Our 5 Commitments to Ourselves and Our Community.



Represent (Continued)

Below is the breakdown of our entire team in June 2021 compared to June 2020:

June 2021	June 2020
<small>Classed as 50 employees who completed the voluntary survey)</small>	<small>Classed as all employees)</small>
BPDC: 38%	
BLACK OR AFRICAN AMERICAN OR AFRICAN CARIBBEAN: 18%	AFRICAN AMERICAN OR AFRICAN CARIBBEAN: 9%
ASIAN OR ASIAN AMERICAN: 8%	ASIAN OR ASIAN AMERICAN: 9%
HISPANIC OR LATINO: 15%	HISPANIC OR LATINO: 14%
WHITE: 55%	WHITE: 68%
TWO OR MORE RACES: 4%	
DO NOT DISCLOSE: 2%	
82% WOMEN-IDENTIFYING	78% WOMEN-IDENTIFYING
16% MEN-IDENTIFYING	22% MEN-IDENTIFYING
2% GENDER FLUID	

HERO PRODUCTS IN DIVERSE CATEGORIES WITH CONSISTENT GROWTH

A SOLID BASE FOR FUTURE GROWTH. THE CALLING CARDS OF THE BRAND IN NEW MARKETS.



Hydro Grip Primer
\$36

3,657 ★★★★★ Reviews

Launch date: 2019



Sunshine Family¹
\$28 – \$42

1,217 ★★★★★ Reviews²

2021



KUSH Mascara
\$26

9,200 ★★★★★ Reviews

2018



Lip + Cheek
\$24

1,022 ★★★★★ Reviews

2016



Matte Bronzer
\$24

884 ★★★★★ Reviews

2016

Note: Number of 5-star reviews as per Sephora website on March 2, 2023 at 9am ET

¹ Includes Sunshine Skin Tint, Sunshine Under Eye Brightening Concealer and Sunshine Oil; ² Includes 338 5-star reviews for Sunshine Skin Tint, 357 5-star reviews for Sunshine Under Eye Brightening Concealer, and 522 5-star reviews for Sunshine Oil

OUR GROWTH ROADMAP

3 KEY LEVERS

GROW AWARENESS + COMMUNITY



DELIVER BREAKTHROUGH INNOVATION



EXPAND + INTERNATIONALIZE DISTRIBUTION



DELIVERING BREAKTHROUGH INNOVATION

BALANCED GROWTH WITH NEW LAUNCHES

STRATEGY TO REINFORCE CORE CATEGORIES MASCARA + PRIMER WHILE EXPANDING INTO COMPLEXION



LOOKING AHEAD: SIGNIFICANT CATEGORY EXPANSION OPPORTUNITIES

KEY FOCUS: REINFORCING CORE CATEGORIES WHILE WINNING IN NEW COMPLEXION BATTLEGROUND

Active + Whitespace Milk Categories¹

Established
 Emerging
 Whitespace³

	Mascara \$1.9B	Primer² \$0.3B	Blusher & Bronzer \$0.5B	Skin Tints \$2.3B
Make-up	Foundation / Concealer \$3.8B	Lash & Brow \$1.0B	Lip \$2.8B	Shadow \$0.5B
Category Expansion	Skincare \$21.9B	Haircare \$14.1B	Bath / Shower \$9.5B	Fragrance \$8.7B

Milk Makeup has the opportunity to grow through innovation and launches

Milk	330 SKUs ⁴
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v/s

Other Leading Make-Up Specialist Brands	1,500-7,000 SKUs
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¹ Market sizes reflect 2021E data for the USA market; Euromonitor International; Beauty & Personal Care and Color Cosmetics in the US, 2021ed, retail value sales, current prices, 2020 fixed ex rates

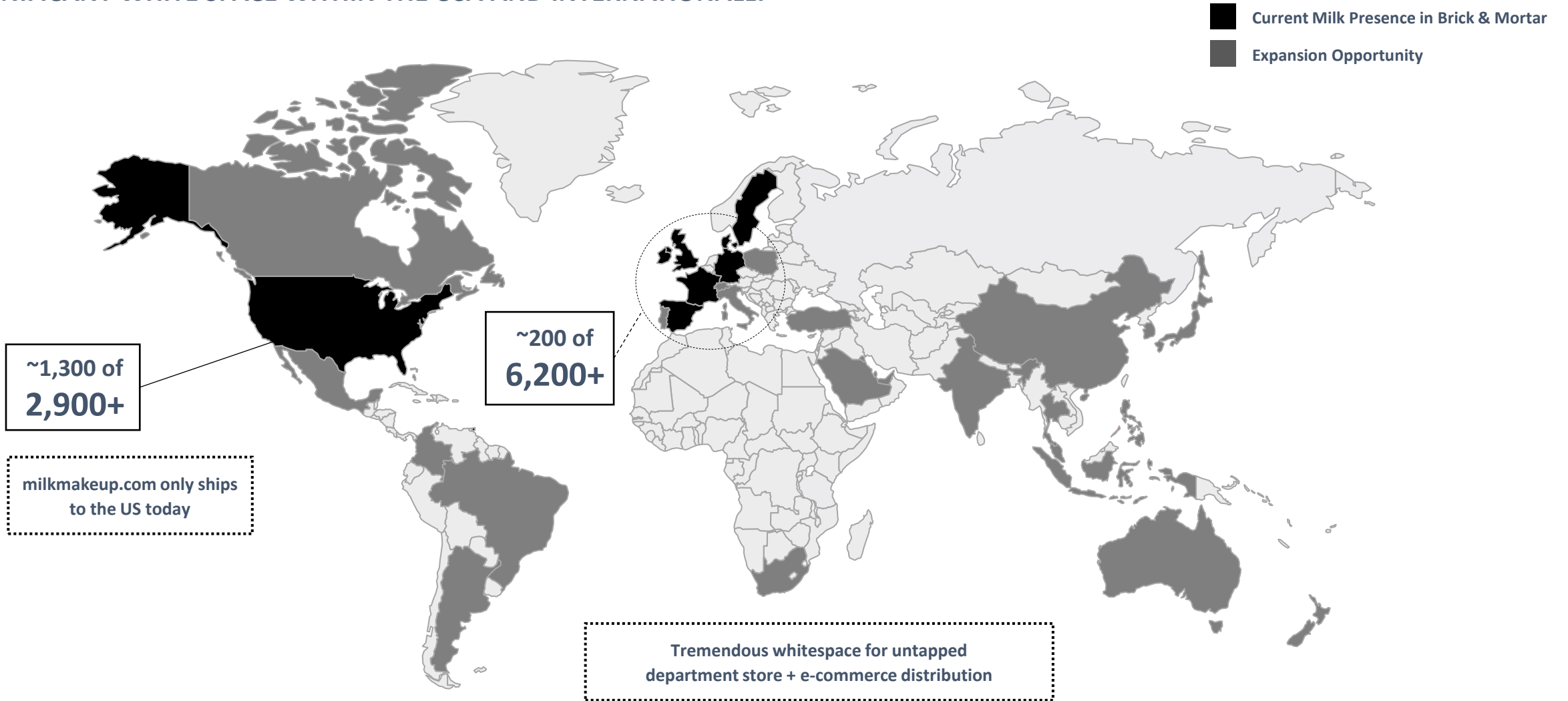
² Primer refers to EMI's category BB/CC creams and skin tints refers to EMI's premium foundation / concealer

³ Areas where management believes product offering expansions or introduction of new categories are possible

⁴ Milk internal sku count

EXPAND + INTERNATIONALIZE DISTRIBUTION

SIGNIFICANT WHITE SPACE WITHIN THE USA AND INTERNATIONALLY



Note: Door counts represent expansion opportunities in brick and mortar stores
Source: Retailer company websites



This is only the beginning...

TODAY

OBAGI®

Milk
MAKEUP

✓ Strong brand identity and equity	✓ High consumer affinity	✓ Differentiated offering and positioning	✓ Growing omnichannel presence	✓ Sustainable long-term growth	✓ Management team with deep operating experience
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FUTURE

Optimized multi-brand portfolio spanning:

CATEGORIES						
Skin	Color	Hair	Body	Wellness	Fragrance	Capabilities
GEOGRAPHIES						
Global	U.S.	Europe	APAC	LATAM		
CHANNELS						
Professional	Specialty	Online	Food / Drug / Mass			
PRICE POINTS						
Prestige	Masstige	Mass				



A platform poised for long-term profitable growth characterized by:

- Operational scale of a multi-brand platform
- Balanced portfolio in structurally attractive segments of the category
- Expertise in managing global beauty brands at scale
- Asset-light efficiency vs. slow, inflexible and costly traditional structures
- Strong alignment of management incentives to long-term value creation thru operational and capital allocation excellence

2 leading brands with unique positioning anchored in high customer affinity and strong brand equity

OBAGI®

Milk
MAKEUP

Resilient and high-growth markets that have weathered the macro turmoil faced by consumer markets

+16%

Beauty
Q1 2023
Value Growth

+24%

Make Up
Q1 2023
Value Growth

+11%

Skin Care
Q1 2023
Value Growth



Waldencast commitment to exemplary ESG



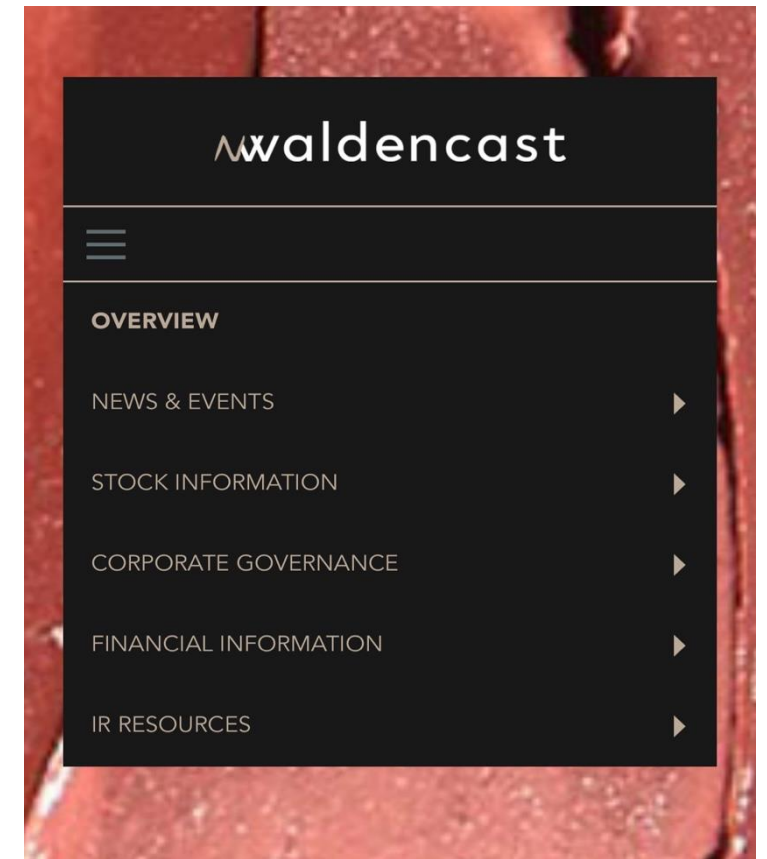
MMU Sustainability Commitments:
More Sustainable shipping + Outer Packaging
More Environmentally friendly packs + Refills
How To Recycle Partnerships with How2Recycle and
g2 revolution



MMU social philanthropy focuses on self-expression and equality for underrepresented LGBTQIAQ+ and BIPOC groups.

SKINCLUSION is Obagi's commitment to provide effective, science-based skin care for all skin tones. They were the 1st to design clinical research on all six Fitzpatrick skin types.

Strictly confidential. Property of Waldencast.



Public Company Best in Class governance with Best In Class board of Directors and Protocols.

