

A woman with dark hair, wearing a white top and gold hoop earrings, is shown in profile looking upwards. The background is a blue wooden door. The WaldenCast logo is overlaid in the center.

waldencast[®]

**Q2 2022 Earnings Presentation
August 2022**

Disclaimer

Cautionary Statement Regarding Forward-Looking Statements

Statements in this presentation 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 strategic initiatives; Waldencast's plans to expand internationally, including its distribution network and its categories and presence domestically and abroad; 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 Global Holdings Limited, a Cayman Islands exempted company limited by shares ("Obagi") and Milk Makeup LLC, a Delaware limited liability company ("Milk"); (ii) changes in general economic conditions, including as a result of 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 Obagi and Milk to implement their strategic initiatives and continue to innovate their 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 Factor section of our definitive proxy statement/final prospectus dated July 7, 2022, and filed by us with the SEC on July 7, 2022 and in our other documents that we file or furnish with the Securities and Exchange Commission (the "SEC"), which you are encouraged to read. To the extent that COVID-19 adversely affects our business and financial results, it may also have the effect of heightening many of such risk factors.

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. 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 presentation have not been audited in accordance with the standards of the Public Company Accounting Oversight Board and does not conform to Regulation S-X.

This presentation also includes certain financial measures not presented in accordance with U.S. generally accepted accounting principles ("GAAP") including Pro Forma Adjusted EBITDA and Pro Forma Adjusted EBITDA Margin. Waldencast defines Pro Forma Adjusted EBITDA as GAAP net income (loss) before interest income or expense, income tax expense, depreciation and amortization, and further adjusted for the following items: restructuring-related costs, transaction-related costs, losses on extinguishment of debt, gain on PPP loan forgiveness, stock-based compensation costs, inventory fair value adjustments, changes in fair value of warrant liabilities, losses on disposal of assets and foreign currency transaction gains and losses. Waldencast defines Pro Forma Adjusted EBITDA Margin as combined Pro Forma Company EBITDA divided by Pro Forma net revenue ("Pro Forma Adjusted EBITDA Margin"). These non-GAAP financial measures are not measures of financial performance in accordance with GAAP and may exclude items that are significant in understanding and assessing Waldencast's financial results. Therefore, these measures should not be considered in isolation or as an alternative to net income under GAAP. You should be aware that Waldencast's presentation of these measures may not be comparable to similarly-titled measures used by other companies. Waldencast believes these non-GAAP measures of financial results 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 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. Reconciliations of Pro Forma Adjusted EBITDA and Pro Forma Adjusted EBITDA Margin to net income, the most directly comparable GAAP financial measure, are included in this presentation.

This release also includes certain projections of non-GAAP financial measures. Due to the high variability and difficulty in making accurate forecasts and projections of some of the information excluded from these projected measures, together with some of the excluded information not being ascertainable or accessible, Waldencast is unable to quantify certain amounts that would be required to be included in the most directly comparable GAAP financial measures without unreasonable effort. Consequently, no disclosure of estimated comparable GAAP measures is included and no reconciliation of the forward-looking non-GAAP financial measures is included. For the same reasons, Waldencast is unable to address the probable significance of the unavailable information, which could be material to future results.





NWaldencast

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



Beauty is a proven and resilient, high-growth and highly profitable market

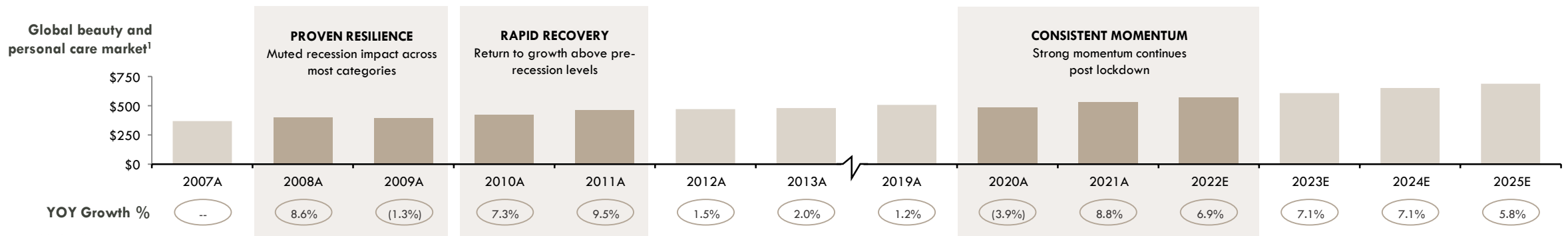
Massive addressable market with attractive category dynamics...

	Global market size ¹	% of BPC market ¹	2021-2023 CAGR ¹
Skincare	\$155bn	29%	7.0%
Color cosmetics	\$66bn	12%	9.5%
Haircare	\$83bn	16%	6.3%
Bath and shower	\$48bn	9%	4.6%
Fragrance	\$54bn	10%	8.3%

Key drivers of industry growth:

- ✓ Shifting desire for quality over price.
- ✓ Increasing appetite for innovative and higher-performance products, particularly in skin care and make-up.
- ✓ Emerging market expansion.
- ✓ Adaptability to eCommerce channels, particularly by skincare and makeup consumers.

...and proven resiliency through economic cycles

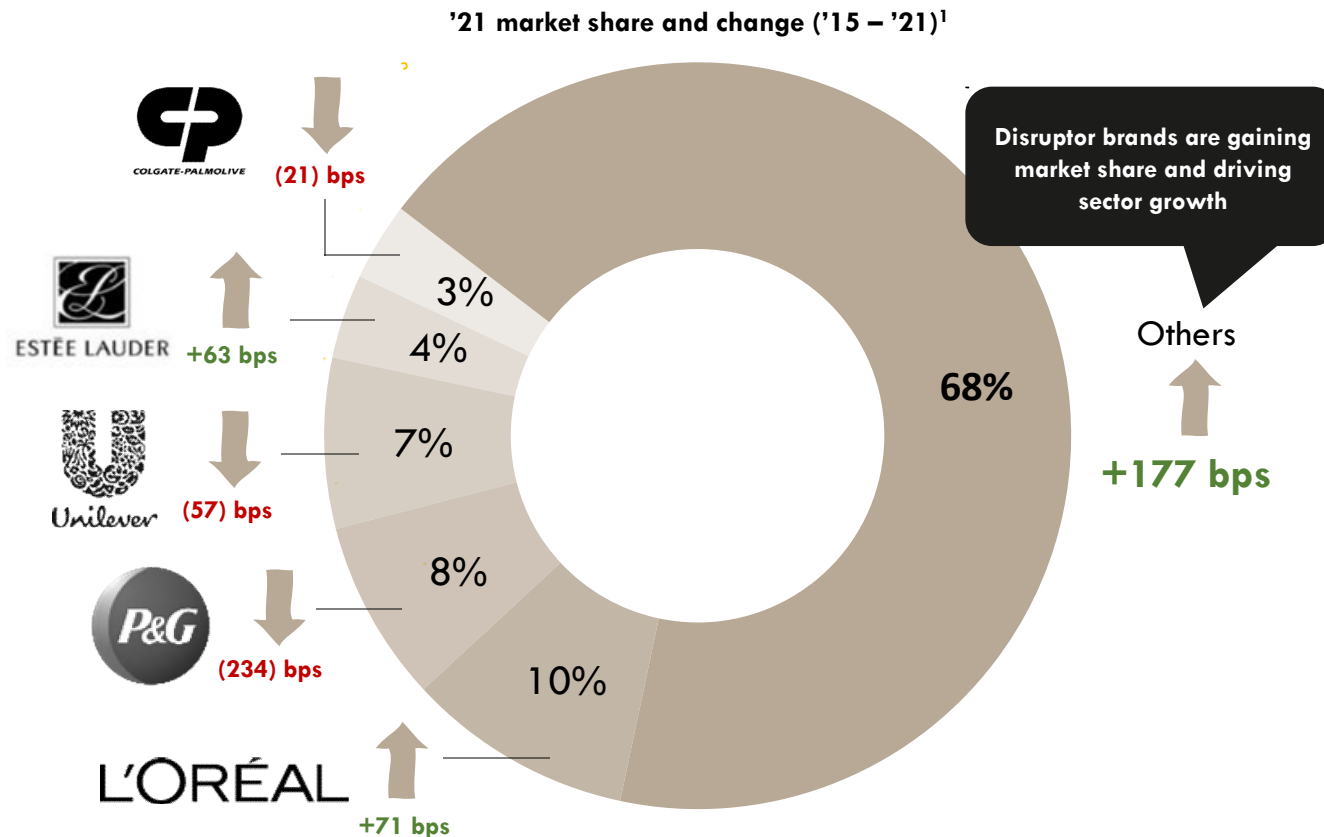


¹ Euromonitor International; Beauty & Personal Care, 2022ed, retail value sales, current prices, 2021 fixed ex rates

Highly fragmented market with growth driven by independent brands

New consumer trends and technology are driving an explosion of new independent brands

Clear opportunity to aggregate emerging brands under a new platform to accelerate growth and scale



Fragmented industry

Top 5 players represent only 32%

Not a “winner takes all” market

Expandable consumption category

Emerging players driving growth and gaining market share



¹ Euromonitor International; Beauty & Personal Care, 2022ed, retail value sales, current prices, 2021 fixed ex rates
 Note: bps indicates market share change from 2015 to 2021

NWaldencast

- ▶ Operational scale of a multi-brand platform built for growth and profitability
- ▶ Balanced portfolio in structurally attractive segments of the category
- ▶ Expertise in managing and scaling global beauty brands
- ▶ Asset light efficiency vs. slow, inflexible, and costly traditional structures
- ▶ Market responsiveness and speed of entrepreneurial indie brands
- ▶ Strong alignment of management incentives to long-term value creation thru operational and capital allocation excellence



US Premium Beauty showing consistent growth and resilience

YTD BEAUTY

+17.3%

Q2 BEAUTY

+15.9%

YTD MAKE UP

+20.0%

Q2 MAKE UP

+18.5%

Women are gradually returning to their previous makeup habits. About 70% reported going back to previous routines or wearing more makeup than they used to.

YTD SKIN CARE

+11.6%

Q2 SKIN CARE

+12.3%

Growth of skincare driven by premiumization. Bolstered by rise of “skintellectual” consumers increasingly focused on product potency and efficacy



waldencast



Our starting point in
building this
vision are
OBAGI Skin Care
and
Milk Make up





OBAGI®

The leading physician-dispensed brand
Attractive growth potential and strong
anchor capabilities in skin health,
complemented by a robust financial and
operational backbone



Milk

MAKEUP

Leading clean make-up brand with a cult following among Gen-Z consumers known for its cultural relevance and iconic products

Anchored by strong community following with significant growth opportunities





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

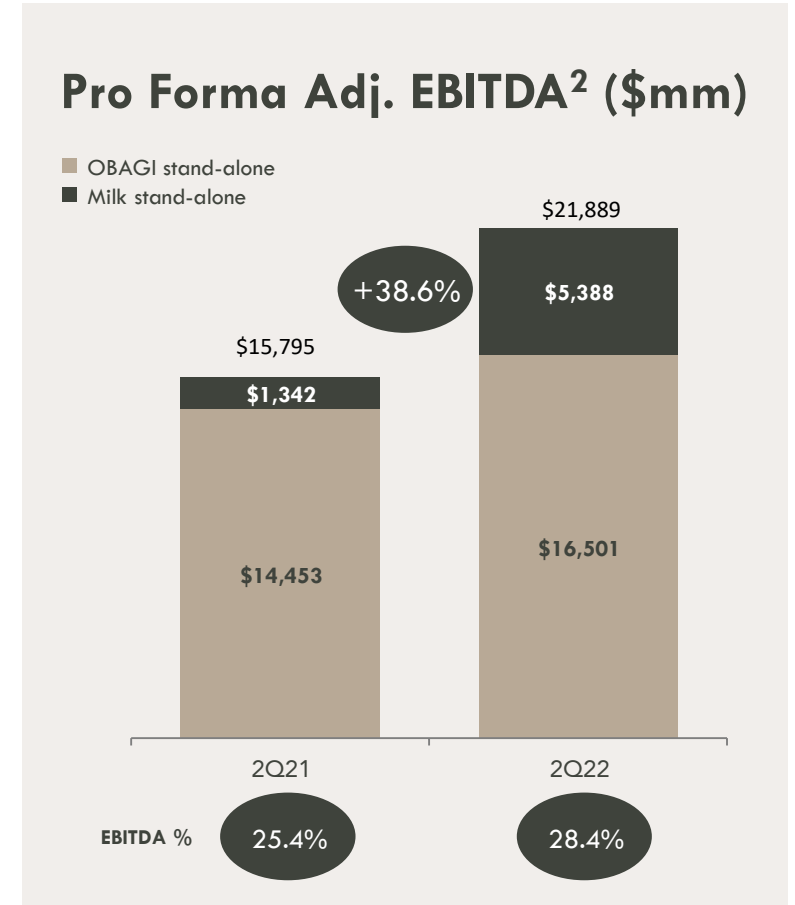
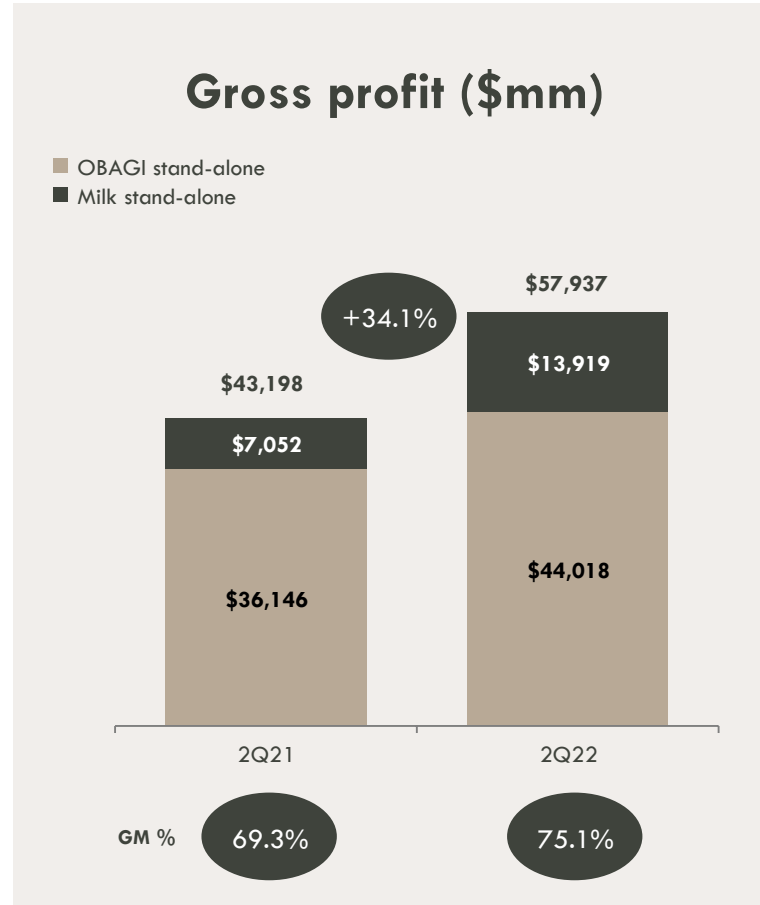
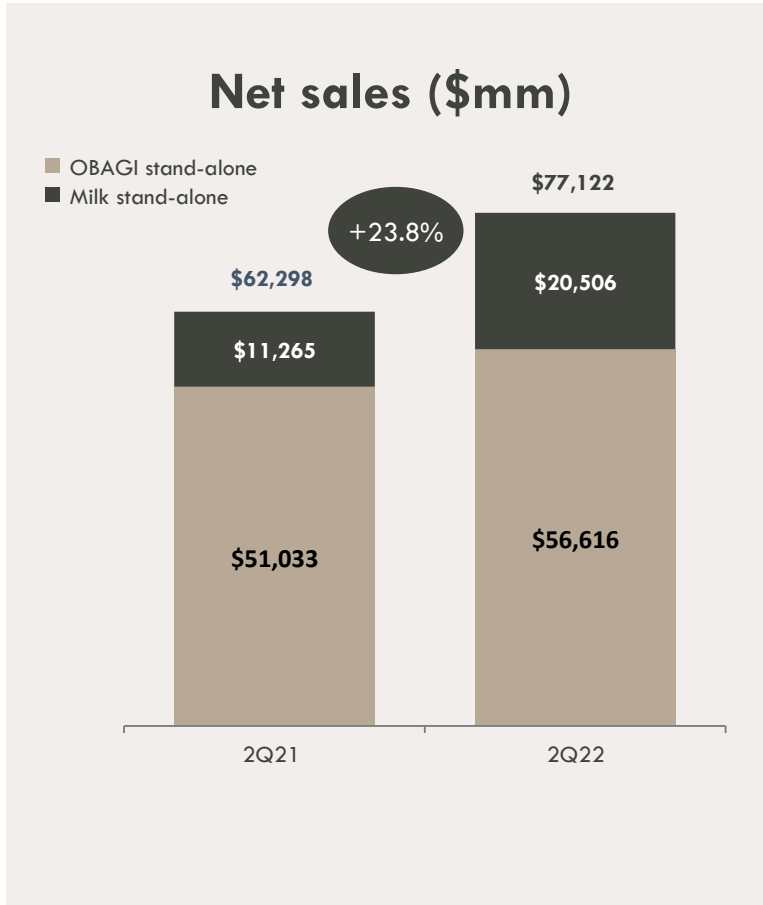
Optimized multi-brand portfolio spanning:

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				



First Half 2022 Overview

2Q22 combined financial profile¹



Note: OBAGI financials exclusive of China business

¹ Discrepancies in arithmetic are due to rounding;

² For a reconciliation of OBAGI, Milk and combined company adjusted EBITDA to net income, the most comparable GAAP measure, see appendix in this presentation.

1H2022 – Waldencast Pro Forma Key Highlights

<p>Net revenue</p> <p>\$138.2M</p> <p>(+24.6%)</p>	<p>Gross Margin</p> <p>73.8%</p> <p>(+294 bp)</p>	<p>Pro Forma Adjusted EBITDA²</p> <p>23.5%</p> <p>(+28.2%)</p>
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<p>OBAGI</p> <p>Continued growth on core US physician dispensed business</p> <p>Strong international growth</p> <p>Setting the base for D2C growth</p>	<p>MILK</p> <p>Growth outperforming US market¹ driven by core and innovation</p> <p>Strong gross margin progress</p> <p>Beginning strong international expansion</p>
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¹ Source: NPD US June'2022. ² Reconciliations of Pro Forma Adjusted EBITDA to net income, the most directly comparable GAAP financial measure, are included in this presentation.

Waldencast Group – 1H 2022 Key Financials

		FY21E	FY21A	FY22E	FY21A vs. FY21E	FY22E vs. FY21A	Q122A	Q122A vs. Q121A	2Q22A	2Q22A vs. 2Q21A	1H22A	H122A vs. H121A
Net sales (\$mm)	OBAGI ¹	\$167,999	\$178,681	\$190,295	6.4%	6.5%	\$43,039	29.1%	\$56,616	10.9%	\$99,654	18.1%
	Milk	\$47,069	\$47,076	\$66,032	0.0%	40.3%	\$18,042	17.8%	\$20,506	82.0%	\$38,548	45.0%
	Waldencast	\$215,068	\$225,757	\$256,327	5.0%	13.5%	\$61,081	25.6%	\$77,122	23.8%	\$138,202	24.6%
Gross profit (\$mm)	OBAGI ¹	\$126,726	\$136,371	\$149,846	7.6%	9.9%	\$32,855	20.6%	\$44,018	21.8%	\$76,873	21.3%
	GM %	75.4%	76.3%	78.7%			76.3%		77.7%		77.1%	
	Milk	\$23,230	\$25,295	\$39,962	8.9%	58.0%	\$11,264	36.8%	\$13,919	97.4%	\$25,183	64.8%
	GM %	49.4%	53.7%	60.5%			62.4%		67.9%		65.3%	
	Waldencast	\$149,956	\$161,666	\$189,808	7.8%	17.4%	\$44,119	24.4%	\$57,937	34.1%	\$102,056	29.7%
GM %	69.7%	71.6%	74.0%			72.2%		75.1%		73.8%		
Pro Forma Adj. EBITDA (\$mm)	OBAGI ¹	\$41,525	\$43,569	\$49,726	4.9%	14.1%	\$7,848	-15.8%	\$16,501	14.2%	\$24,349	2.4%
	Adj EBITDA %	24.7%	24.4%	26.1%			18.2%		29.1%		24.4%	
	Milk	(\$2,986)	(\$3,403)	\$4,632	-14.0%	236.1%	\$2,711	69.9%	\$5,388	301.5%	\$8,099	175.7%
	Adj EBITDA %	-6.3%	-7.2%	7.0%			15.0%		26.3%		21.0%	
	Central costs ²	\$0	(\$1,394)	(\$4,800)	NA	NA	\$0	NA	\$0	NA	\$0	NA
	Adj EBITDA %	0.0%	-0.6%	-1.9%			0.0%		0.0%		0.0%	
	Waldencast	\$38,539	\$38,772	\$49,558	0.6%	27.8%	\$10,559	10.9%	\$21,889	38.6%	\$32,448	28.2%
Adj EBITDA %	17.9%	17.2%	19.3%			17.3%		28.4%		23.5%		



Source: Company filings

¹OBAGI financials exclude China; ² Central costs represents Waldencast Acquisition Corp. expenses for 2021 and forecasted expenses for central overhead for 2022. ³Reconciliations of Pro Forma Adjusted EBITDA to net income, the most directly comparable GAAP financial measure, are included in the appendix of this presentation..

Waldencast fully diluted share count, conservatively including existing allocated but unvested tranches

Waldencast capitalization table positions the company for success

Diluted share count calculation (assuming closing share price on 07/29/22)

	Shares		
Basic shares outstanding ¹	107,564,779		
Vested employee RSUs ²	395,471		
Pro forma basic shares outstanding	107,960,250		
	<u>No.</u>	<u>Weighted-avg price</u>	
Unvested employee RSUs			1,394,827
Vested employee stock rights with exercise prices ³	4,046,591	\$4.43	1,971,802
Unvested employee stock rights with exercise prices ³	3,898,151	\$5.44	1,445,708
Total diluted shares outstanding ("DSO")	112,772,588		
Warrants ⁴		\$11.50	29,533,332

Warrants out-of-the-money given exercise price of \$11.50; at illustrative pro forma share price of \$12.50, warrants would create ~2.4mm shares of incremental dilution (assuming net share settlement)

Summary of investor lock-up agreements

- 1.8mm (2% of DSO) and 47.5mm shares (42% of DSO) owned by former members of Obagi and Milk locked up until 07/27/23
- 24.5mm (22% of DSO) shares owned by Founders⁵ locked up until 07/27/23

2022 Incentive Award Plan

- Diluted share count excludes management equity award pool not yet allocated
- The company has reserved 16,134,716 shares for future issuances of employee incentive awards

Waldencast Pro Forma Net Debt and Ownership

Pro Forma Net Debt at June 30, 2022 and Terms

Total Financing Line Available (Term + Revolver)	\$225
Pro Forma Gross Debt	\$186
Pro Forma Net Debt	\$142
Term Loan Terms	SOFR + 3.6%

Ownership at Transaction Close

Obagi Shareholders	26.3%
Milk Shareholders	19.6%
Founders and Sponsor Members	22.8%
Third Party FPA	16.1%
PIPE Investors	11.0%
SPAC Public Shareholders	4.2%
Independent Directors	0.1%



OBAGI®



\$99.7M

1H 2022
Net revenue¹

+18.1%

1H 2022
Net revenue growth

\$56.6M

Q2 2022
Net revenue¹

+10.9%

Q2 2022
Net revenue growth

77.1%

1H 2022
Gross Profit

+201 BPS vs. YA

24.4%

1H 2022
Pro Forma Adj. EBITDA⁴

-374 BPS vs. YA

80+

Patents worldwide²

#1

perceived best
performing brand
among US
providers³

¹ 2022 OBAGI financials exclusive of China business

² OBAGI management information

³ "2020 Kline Physician-Dispensed Skincare: U.S. Perception & Satisfaction Survey," Kline & Company

⁴ Reconciliations of Pro Forma Adjusted EBITDA and Pro Forma Adjusted EBITDA Margin to net income, the most directly comparable GAAP financial measure, are included in the appendix of this presentation.

OBAGI GROWTH STRATEGY

Grow Core Medical

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

+ add more

1. Capture opportunities in the device market
2. Build an accessible consumer proposition



US Physician Dispensed

Expand Physician Penetration

US PHYSICIAN
DISPENSED
+8.3%
NET SALES vs YAGO

REVENUE FROM
NEW ACCOUNTS
+\$1.4m
NET SALES YTD

PENETRATION TODAY

35%-40%
OF US DERMS



Expand Depth and Breath of Portfolio – AWARD WINNING HERO

Professional-C[®] Serum

1H SALES RANK

#2 ACROSS ALL CHANNELS

ACCOUNT PENETRATION

+7.9% PHYSICIAN CHANNEL

BEAUTY AWARDS

2 NEW AWARD SEALS

Obagi Medical Professional-C Serum 20%

Packed with antioxidants and 20% L-ascorbic acid, the Obagi Medical Professional-C Serum works overtime to minimize fine lines and protect the skin from damage. And due to the featured hyaluronic acid, it won't dry out your skin either.



VOGUE

SKIN

The Best Vitamin C Serums for a More Vibrant Complexion

BY AKILI KING AND KIANA MURDEN
January 11, 2022



Expand Depth and Breath of Portfolio - INNOVATION

ELASTIderm® Neck and Décolleté

1H SALES RANK

#4 PHYSICIAN
CHANNEL

ELASTIDERM
FRANCHISE GROWTH
+38%

ELASTIDERM®
NECK AND DÉCOLLETÉ
CONCENTRATE

94%
of study participants
showed **visible signs
of improvement to
horizontal lines and
sagging skin** for the
neck after 12 weeks*



*Results based on a 2021 12-week blinded study.



Footprint Expansion

INTERNATIONAL

+45.9%
GROWTH

SOUTH-EAST ASIA

+81%
GROWTH

\$9.2BN
#1 BRIGHTENING
MARKET GLOBALLY

DRIVERS

- LAUNCH OF OBAGI CLINICAL® ENTRY PRICE POINT RANGE
- TAILORED NPD SCAR CREAM FOR ASIA PACIFIC
- LAUNCH OF D2C STRATEGY + AMAZON STRATEGY

OBAGI

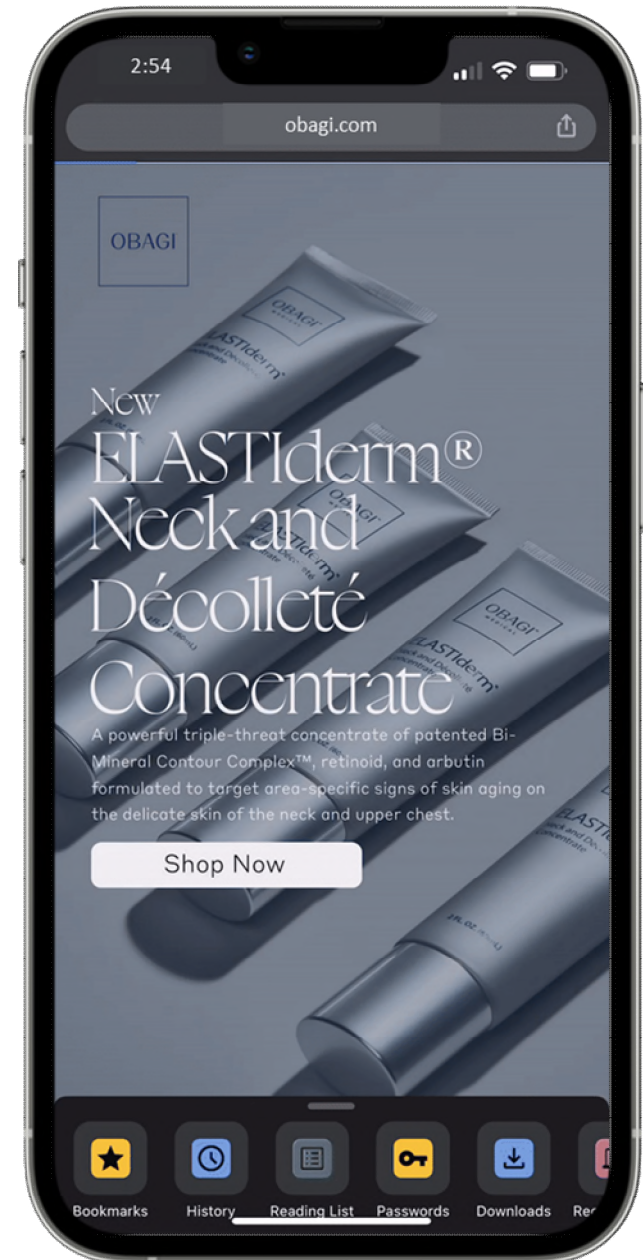
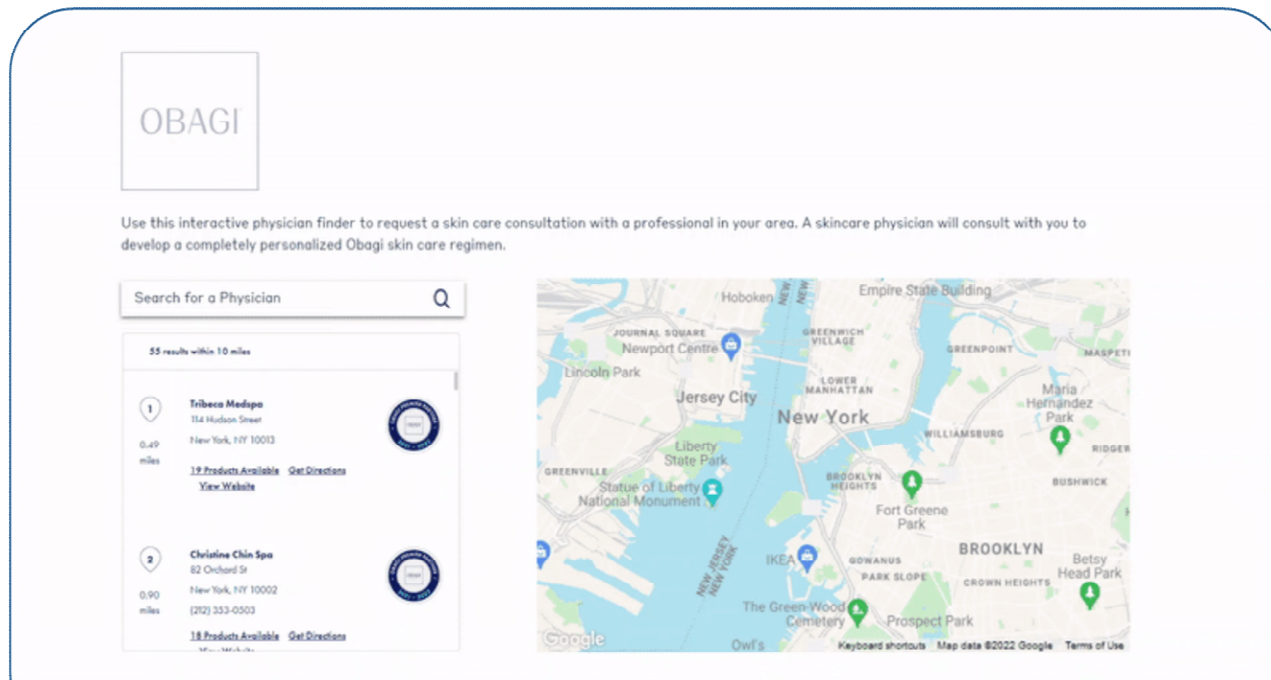


Digital Footprint

Unlocking Digital and DTC

2022 Q2 VS Q1

+41%



Source: H1 2022 vs. H1 2021 Obagi Internal Sales Data.



Milk
MAKEUP



MILK MAKEUP

KEY FIGURES: 1H 2022

\$38.5M

1H 2022
Net revenue¹

+45.0%

1H 2022
Net revenue growth

\$20.5M

Q2 2022
Net revenue¹

+82.0%

Q2 2022
Net revenue growth

65.3%

1H 2022
Gross Profit

+783 BPS vs. YA

21.0%

1H 2022
Pro Forma Adj. EBITDA⁴

+996 BPS vs. YA

+48.1%

YTD Consumption
vs Selective Beauty Make-
Up market at

+20%²

+46.8% vs 2019

Top 10

Face Primers
Setting Spray
Blush
Bronzer
Mascara
at Sephora USA³

¹ Milk financials ; ² NPJ USA consumption data 1H 2022, prestige makeup; ³ Sephora management ⁴ Reconciliations of Pro Forma Adjusted EBITDA and Pro Forma Adjusted EBITDA Margin to net income, the most directly comparable GAAP financial measure, are included in the appendix of this presentation.;

OUR GROWTH ROADMAP

KEY GROWTH LEVERS

GROW AWARENESS + COMMUNITY



DELIVER BREAKTHROUGH INNOVATION



EXPAND + INTERNATIONALIZE DISTRIBUTION



A STRONG GROWTH IN COMMUNITY + CORE PRODUCTS 1H 2022

AWARENESS + COMMUNITY GROWTH

SEPHORA



2.1M Followers⁴



582K Followers⁴
196.9M #milkmakeup views

- +22% Client Growth 1H22¹
- +196K followers 1H22²
- 62% of clients are new to brand 1H22¹
- 6.5M video views 1H22²
- +5 ranks on sephora.com YTD to #17¹
- 18.7M impressions 1H22²

- +16K followers 1H22²
- 6.3M video views 1H22²
- +424K likes 1H2022²

STRONG CORE PRODUCT GROWTH



	Hydro Grip Primer \$18 (mini) / \$36 (full size)	Hydro Grip Spray \$20 (mini) / \$36 (full size)	Lip + Cheek \$21	Matte Bronzer \$21
Launch date:	2019	2020	2016	2016
% of YTD 2022 revenue:	23.7% ³	11.8% ³	9.3% ³	9.0% ³
YTD 2022 % growth	+65% ³	+241% ³	+90% ³	+209% ³

¹ Sephora management report; ² Milk internal measurement tools as of Friday August 5th at 1:00pm EST. ³ Milk internal sales data. ⁴ Updated as of Friday August 5th at 1:00pm EST

LOOKING AHEAD: SIGNIFICANT CONSUMER + PLATFORM OPPORTUNITIES

CONSUMER EXPANSION OPPORTUNITIES

Objective: Grow awareness across all consumer segments

GEN-Z
100 Index¹

MILLENNIAL
84 Index

GEN-X
68 Index

BOOMER
60 Index



ROBLOX

¹Survey conducted June 11-21, 2020 with female participants ages 13-64 who have purchased beauty products for themselves in the past 3 months and do not work in the beauty industry;)

DELIVERING BREAKTHROUGH INNOVATION

NEW LAUNCHES +29% 1H 2022¹. STRATEGY TO REINFORCE CORE CATEGORIES MASCARA + PRIMER BEFORE NEW CATEGORY EXPANSION



¹ Milk internal sales data ; ² Sephora management;

NEW PORE ECLIPSE PRIMER N3 AT SEPHORA, INCREMENTALLY TO HYDRO THE BRAND HISTORICAL #1 PRIMER BY ADDRESSING AN UNMET NEED

STRENGTHENING MILK'S POSITION ON THE CORE PRIMER CATEGORY

+65% YTD¹

#1 Primer
Sephora¹



NEW

Top 3
Primer
Sephora¹



¹ Sephora management; ² Milk internal sales data

MORE TO COME: SIGNIFICANT CATEGORY EXPANSION OPPORTUNITIES

MILK GROWTH TO DATE DRIVEN BY ANCILLARIES AND LOW BARRIER CATEGORIES. NOW READY FOR FACE EXPANSION, THE BIGGEST MAKE UP CATEGORY.

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

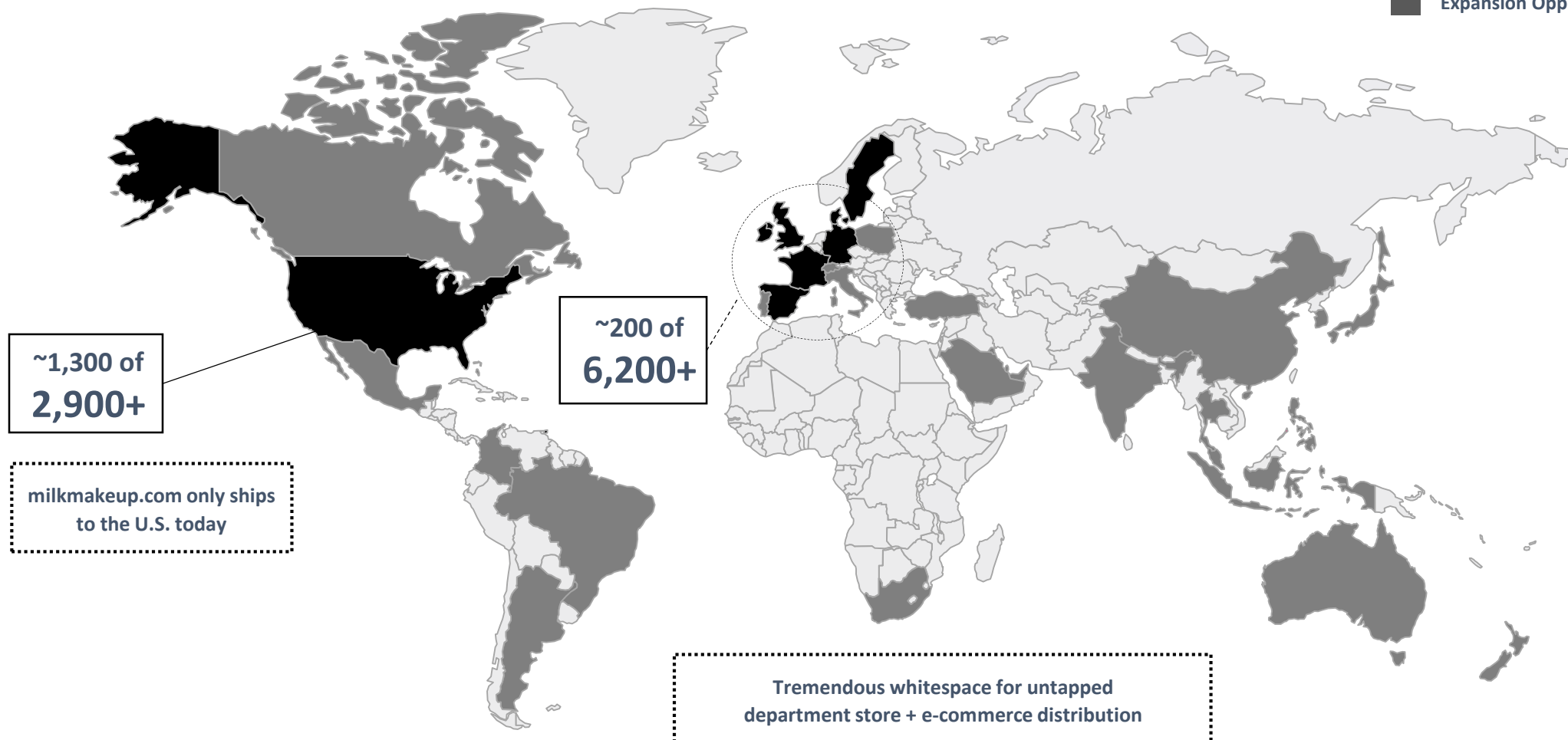
Other Leading Make-Up Specialist Brands	1,500-7,000 SKUs
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¹ Market sizes reflect 2021E data for the USA market; Euromonitor International; Beauty & Personal Care and Color Cosmetics in the US, 2021ed, retail value sales, current prices, 2020 fixed ex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

- Current Milk Presence in Brick & Mortar
- Expansion Opportunity



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

H2 2022: EXPANDING BRAND PRESENCE DOMESTICALLY AND ABROAD

BOTH BRICK & MORTAR AND PURE PLAYER.

USA EXPANSION

KOHL'S + SEPHORA

2021 Doors: 200

1H 2022 Doors: 400+

FY 2022 Proj. Doors: **600**

amazon

Launch USA: June 2022

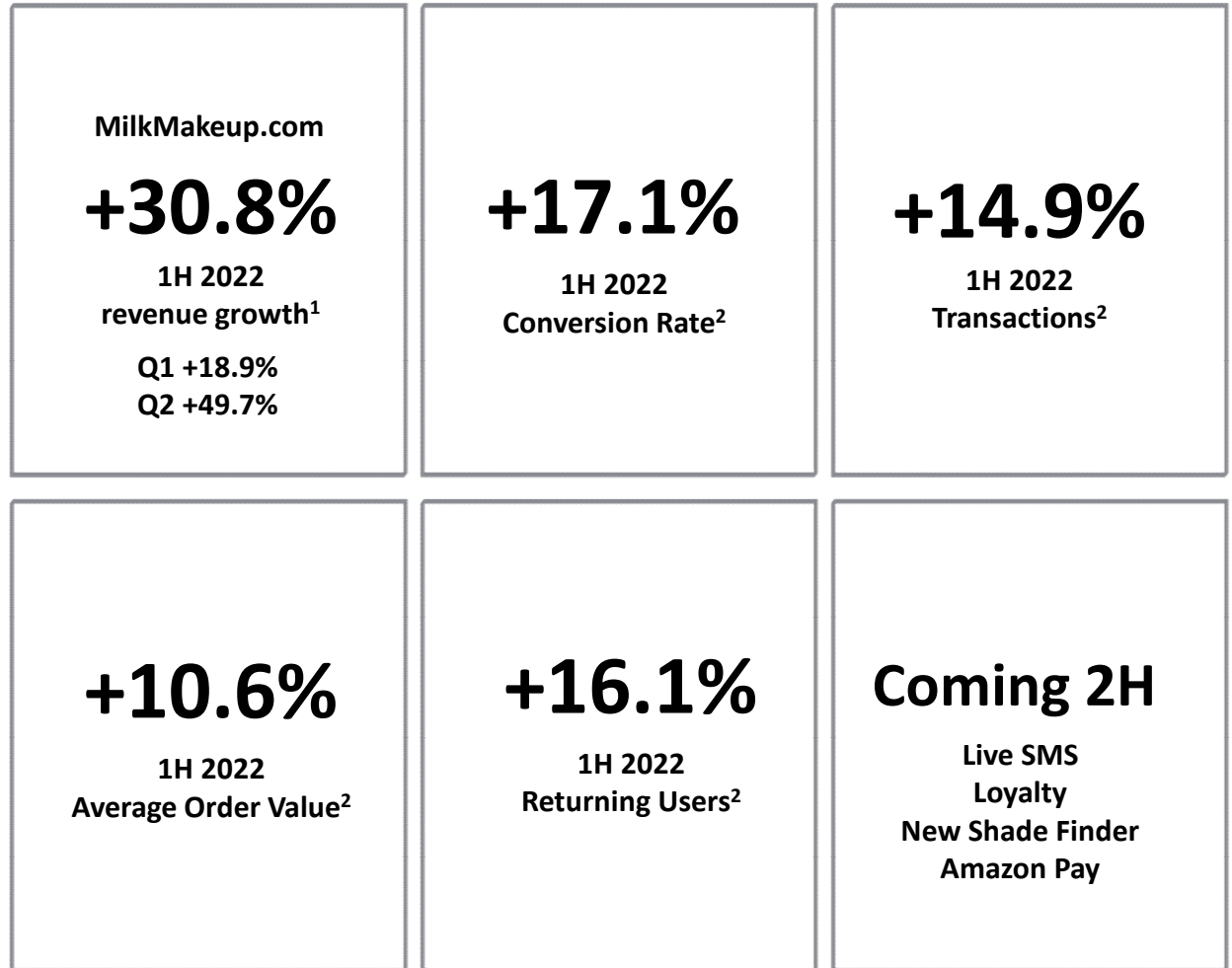
INTERNATIONAL EXPANSION

#4

MAKE-UP MARKET GLOBALLY



AND BUILDING A STRONG FOUNDATION FOR D2C GROWTH



¹ Milk internal sales data ² Google Analytics

Waldencast commitment to exemplary ESG

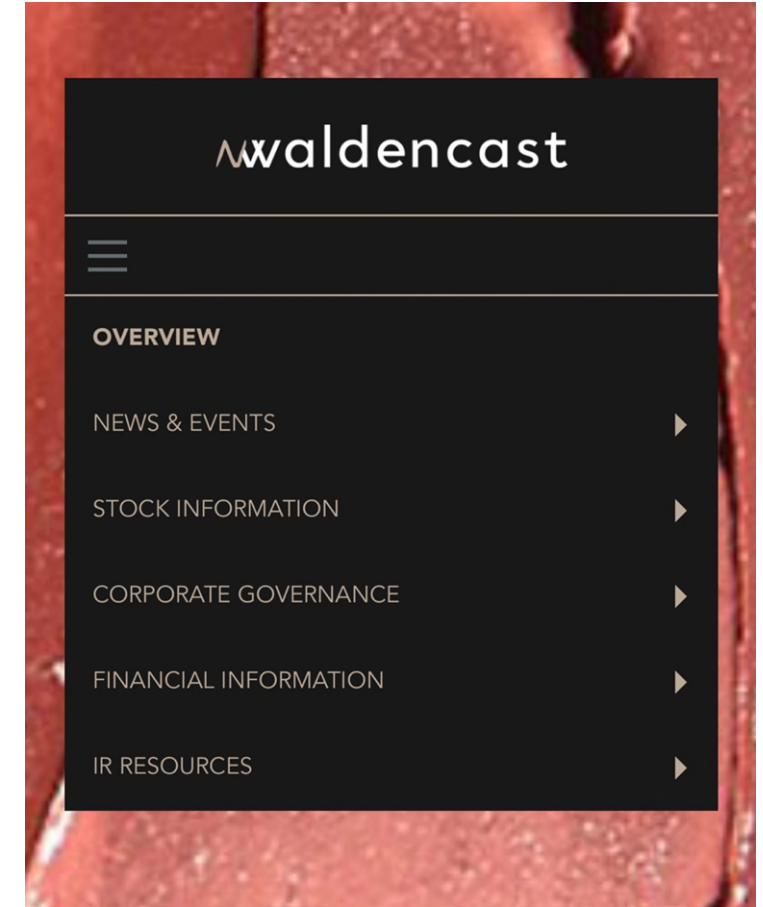


More Sustainable shipping & Outer Packaging
Environmentally friendly packs and refills
How To Recycle Partnerships



MMU social philanthropy focuses on self-expression and equality for underrepresented LGBTQAIQ+ and POC 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.



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

NWaldencast

- ▶ Operational scale of a multi-brand platform built for growth and profitability
- ▶ Balanced portfolio in structurally attractive segments of the category
- ▶ Expertise in managing and scaling global beauty brands
- ▶ Asset light efficiency vs. slow, inflexible, and costly traditional structures
- ▶ Market responsiveness and speed of entrepreneurial indie brands
- ▶ Strong alignment of management incentives to long-term value creation thru operational and capital allocation excellence





Appendix

H1 2022 - Pro Forma Adjusted EBITDA reconciliation

(in thousands)	1H22A				2Q22A				1Q22A			
	Obagi	Waldencast			Obagi	Waldencast			Obagi	Waldencast		
		Milk	Acquisition Corp	Combined Waldencast		Milk	Acquisition Corp	Combined Waldencast		Milk	Acquisition Corp	Combined Waldencast
Net income/(loss)	(2,915)	4,961	5,791	7,837	2,179	3,809	2,768	8,756	(5,094)	1,152	3,023	(919)
Cumulative Pro Forma Adjustments	744	(3,817)	2,812	(261)	477	(1,882)	1,477	72	267	(1,935)	1,335	(333)
China carve-out	9,328	-	-	9,328	5,028	-	-	5,028	4,300	-	-	4,300
Pro Forma Net Income	7,157	1,144	8,603	16,904	7,684	1,927	4,245	13,856	(527)	(783)	4,358	3,048
<i>Adjusted For:</i>												
Interest expense, net	5,896	21	(1)	5,916	2,947	(4)	(1)	2,942	2,949	25	-	2,974
Income tax benefit	232	-	-	232	306	-	-	306	(74)	-	-	(74)
Depreciation and amortization	8,570	6,032	-	14,602	4,308	3,068	-	7,376	4,262	2,964	-	7,226
Transaction costs	-	-	-	-	-	-	-	-	-	-	-	-
Loss on extinguishment of debt	-	-	-	-	-	-	-	-	-	-	-	-
Gain on PPP loan forgiveness	-	-	-	-	-	-	-	-	-	-	-	-
Stock-based compensation expense	2,179	669	-	2,848	1,009	254	-	1,263	1,170	415	-	1,585
Inventory fair value adjustment	-	-	-	-	-	-	-	-	-	-	-	-
Change in fair value of warrant liabilities	-	-	(8,602)	(8,602)	-	-	(4,244)	(4,244)	-	-	(4,358)	(4,358)
Restructuring costs	289	-	-	289	279	-	-	279	10	-	-	10
Loss on disposal of assets	-	24	-	24	-	-	-	-	-	24	-	24
Foreign currency transaction loss	26	209	-	235	(32)	143	-	111	58	66	-	124
Pro Forma Adjusted EBITDA	24,349	8,099	-	32,448	16,501	5,388	-	21,889	7,848	2,711	-	10,559



FY 2021 - Pro Forma Adjusted EBITDA reconciliation

(in thousands)	FY21A				2Q21A			
	Obagi	Milk	Waldencast Acquisition Corp	Combined Waldencast	Obagi	Milk	Waldencast Acquisition Corp	Combined Waldencast
Net income/(loss)	(70)	(7,847)	(14,428)	(22,345)	12,355	918	(1,551)	11,722
Cumulative Pro Forma Adjustments	(36,665)	(31,081)	(20,681)	(88,427)	365	(5,074)	855	(3,854)
China carve-out	3,437	-	-	3,437	193	-	-	193
Pro Forma Net Income	(33,298)	(38,928)	(35,109)	(107,335)	12,913	(4,156)	(696)	8,061
<i>Adjusted For:</i>								
Interest expense, net	12,151	18	(1)	12,168	3,284	(23)	-	3,261
Income tax benefit	(6,998)	-	-	(6,998)	(2,671)	-	-	(2,671)
Depreciation and amortization	16,611	11,688	-	28,299	4,120	2,901	-	7,021
Transaction costs	33,080	12,776	30,578	76,434	-	-	-	-
Loss on extinguishment of debt	12,628	-	-	12,628	-	-	-	-
Gain on PPP loan forgiveness	(6,824)	-	-	(6,824)	(6,824)	-	-	(6,824)
Stock-based compensation expense	4,358	1,395	174	5,927	1,089	335	-	1,424
Inventory fair value adjustment	9,687	9,263	-	18,950	2,421	2,316	-	4,737
Change in fair value of warrant liabilities	-	-	2,964	2,964	-	-	696	696
Restructuring costs	1,972	-	-	1,972	-	-	-	-
Loss on disposal of assets	-	166	-	166	52	27	-	79
Foreign currency transaction loss	202	219	-	421	69	(58)	-	11
Pro Forma Adjusted EBITDA	43,569	(3,403)	(1,394)	38,772	14,453	1,342	-	15,795

