



# Disclaimer

This presentation (the "Presentation") relates to a proposed business combination (the "Business Combination") between Waldencast Acquisition Corp. ("Waldencast") and OBAGI Global Holdings Limited and its subsidiaries ("OBAGI") and M&K Makeup, LLC ("M&K").

## Forward Looking Statements

This Presentation contains certain forward-looking statements within the meaning of the federal securities laws with respect to the proposed transactions among OBAGI, M&K and Waldencast, including statements regarding the intended benefits of the transactions, the anticipated timing of the transactions and the growth strategies of Waldencast, OBAGI and M&K. These forward-looking statements generally are identified by the words "anticipate," "expect," "forecast," "target," "intend," "believe," "seek," "may," "will," "would," "propose," "intend," "target," "goal," "objective," "outlook" and variations of these words or similar expressions (or the negative versions of such words or expressions). 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, OBAGI, and M&K, 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 risk that the transactions may not be completed in a timely manner or at all, which may adversely affect the price of Waldencast securities, (ii) the risk that Waldencast shareholder approval of the proposed transactions is not obtained, (iii) the inability to recognize the anticipated benefits of the proposed transactions, which may be affected by, among other things, the amount of funds available in Waldencast's trust account following any redemptions by Waldencast's shareholders, (iv) the failure to receive certain governmental and regulatory approvals, (v) the inability to complete the PIPE investment or the Forward Purchase Agreement, (vi) the occurrence of any event, change or other circumstance that could give rise to the termination of the OBAGI Merger Agreement or the M&K Equity Purchase Agreement, (vii) changes in general economic conditions, including as a result of the COVID-19 pandemic, (viii) the outcome of litigation related to or arising out of the proposed transactions, or any adverse developments therein or delay or costs resulting therefrom, (ix) the effect of the announcement or pendency of the transactions on OBAGI's or M&K's business relationships, operating results, and business generally, (x) the ability to meet Nasdaq's listing standards following the consummation of the proposed transactions, (xi) costs related to the proposed transactions, (xii) that the price of Waldencast's securities may be volatile due to a variety of factors, including Waldencast's, OBAGI's or M&K's inability to implement their business plans or meet or exceed their financial projections and changes in the combined capital structure, (xiii) the ability to implement business plans, forecasts, and other expectations after the completion of the proposed transactions, and identify and realize additional opportunities and (xiv) the ability of OBAGI and M&K to implement their strategic initiatives and continue to innovate their existing products and anticipate and respond to market trends and changes in consumer preferences. The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties described in the "Risk Factors" section of Waldencast's registration statement on Form S-1 (File No. 333-262037), the registration statement on Form S-4 discussed above, the proxy statement/prospectus and other documents filed or that may be filed by Waldencast from time to time with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and Waldencast, OBAGI and M&K assume no obligation and do not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise. Neither Waldencast, OBAGI or M&K, or the combined company, will achieve their expectations.

You should carefully consider the risks and uncertainties described in the "Risk Factors" section of Waldencast's registration statement on Form S-1, the proxy statement/prospectus on Form S-4, or other appropriate form, relating to the Business Combination, which is expected to be filed by Waldencast with the Securities and Exchange Commission (the "SEC") and other documents filed by Waldencast from time to time with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and Waldencast and each of OBAGI and M&K assume no obligation and do not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise. None of Waldencast, OBAGI, or M&K gives any assurance that any of Waldencast, OBAGI or M&K will achieve its expectations.

This Presentation contains certain financial projections, forecasts, estimates and targets of OBAGI and M&K. Such financial projections, forecasts, estimates and targets constitute forward-looking information, and are for illustrative purposes only and should not be relied upon as necessarily being indicative of future results. The assumptions and estimates underlying such financial projections, forecasts, estimates and targets are inherently uncertain and are subject to a wide variety of significant business, economic, competitive and other risks and uncertainties. See "Forward-Looking Statements" above. While all financial projections, forecasts, estimates and targets are necessarily speculative, Waldencast, OBAGI and M&K believe that the preparation of prospective financial information involves increasingly higher levels of uncertainty the further out the projection, forecast, estimate or target extends from the date of preparation. Actual results may differ materially from the results contemplated by the financial projections, forecasts, estimates and targets contained in this Presentation, and the inclusion of such information in this Presentation should not be regarded as a representation by any person that the results reflected in such forecasts will be achieved.

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## Financial Information; Non-GAAP Financial Measures

The financial information and data contained in this Presentation has not been audited in accordance with the standards of the Public Company Accounting Oversight Board and does not conform to Regulation S-X. Such information and data may not be included in, may be adjusted in or may be presented differently in the registration statement to be filed by Waldencast relating to the proposed Business Combination and the proxy statement/prospectus contained therein.

This Presentation also includes certain financial measures not presented in accordance with U.S. generally accepted accounting principles ("GAAP") including Adjusted EBITDA and Adjusted EBITDA Margin, and certain ratios and other metrics derived therefrom. OBAGI defines Adjusted EBITDA as earnings before interest, taxes, depreciation, and amortization, excluding the impact of the China distribution carve-out and the business combination transaction costs as of December 31, 2021 ("OBAGI Adjusted EBITDA"). OBAGI defines Adjusted EBITDA margin as Adjusted EBITDA divided by net revenue ("OBAGI Adjusted EBITDA margin"). M&K defines Adjusted EBITDA as earnings before interest, taxes, depreciation, and amortization, excluding the business combination transaction costs as of December 31, 2021 ("M&K Adjusted EBITDA"). The post-transaction combined company defines EBITDA as earnings before interest, taxes, depreciation, and amortization ("Combined Company EBITDA"). The post-transaction combined company defines Adjusted EBITDA margin as combined Company EBITDA divided by net revenue ("Combined Company 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 OBAGI's and M&K'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 OBAGI's and M&K's presentation of these measures may not be comparable to similarly-filed measures used by other companies. Waldencast, OBAGI and M&K believe these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to OBAGI's and M&K's financial condition and results of operations. Waldencast, OBAGI and M&K believe 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 OBAGI's and M&K's 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 expenses and income are excluded or included in determining these non-GAAP financial measures. Additionally, these measures are not comparable to similar non-GAAP measures in the future, including to make adjustments for future expenses or other items that the OBAGI and M&K believe are appropriate in comparing its operating performance across reporting periods on a consistent basis.

This Presentation 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, OBAGI and M&K are 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, OBAGI and M&K are unable to address the probable significance of the unavailable information, which could be material to future results.

## Additional Information and Where to Find It

This Presentation does not constitute (i) solicitation of a proxy, consent or authorization with respect to any securities or in respect of the proposed transaction or (ii) an offer to sell or exchange, or the solicitation of an offer to buy or exchange, any security of Waldencast, OBAGI, M&K, the combined company or any of their respective officers, nor shall there be any sale of any such securities in any state or jurisdiction in which such offer, solicitation, sale or exchange would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. No offer of securities shall be made except by a prospectus meeting the requirements of the Securities Act of 1933, as amended. In connection with the proposed transaction, Waldencast intends to file a registration statement on Form S-4 with the SEC, which will include a document that serves as a prospectus and proxy statement of Waldencast, referred to as a proxy statement/prospectus. A proxy statement/prospectus will be sent to Waldencast's shareholders. Waldencast also will file other documents regarding the proposed transaction with the SEC. This Presentation does not contain all of the information that should be considered concerning the proposed transaction and is not intended to form the basis of any investment decision or any other decision in respect of the proposed transaction. Before making any voting or investment decision, investors and security holders of Waldencast are urged to read the registration statement, the proxy statement/prospectus and all other relevant documents filed or that will be filed with the SEC in connection with the proposed transaction as they become available because they will contain important information about the proposed transaction. Investors and security holders will be able to obtain free copies of the registration statement, proxy statement/prospectus and all other relevant documents filed or that will be filed with the SEC by Waldencast through the website maintained by the SEC at [www.sec.gov](http://www.sec.gov). In addition, the documents filed by Waldencast with the SEC may be obtained free of charge from Waldencast's website at <https://www.waldencast.com/> or upon written request to 10 Bank Street, Suite 560, White Plains, NY 10606.

## Participants in Solicitation

Waldencast, OBAGI, M&K and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from Waldencast's shareholders in connection with the proposed transaction. A list of the names of the directors and executive officers of Waldencast and information regarding their interests in the business combination is set forth in Waldencast's registration statement on Form S-1 (File No. 333-262037) filed with the SEC on March 18, 2021. Additional information regarding the interests of those persons and other persons who may be deemed participants in the proposed transaction may be obtained by reading the proxy statement/prospectus regarding the proposed transaction. You may obtain free copies of these documents as described in the preceding paragraph.

## No Offer or Solicitation

This communication is for informational purposes only and does not constitute, or form a part of, an offer to sell or the solicitation of an offer to sell or an offer to buy or the solicitation of an offer to buy any securities, and there shall be no sale of securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933 as amended, and otherwise in accordance with applicable law.

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## The Waldencast executive team

We are a team deeply experienced across the **beauty, wellness, and consumer goods** industries, building a **world-class brand development platform** to identify, conceptualize, launch, and profitably scale brands



**Michel Brousset**

*Founder and CEO*

**25+ years experience**

- Previously Group President of L'Oréal North America Consumer Products Division and CEO of L'Oréal UK
- Variety of roles at L'Oréal and Procter & Gamble successfully building billion-dollar brands and businesses



**Felipe Dutra**

*Founder and Executive Chairman*

**30+ years experience**

- Former Chief Financial and Technology Officer of Anheuser-Busch InBev (AB InBev)
- Served as Board Director of Grupo Modelo, Budweiser APAC, and AMBEV3



**Hind Sebti**

*Founder and COO*

**20+ years experience**

- Former General Manager at L'Oréal UK across the consumer and professional divisions
- Brand leadership roles at L'Oréal, Procter & Gamble, Maybelline and Redken



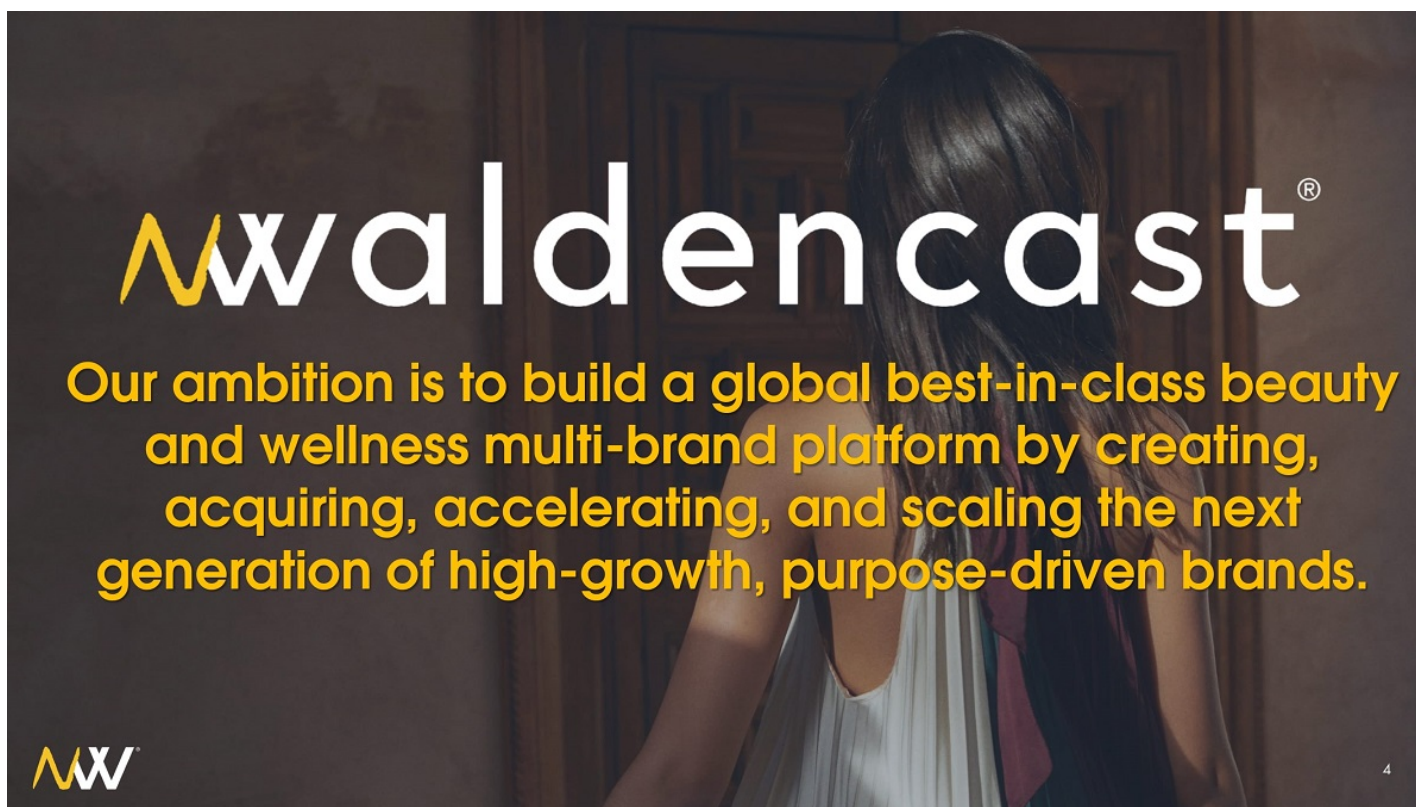
**Tassilo Festetics**

*CFO and CTO*

**20+ years experience**

- Former CFO of ABI Asia and Global VP of Technology of ABI
- Former General Partner at Anheuser-Busch InBev (AB InBev)



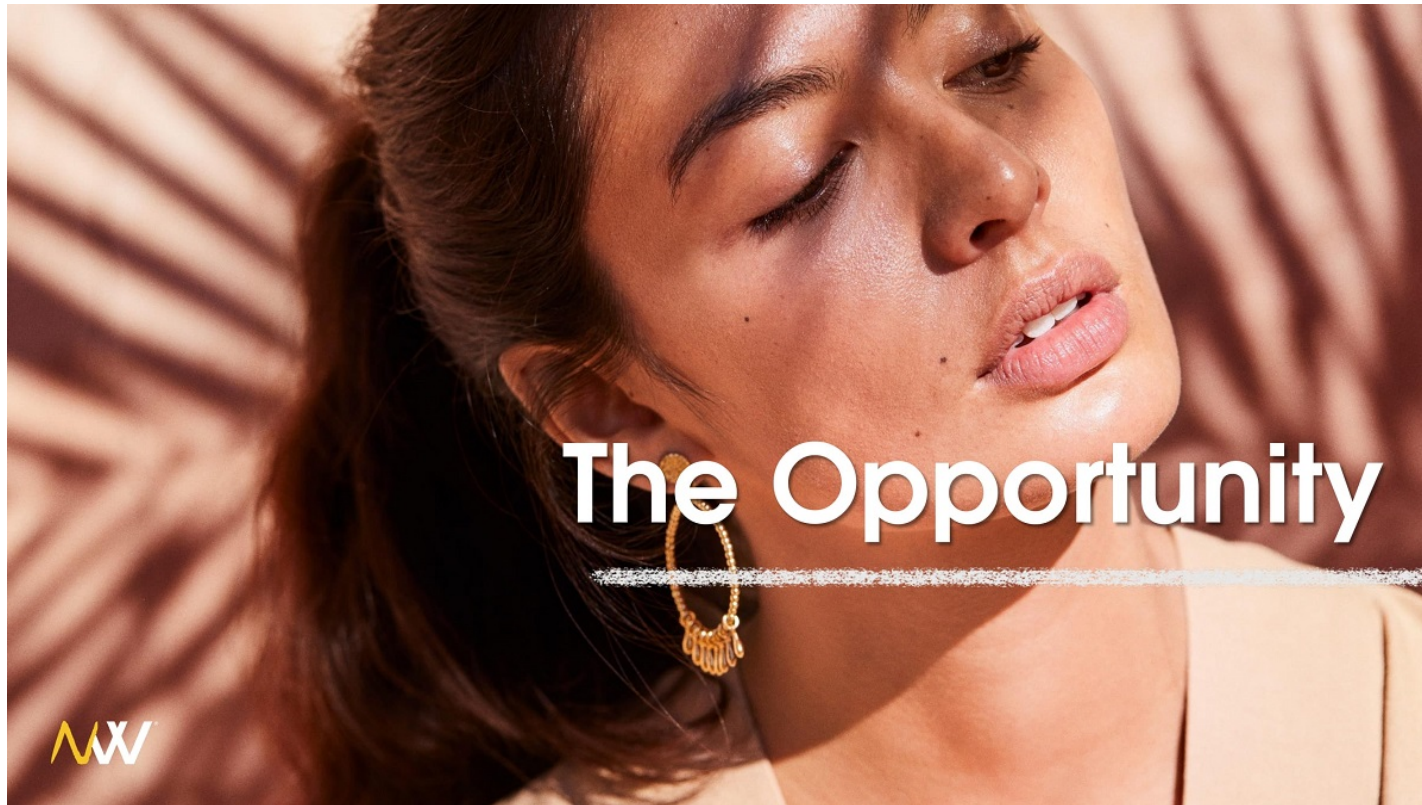
The image features a woman with long dark hair, seen from behind, wearing a white halter-neck top. She is standing in front of a dark wooden door. The Waldencast logo, consisting of a stylized 'NW' in yellow and white, is positioned in the top left of the image. The company name 'waldencast' is written in a large, white, sans-serif font across the upper middle. Below the name, the mission statement is written in a bold, yellow, sans-serif font. In the bottom left corner, there is a smaller version of the 'NW' logo. A small number '4' is located in the bottom right corner of the image area.

**NWaldencast<sup>®</sup>**

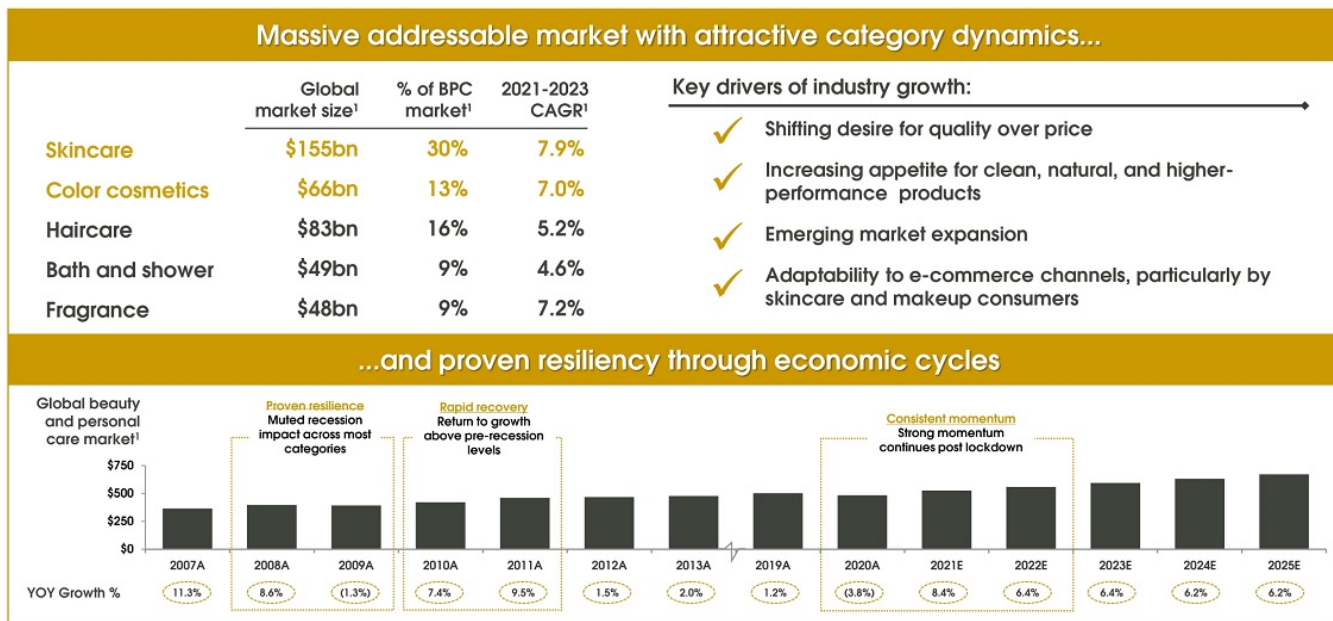
**Our ambition is to build a global best-in-class beauty and wellness multi-brand platform by creating, acquiring, accelerating, and scaling the next generation of high-growth, purpose-driven brands.**

**NW**

4



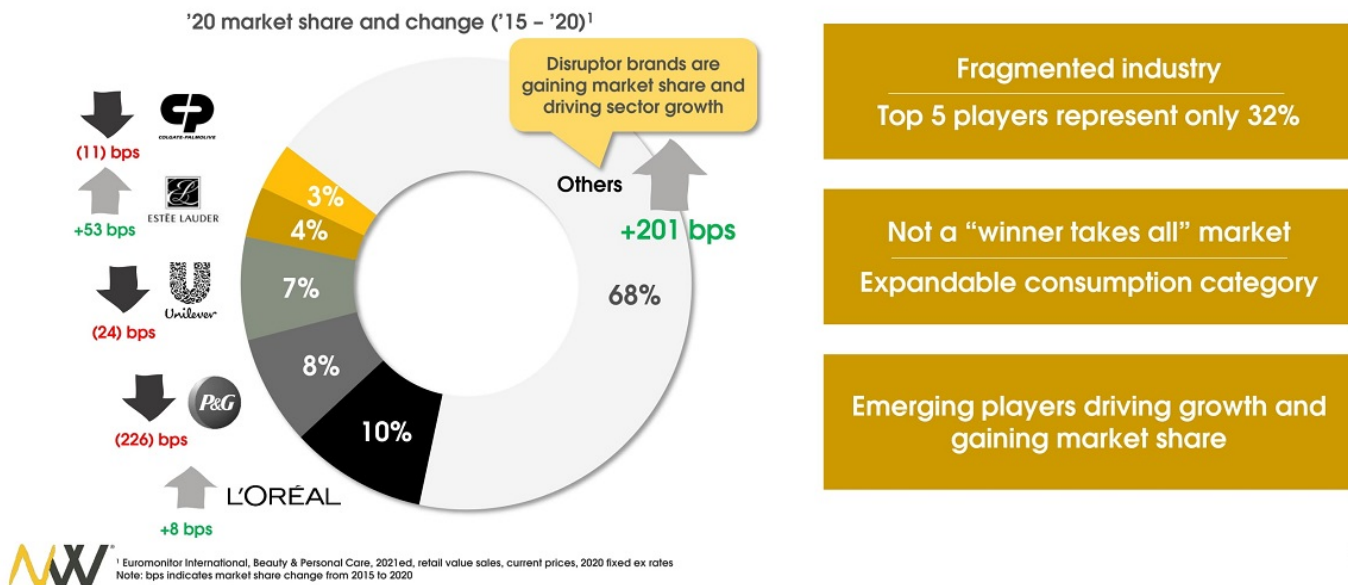
## Beauty is a proven and resilient, high-growth and highly profitable market



<sup>1</sup>Euromonitor International: Beauty & Personal Care, 2021ed, retail value sales, current prices, 2020 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



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# INCUMBENTS vs INDIES

## EROSION OF TRADITIONAL SOURCES OF COMPETITIVE ADVANTAGE FOR INCUMBENTS

- Large advertising budgets allocated primarily toward traditional media
- Diminishing ability to dominate physical shelf space in retailers
- Asset-heavy infrastructure to support in-house R&D and manufacturing facilities results in longer reaction times to emerging trends
- Talent attrition to other attractive opportunities



## RISE OF INDEPENDENT BRANDS LIMITED BY THEIR ABILITY TO SCALE GLOBALLY

- Digital/social media reshaped traditional marketing and product discovery
- eCommerce provides direct access to consumers, bypassing incumbents' strength in traditional distribution channels
- Outsourced innovation, production, and logistics enables asset-lite structures
- Limited ability to scale globally with the resources and expertise of a single-brand



The slide features a central yellow circle with the Waldencast logo and the text 'OPERATING MODEL'. To the left and right of the circle are two grey rectangular boxes containing text and bullet points. The background is a blurred image of a woman's face.

**EROSION OF TRADITIONAL SOURCES OF COMPETITIVE ADVANTAGE FOR INCUMBENTS**

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**waldencast<sup>®</sup>**  
**OPERATING MODEL**

Operational scale of a multi-brand platform

Expertise in managing global beauty brands at scale

Asset-light efficiency and market responsiveness of entrepreneurial indie brands

**RISE OF INDEPENDENT BRANDS LIMITED BY THEIR ABILITY TO SCALE GLOBALLY**

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**WV**

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# Mwaldencast®

## GROWTH AND PROFITABILITY OPERATING MODEL

### Growth-Oriented Business Model

Identify and create high potential brands that we can leverage and scale through our platform

Allocate capital across organic and inorganic opportunities with strong internal product and brand development capabilities

### Brand-Led Independence

Ensures proximity to customers, business agility, and market responsiveness

Drives entrepreneurial spirit and ownership mindset of our brand operators

### Asset Light Modularity

Leveraging external open development and R&D partnerships, supply chain solutions, and modular cloud technology

### Intelligent Synergies

Consolidate support functions where there is no advantage to executing at brand-level

Combines the strength of a multi-brand platform while respecting the identities and autonomy of individual brands

### Waldencast Culture

Rooted in performance, ownership and entrepreneurship and our dreamer/maker values – ambition with humility, idealism with practicality, grit with kindness, and vision with action

### Beauty and Wellness Pure- Player

Deep and broad expertise in the industry, resulting in excellence across every link in the value chain

### Conscious Entrepreneurship

Supporting the beauty and wellness industry by prioritizing core values of sustainability, inclusivity, and social responsibility

### Balanced Business Portfolio

Across categories, geographies, price points and commercialization models

Delivering consistent growth across a portfolio designed to withstand economic and category shifts



**waldencast<sup>®</sup>**

Following our first acquisitions, we intend to embark on a **multi-year journey** to build a **multi-branded platform** focused on the next generation of high growth, purpose-driven brands



OBAGI Milk MAKEUP BRAND 3 BRAND n

**W**

11

The slide features a dark background with a woman's face in the background. The Waldencast logo is at the top. Below it is a text block explaining the company's strategy. At the bottom, there are four overlapping circles: the first contains a woman's face and the text 'OBAGI', the second contains a woman's lips and the text 'Milk MAKEUP', the third is a solid yellow circle with the text 'BRAND 3', and the fourth is a solid yellow circle with the text 'BRAND n'. The Waldencast logo is also present in the bottom left corner, and the number '11' is in the bottom right corner.

## We are building the next-generation beauty and wellness platform

 waldencast® investment criteria	OBAGI	 Milk MAKEUP
① Strong brand identity with enduring brand equity	✓	✓
② High level of consumer affinity	✓	✓
③ Differentiated offering and market positioning	✓	✓
④ Multiple levers for long-term sustainable growth	✓	✓
⑤ Strong online community and omni-channel growth	✓	✓
⑥ Long-term sustainable business model	✓	✓
⑦ Leverage management team's operating expertise and network	✓	✓
⑧ Attractive value creation opportunity	✓	✓



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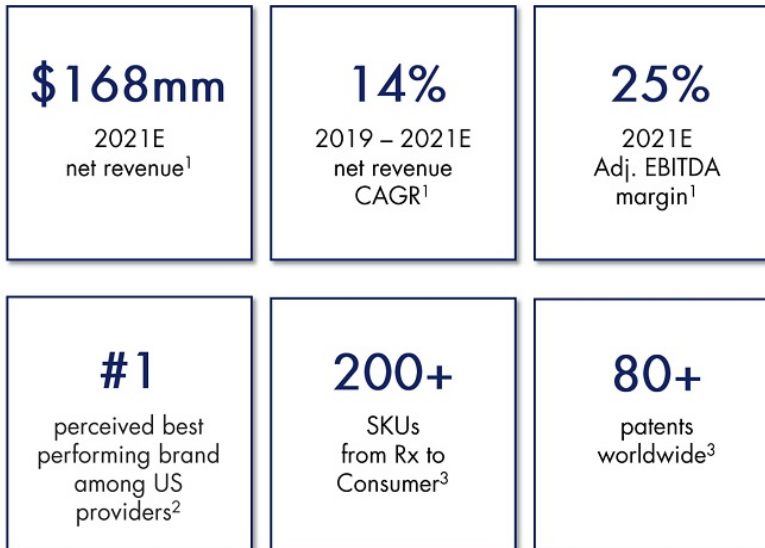


**Best-in-class dermo-cosmetic brand with  
strong anchor capabilities  
and attractive potential growth  
opportunities**

**With a 33-year legacy of science and innovation,  
OBAGI created the professional skincare category  
and has continued to pioneer its space  
since launching in 1988**



# OBAGI®

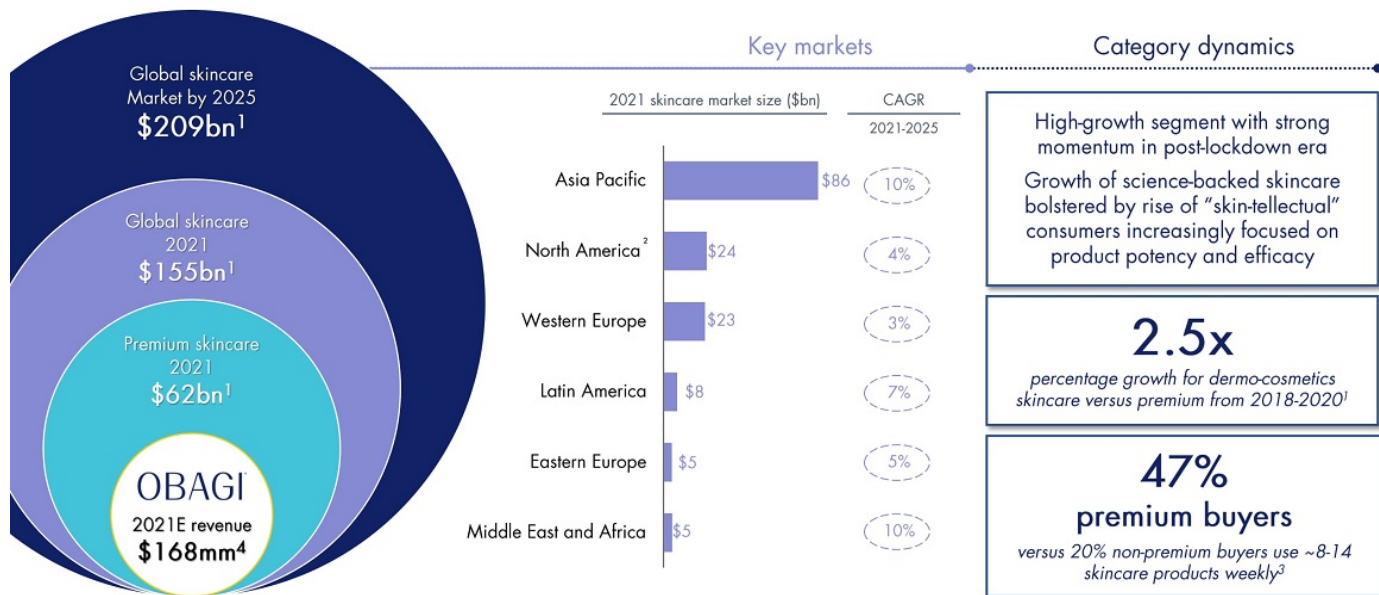


<sup>1</sup> OBAGI management projections; 2021 OBAGI financial estimates exclusive of China business  
<sup>2</sup> "2020 Kline Physician-Dispensed Skincare: U.S. Perception & Satisfaction Survey," Kline & Company  
<sup>3</sup> OBAGI information

## An experienced leadership team of dermo-cosmetics experts

					
	<b>Jaime Castle</b> <i>President &amp; CEO</i>	<b>Lisa Errecart</b> <i>EVP, Global Operations</i>	<b>Trish Mentas</b> <i>VP, Finance</i>	<b>David Bell</b> <i>EVP, Global Sales</i>	<b>Dr. Laurence Dryer</b> <i>EVP, R&amp;D</i>
<b>YEARS IN SPECIALTY</b>	21+	18+	25+	21+	28+
<b>YEARS AT OBAGI</b>	7+	18+	13+	8+	8+
<b>EXPERIENCE</b>	 	 	  	  	   

## OBAGI is a leader in the fastest growing segment of skincare



<sup>1</sup> Euromonitor International, Beauty & Personal Care, 2021ed, retail value sales, current prices, 2020 fixed ex rates; <sup>2</sup> Including the United States and Canada; <sup>3</sup> "How to Target Premium Beauty Buyers," report by Euromonitor; <sup>4</sup> OBAGI management projections, OBAGI 2021 financial estimates exclusive of China business



## Market leader within professional skincare



	SkinCeuticals [L'Oreal]	<b>OBAGI</b>	Dermologica [Unilever]	Skinmedica [Allergan]	ZO Skin Health	PCA Skin [ColgatePalmolive]	EltaMD [ColgatePalmolive]	Revision Skincare	Skinbetter Science
<i>Independent brands in professional skincare by ranking</i>	-	<b>#1</b>	-	-	#2	-	-	#3	#4
<i>Best performing brands among U.S. providers' perception and satisfaction</i>	#5	<b>#1</b>	-	-	#2	-	#4	#3	-
<i>Best performing brands with regard to product portfolio and innovation</i>	#5	<b>#1</b>	-	-	#4	-	#2	#3	-
<i>Best performing brands with regard to marketing</i>	#5	<b>#1</b>	-	-	#4	-	#3	#2	-

Source: \*2020 Kline Physician-Dispensed Skincare: U.S. Perception & Satisfaction Survey,\* Kline & Company, company financials; †Euromonitor International; Beauty & Personal Care, 2021ed, retail value sales, current prices, 2020 fixed ex rates

# Science-backed formulations and services trusted and recommended by physicians worldwide

High-performance products with high standards of medical efficacy...

...widely recognized by physicians, driving long-standing customer relationships<sup>2</sup>



**ELASTIderm® Facial Serum**  
95% of subjects showed improvement

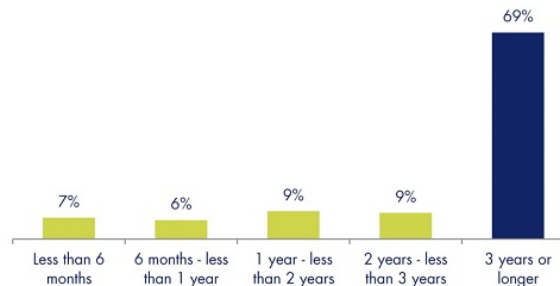


**OBAGI360® System**  
88% of patients saw improvement as early as week 3



**OBAGI-C® RX**  
97% of patients reported smoother skin

OBAGI's treatments complete rigorous testing from panels comprising leading dermatologists from universities and research organizations across the U.S.



**80+**  
Patents worldwide<sup>1</sup>

World class R&D team members leading new product development

Studied by board-certified dermatologists to ensure product efficacy

"OBAGI has the strongest clinical efficacy profile in the category"

"OBAGI offers more practice support than other skin care lines"

"OBAGI is the cornerstone of my aesthetic practice"

Source: <sup>1</sup>2020 Kline Physician-Dispensed Skincare: U.S. Perception & Satisfaction Survey; <sup>2</sup>Kline & Company<sup>1</sup> OBAGI information; <sup>2</sup> Length of relationship refers to the period of time between a customer's first order date and November 10, 2021, and is limited to customers who have placed an order in the previous 12 months

## Robust portfolio of highly-effective science-based products



<sup>1</sup> OBAGI information; <sup>2</sup> Refers to MSRP; <sup>3</sup> Revenue from Obagi Clinical

Our ambition is to make OBAGI the top dermo credentialed brand in the world, driving strong growth through channel and geographic diversification

BRAND EXPANSION	CHANNEL EXPANSION	INTERNATIONAL GROWTH	WALDENCAS <sup>T</sup> PLATFORM
			
<p>Capitalize on medical credentials and technology</p>	<p>Deepen penetration of dermo channel and expand into consumer and professional spa</p>	<p>Diversify business model to strengthen footprint abroad</p>	<p>Leverage data-driven, asset-light Waldencast platform</p>
<ul style="list-style-type: none"> <li>■ Expansion into consumer channels with ultra-high performance consumer line</li> <li>■ Leverage medical brand credentials and technology to drive credibility for "Rx-to-OTC switch"</li> </ul>	<ul style="list-style-type: none"> <li>■ Significant opportunity to expand with specialty and mass retailers</li> <li>■ Meet consumers online and capture new shoppers</li> <li>■ Continue to develop and expand spa presence</li> </ul>	<ul style="list-style-type: none"> <li>■ Build and execute global e-Commerce initiative</li> <li>■ Expand presence in key large international markets (EU, ME, Brazil, SEA)</li> <li>■ Drive strategic distribution in China and Japan via local partnerships</li> </ul>	<ul style="list-style-type: none"> <li>■ End-to-end e-Commerce solution enabling brands to rapidly scale</li> <li>■ Leverage Waldencast's innovation and product development expertise</li> <li>■ Smart synergies in supply chain, finance, IT, etc.</li> </ul>





# 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**





# Milk MAKEUP

<b>\$47M</b> 2021E Net revenue <sup>1</sup>	<b>24%</b> 2018-2021E Net revenue CAGR <sup>1</sup>	<b>#2</b> Clean Brand at Sephora US <sup>2</sup>
<b>Best-Seller</b> Face primer at Sephora <sup>3</sup>	<b>Best-Seller</b> Mascara at Sephora <sup>3</sup>	<b>1.9M</b> Instagram Followers <sup>4</sup>

<sup>1</sup> Milk financials for 2018 and management projections for 2021; <sup>2</sup> Sephora management; <sup>3</sup> Sephora website; <sup>4</sup> As of September 21, 2021 at 3:00 pm ET

# MILK MAKEUP LEADERSHIP TEAM



**Tim Coolican**  
CEO



**Steve Nguyen**  
CFO



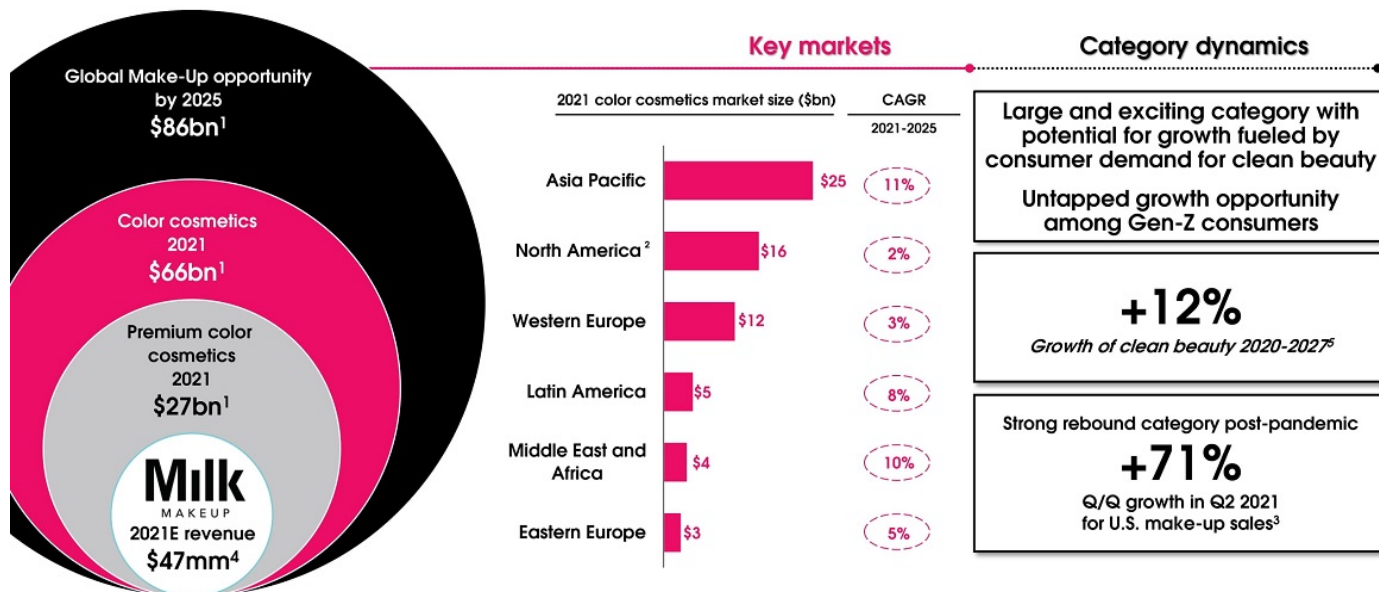
**Mazdack Rassi**  
Co-Founder & Chief Brand Officer



**Dianna Ruth**  
Co-Founder and COO

<b>YEARS IN SPECIALTY</b>	20+	18+	20+	15+
<b>YEARS AT MILK</b>	1+	3+	6+	6+
<b>EXPERIENCE</b>				

# MILK IS A LEADER IN THE HIGH GROWTH, CLEAN MAKE-UP SEGMENT



<sup>1</sup> Euromonitor International; Beauty & Personal Care, 2021 ed, retail value sales, current prices, 2020 fixed ex rates; <sup>2</sup> Including the United States and Canada; <sup>3</sup> "Just the Numbers: Q2 2021 NPD US Prestige Beauty" report by the NPD Group; <sup>4</sup> Milk management projections; <sup>5</sup> Brand Essence Research; "Clean Beauty Market Size," 2021, public summary



# LEADING BRAND WITH EXCITING PORTFOLIO OF CULT PRODUCTS

AMPLE OPPORTUNITY TO INNOVATE WITHIN MAKE-UP AND SKIN AND EXPAND INTO OTHER BEAUTY CATEGORIES

Innovative, iconic products

Vegan, clean, cruelty-free

Category champions with global resonance

Cross-category heroes



# A BRAND BUILT ORGANICALLY ON COMMUNITY AND CULTURE

**INCLUSIVE COMMUNITY<sup>1</sup>**





**1.9M**  
INSTAGRAM FOLLOWERS

**8.5M**  
TIKTOK LIKES

**108.4K**  
FACEBOOK FOLLOWERS

<sup>1</sup> As of September 21, 2021 at 3:00 pm ET

**VALUES ALIGNED WITH NEXT GENERATION**

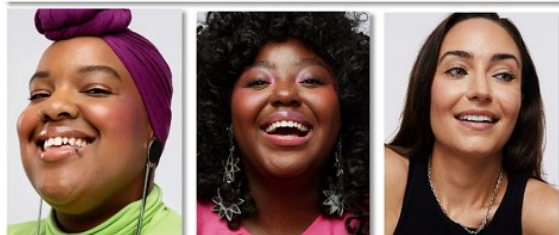
<b>GOOD FOR YOU</b>	100% vegan   Paraben-Free   Pledged never to use 2,500+ controversial ingredients
<b>GOOD FOR THE PLANET</b>	  <ul style="list-style-type: none"> <li>✓ Packaging</li> <li>✓ Petroleum-free plant-based inks</li> <li>✓ Recyclable</li> </ul>
<b>GOOD FOR OUR COMMUNITY</b>	  <p><small>June 2021 Update</small> <b>Here Are Our 5 Commitments to Ourselves and Our Community.</b></p>

# GROWTH DRIVEN BY BRAND AWARENESS AND INNOVATION

Milk Awareness by age<sup>1</sup>

<b>Gen-Z</b> 100 Index <sup>3</sup>	<b>Millennial</b> 84 Index	<b>Gen-X</b> 68 Index	<b>Boomer</b> 60 Index
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**Strong Gen-Z following with opportunity to drive incremental awareness and trial across consumer segments**



Active + Whitespace Milk Categories<sup>2</sup>

<b>Milk</b>	<b>330 SKUs<sup>1</sup></b>	<b>v/s</b>	Other Leading Make-Up Specialist Brands	<b>1,500-7,000 SKUs</b>
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Milk Makeup has the opportunity to grow through innovation and launches

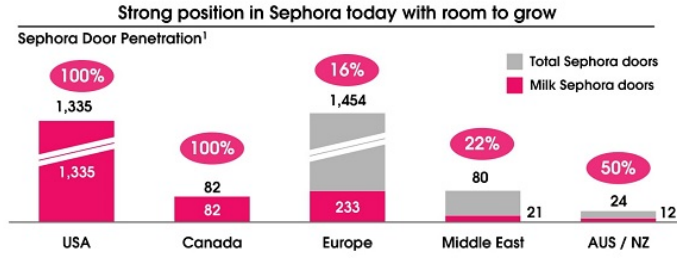
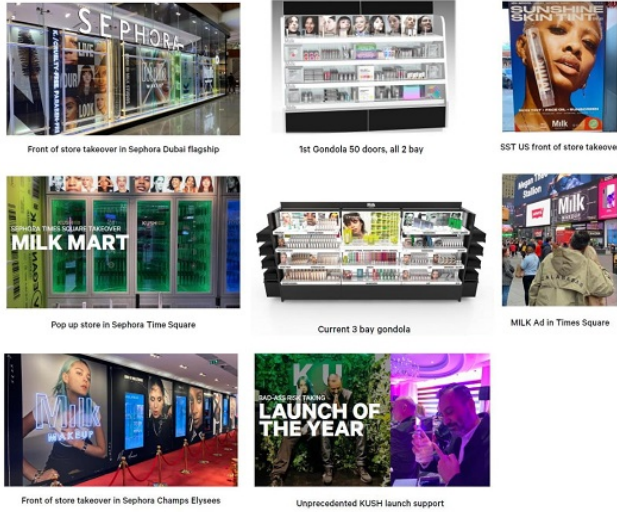
■ Established ■ Emerging □ Whitespace<sup>4</sup>

	<b>Mascara</b> \$1.9B	<b>Primer<sup>3</sup></b> \$0.3B	<b>Blusher &amp; Bronzer</b> \$0.5B	<b>Skin Tints</b> \$2.3B
<b>Make-up</b>	<b>Foundation / Concealer</b> \$3.8B	<b>Lash &amp; Brow</b> \$1.0B	<b>Lip</b> \$2.8B	<b>Shadow</b> \$0.5B
<b>Category Expansion</b>	<b>Skincare</b> \$21.9B	<b>Haircare</b> \$14.1B	<b>Bath / Shower</b> \$9.5B	<b>Fragrance</b> \$8.7B

<sup>1</sup> Survey 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; <sup>2</sup> 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 <sup>3</sup> 100 implies 82% awareness for Gen-Z; <sup>3</sup> Primer refers to EMI's category BB/CC creams and skin tints refers to EMI's premium foundation / concealer; <sup>4</sup> Areas where management believes product offering expansions or introduction of new categories are possible

# BUILDING ON STRONG PARTNERSHIP WITH SEPHORA

Established footprint in US with opportunity to increase presence in high-growth, international markets



Vast opportunity to further win share with Sephora's customer base

Sephora Customer Penetration

$$20\% \times 16\% = 3\%$$

Percentage of Sephora shoppers aware of Milk Makeup

Percentage of brand-aware Sephora shoppers who purchased Milk Makeup

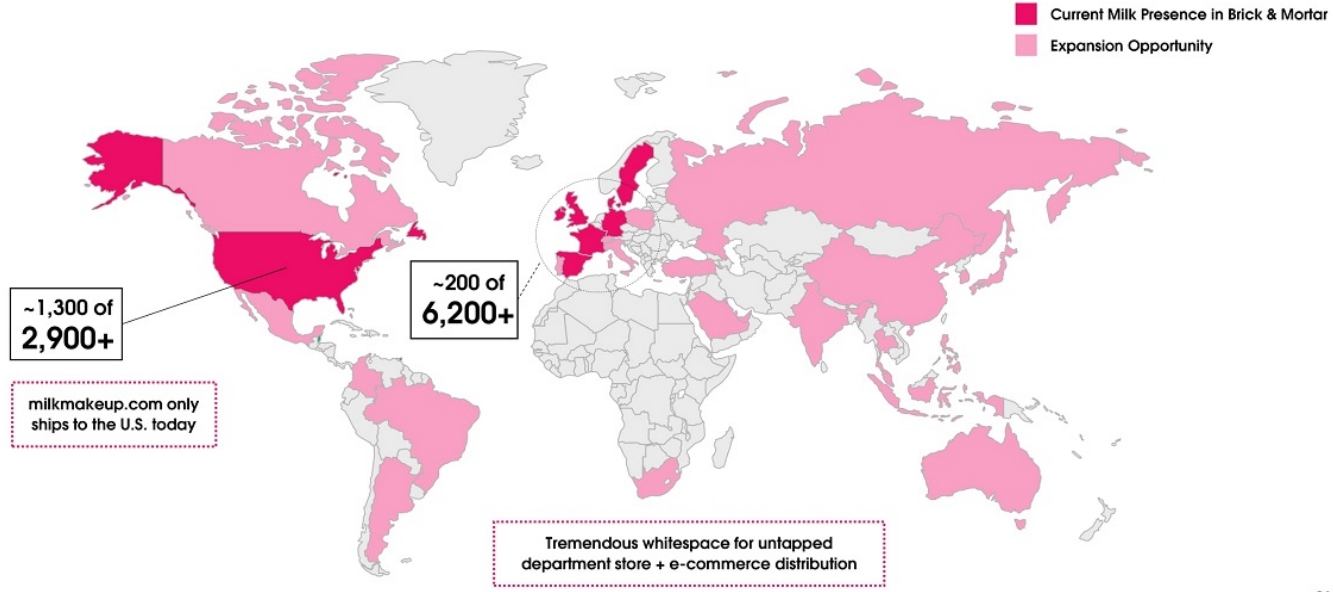
Milk penetration of Sephora clientele

<sup>1</sup> Data provided by Sephora; Sephora doors include Kohl's and SJCP



# UNTAPPED DISTRIBUTION OPPORTUNITIES

Significant opportunity to expand into other beauty retail doors worldwide



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

# OUR AMBITION IS TO BUILD THE TOP GLOBAL MAKE-UP BRAND OF THE NEW GENERATION



## GROW CONSUMER BASE

Drive awareness and trial

- Reinvest operational efficiencies in increased marketing spend and leverage current ecosystem to drive awareness, trial and topline growth
- Broaden brand footprint to recruit millennials and build on Gen-Z strength



## BRAND EXPANSION

Expand make-up assortment, enter new categories

- Accelerate product innovation and build on hero products to create category champions with global resonance
- Continue to develop skincare presence
- Evolve mix to higher margin products and expand into other categories



## INTERNATIONALIZE

Build global brand availability

- Strengthen and maximize Sephora ecosystem
- Expand to key remaining markets
- Develop highly efficient international D2C model



## WALDENCAST PLATFORM

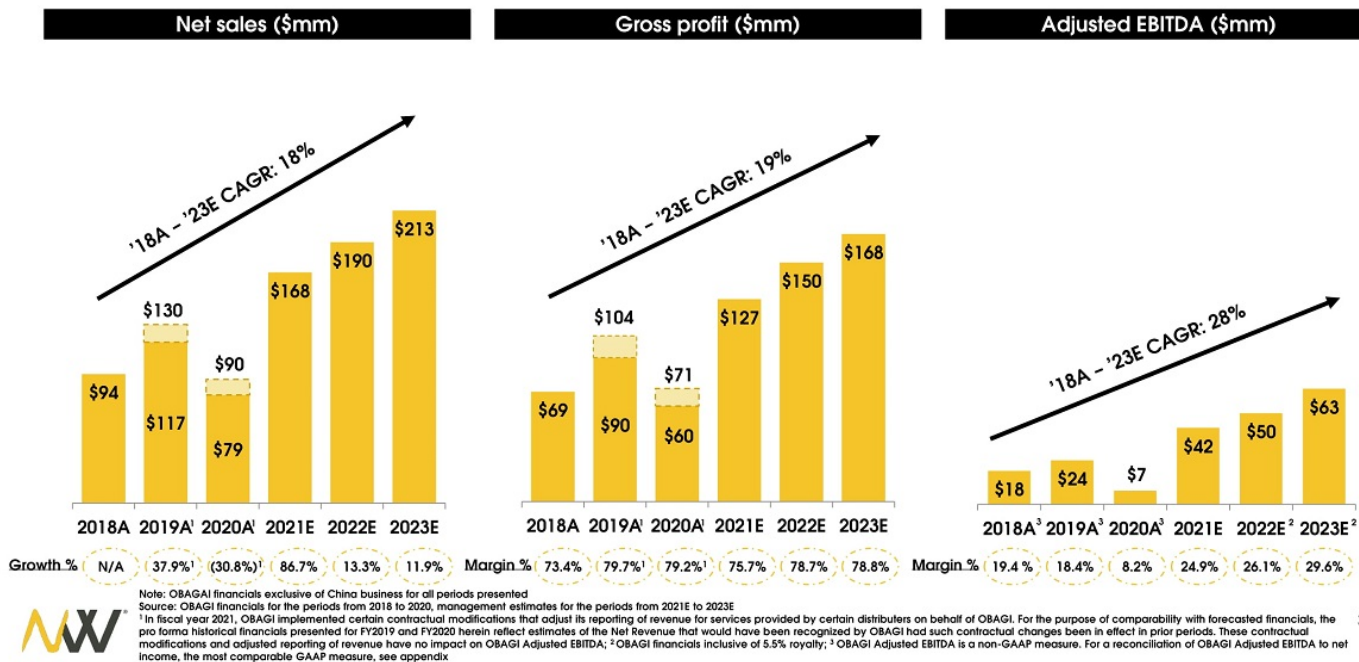
Leverage data-driven asset light Waldencast platform

- Improve gross margins through operational efficiency in sourcing, forecasting, and COGS negotiation
- Leverage Waldencast's intelligent synergies in supply chain, finance, IT, etc.



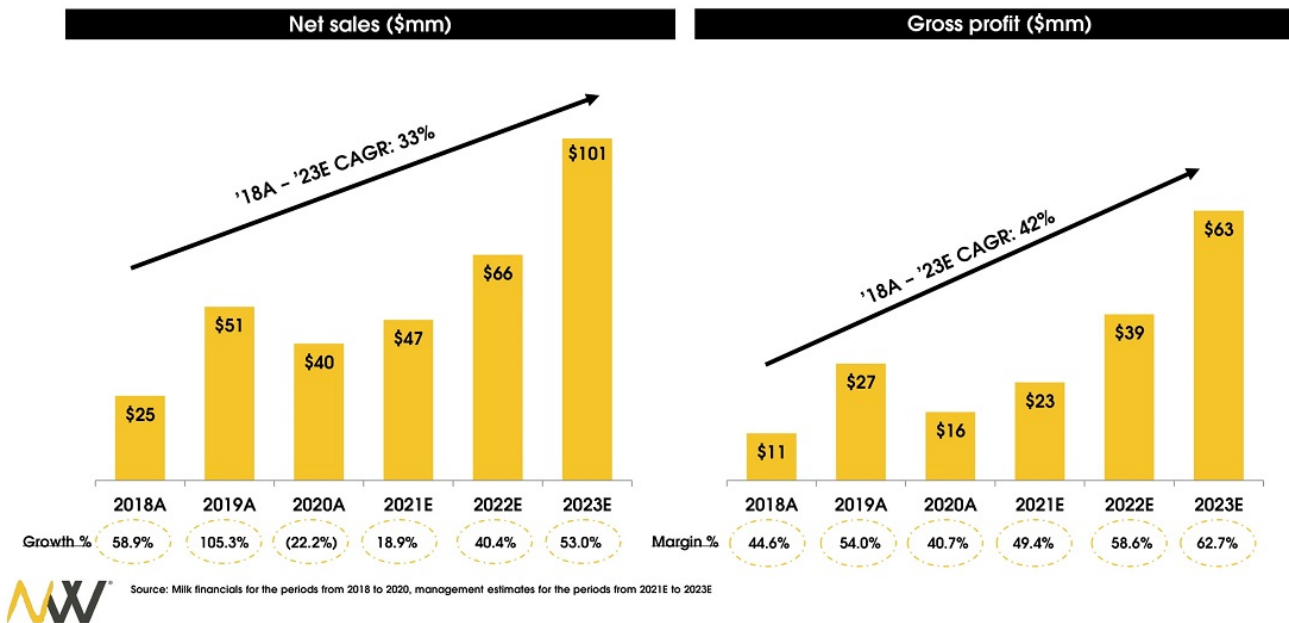


# OBAGI financial profile

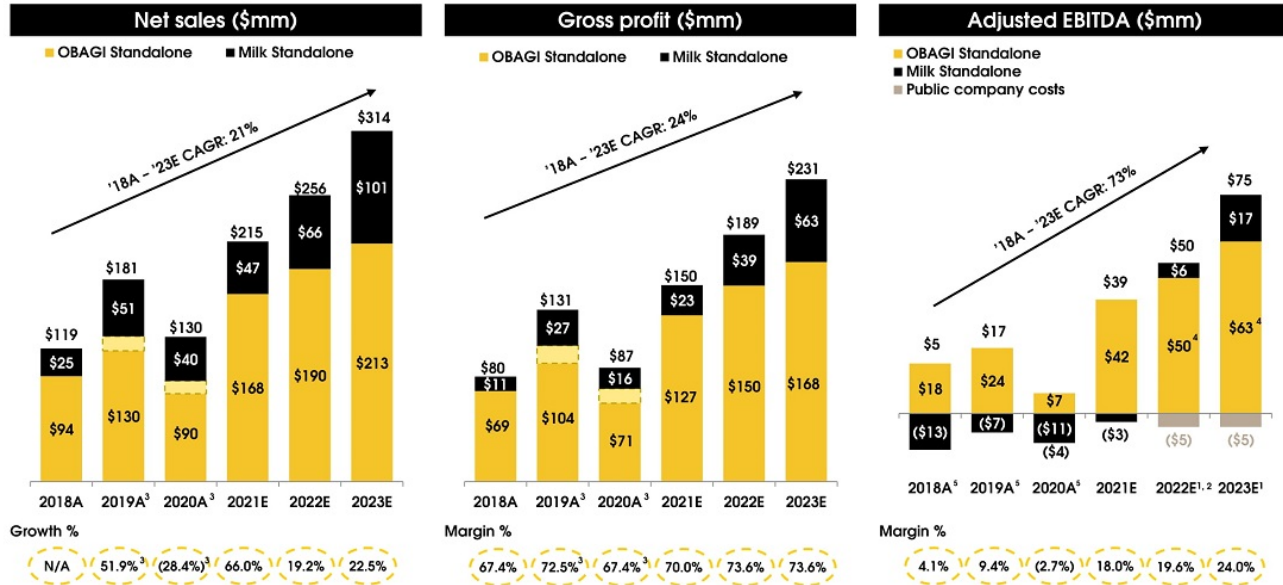


# Milk financial profile

MAKEUP



# OBAGI + Milk combined financial forecast



Note: OBAGI financials exclusive of China business  
<sup>1</sup> Total combined company adjusted EBITDA reflects deduction of \$5mm for public company costs; <sup>2</sup> Discrepancies in arithmetic are due to rounding; <sup>3</sup> In fiscal year 2021, OBAGI implemented certain contractual modifications that adjust its reporting of revenue for services provided by certain distributors on behalf of OBAGI. For the purpose of comparability with forecasted financials, the pro forma historical financials presented for FY2019 and FY2020 herein reflect estimates of the Net Revenue that would have been recognized by OBAGI had such contractual changes been in effect in prior periods. These contractual modifications and adjusted reporting of revenue have no impact on OBAGI's EBITDA; <sup>4</sup> OBAGI financials inclusive of 5.5% royalty; <sup>5</sup> OBAGI, Milk and combined company adjusted EBITDA are non-GAAP measures. For a reconciliation of OBAGI, Milk and combined company adjusted EBITDA to net income, the most comparable GAAP measure, see appendix

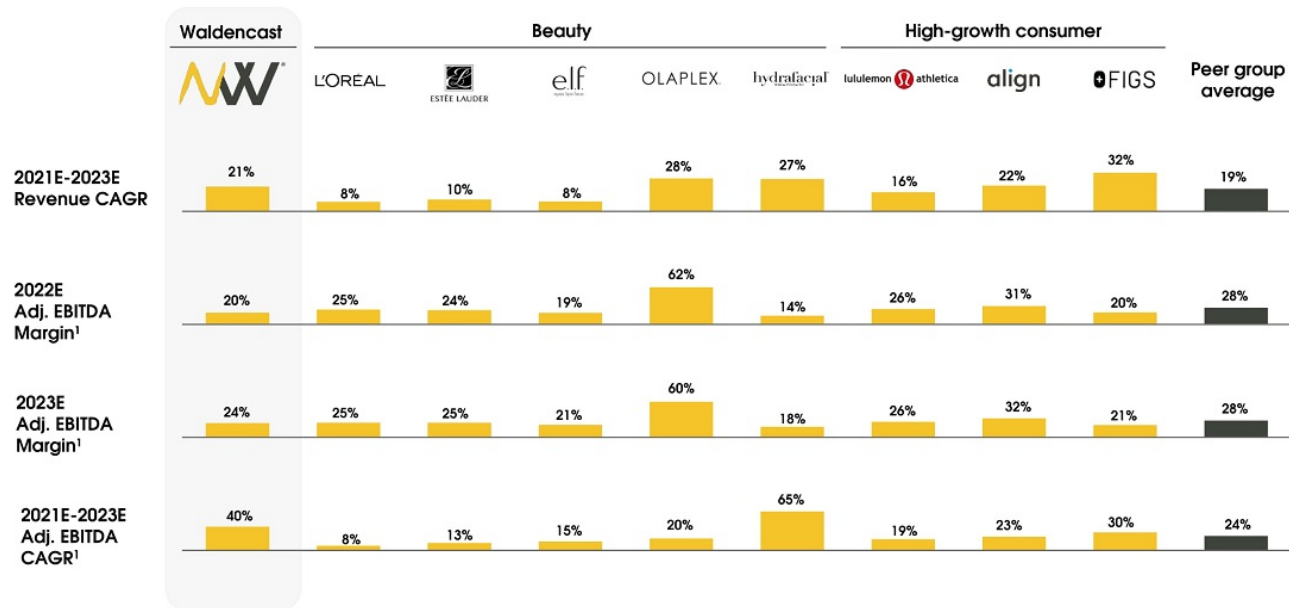


# OBAGI + Milk transaction summary

Transaction summary		Pro forma enterprise value (\$mm)																											
<ul style="list-style-type: none"> <li>Implied pro forma enterprise value of ~\$1.2 billion</li> <li>Waldencast to combine substantially concurrently with OBAGI and Milk                             <ul style="list-style-type: none"> <li>Implies a 24.7x post-money FV / 2022E Adj. EBITDA<sup>5</sup> and 16.5x FV / 2023E Adj. EBITDA<sup>5</sup></li> </ul> </li> <li>Concurrent with the transaction, Waldencast has raised \$105 million of committed PIPE at \$10.00 per share</li> <li>Existing shareholders of OBAGI and Milk to maintain ownership of approximately 21% and 15% respectively</li> <li>OBAGI shareholders to retain OBAGI China</li> <li>Sponsors investing an additional \$160m of committed capital through the FPA (at the top of the range of their \$130m to \$160m FPA commitment), resulting in a significant ownership in the company<sup>4</sup></li> <li>Third-Party investors allocating \$173m of committed capital through an FPA<sup>7</sup></li> </ul>		Share price	\$10.00																										
		Pro forma shares outstanding	134.4																										
		<b>Equity value</b>	<b>\$1,344</b>																										
		Pro forma net (cash)	(\$104)																										
		<b>Pro forma enterprise value</b>	<b>\$1,240</b>																										
		Implied 2022E Adj. EBITDA multiple <sup>5</sup>	24.7x																										
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Sources and uses (\$mm)		Pro forma ownership																											
<p><i>Sources for equity consideration:</i></p> <table border="1"> <tr> <td>IPO cash proceeds<sup>6</sup></td> <td>345</td> </tr> <tr> <td>PIPE Cash proceeds<sup>3</sup></td> <td>105</td> </tr> <tr> <td>Founder FPA proceeds</td> <td>160</td> </tr> <tr> <td>3<sup>rd</sup> party FPA proceeds</td> <td>173</td> </tr> <tr> <td>Seller rollover equity</td> <td>475</td> </tr> <tr> <td><b>Total sources</b></td> <td><b>\$1,258</b></td> </tr> </table>		IPO cash proceeds <sup>6</sup>	345	PIPE Cash proceeds <sup>3</sup>	105	Founder FPA proceeds	160	3 <sup>rd</sup> party FPA proceeds	173	Seller rollover equity	475	<b>Total sources</b>	<b>\$1,258</b>	<p><i>Uses for equity consideration:</i></p> <table border="1"> <tr> <td>Cash to balance sheet</td> <td>202</td> </tr> <tr> <td>Cash to sellers<sup>8</sup></td> <td>520</td> </tr> <tr> <td>Cash to OBAGI sellers</td> <td>380</td> </tr> <tr> <td>Cash to Milk sellers</td> <td>140</td> </tr> <tr> <td>Fees and expenses</td> <td>61<sup>2</sup></td> </tr> <tr> <td>Seller rollover equity</td> <td>475</td> </tr> <tr> <td><b>Total uses</b></td> <td><b>\$1,258</b></td> </tr> </table>		Cash to balance sheet	202	Cash to sellers <sup>8</sup>	520	Cash to OBAGI sellers	380	Cash to Milk sellers	140	Fees and expenses	61 <sup>2</sup>	Seller rollover equity	475	<b>Total uses</b>	<b>\$1,258</b>
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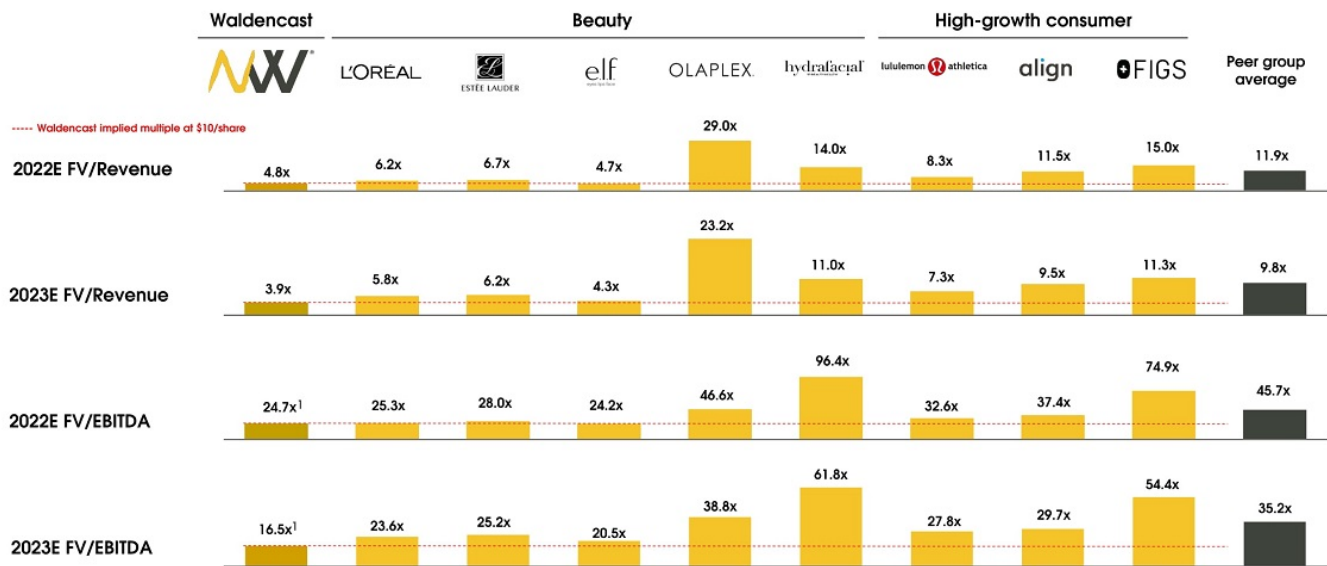
Note: The analysis and capital structure shown is at \$10 per share and does not reflect the impact from potential warrant dilution, or trust redemptions; <sup>1</sup> Includes 16.0mm FPA shares and 8.6mm shares of founder promote; <sup>2</sup> Illustrative based on latest estimates; <sup>3</sup> Represents total PIPE commitments; <sup>4</sup> Founders have entered into forward purchase agreement to purchase 16 million units, exercising their option therein, issued and sold by the Company on a private placement basis. Each unit is comprised of one Class A ordinary share of the Company and one-third of one redeemable warrant, where each whole redeemable warrant is exercisable to purchase one Class A ordinary share at an exercise price of \$11.50 per share; <sup>5</sup> EBITDA reflects deduction of \$5mm for public company costs; <sup>6</sup> Subject to reduction based on redemptions; <sup>7</sup> Sponsor is managing member of the Third-Party and therefore may be deemed beneficial owner. The Third-Party entered into forward purchase agreement to purchase 17.3 million units, exercising their option therein, issued and sold by the Company on a private placement basis. Each unit is comprised of one Class A ordinary share of the Company and one-third of one redeemable warrant, where each whole redeemable warrant is exercisable to purchase one Class A ordinary share at an exercise price of \$11.50 per share; <sup>8</sup> Cash consideration is subject to substitution for equity consideration based on the level of trust redemptions.

# Peer benchmarking



Source: Historical data from company filings; projections from FactSet as of 11/8/2021  
<sup>1</sup> 2022 and 2023 EBITDA reflects deduction of \$5mm for public company costs

## Trading metrics for relevant peers



Source: Historical data from company filings; projections from FactSet as of 11/8/2021  
<sup>1</sup> EBITDA reflects deduction of \$5mm for public company costs



## Adjusted EBITDA reconciliation

	2020			2019		
	Consolidated	Carve-out	Post Carve-out	Consolidated	Carve-out	Post Carve-out
<b>\$mm</b>						
Net Income / (Loss)	(9.2)	(2.3)	(6.8)	5.8	-	5.8
Interest	6.3	-	6.3	6.8	-	6.8
Taxes	(5.1)	0.0	(5.1)	(1.6)	-	(1.6)
Depreciation & Amortization	13.4	0.4	13.1	12.9	-	12.9
<b>Adjusted EBITDA</b>	<b>\$5.4</b>	<b>(\$1.9)</b>	<b>\$7.4</b>	<b>\$24.0</b>	<b>-</b>	<b>\$24.0</b>

## Milk MAKEUP

	2020	2019
<b>\$mm</b>		
Net Income / (Loss)	(12.9)	(11.0)
Interest	0.3	1.4
Taxes	-	-
Depreciation & Amortization	1.7	2.5
<b>Adjusted EBITDA</b>	<b>(\$10.9)</b>	<b>(\$7.1)</b>



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## OBAGI + **Milk** transaction detail

### OBAGI

	(\$mm)
Net sales 2022E	\$190
EBITDA 2022E	\$50
<i>Implied EBITDA multiple</i>	<i>17.2x</i>
OBAGI enterprise value <sup>1</sup>	\$858
Net debt <sup>2</sup>	106
Equity value	\$752
Less: promote and fees	(97)
Equity value to OBAGI owners	\$655
Rollover equity to OBAGI owners	\$275
Cash proceeds to OBAGI owners <sup>4</sup>	\$380

### Milk MAKEUP

	(\$mm)
Net sales 2022E	\$66
EBITDA 2022E	\$6
<i>Implied net sales multiple</i>	<i>5.8x</i>
Milk enterprise value	\$382
Net debt (cash) <sup>3</sup>	(8)
Equity value	\$390
Less: promote and fees	(50)
Equity value to Milk owners	\$340
Rollover equity to Milk owners	\$200
Cash proceeds to Milk owners <sup>4</sup>	\$140

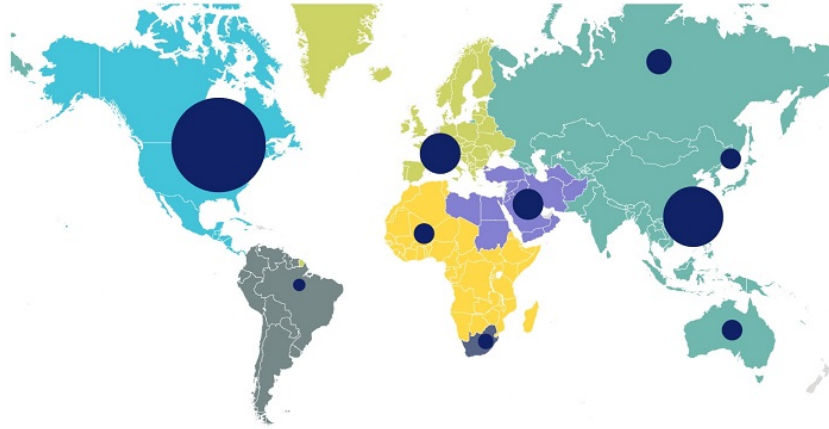


Source: Management estimates; <sup>1</sup> OBAGI enterprise value, net sales 2022E and EBITDA 2022E exclusive of OBAGI China business; OBAGI EBITDA 2022E inclusive of 5.5% royalty; <sup>2</sup> As of December 31, 2020; <sup>3</sup> As of June 30, 2021; <sup>4</sup> Subject to the substitution of an amount of Waldencast stock in the event of redemptions

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## Key expansion opportunities in the US and international markets

Expand internationally first through OBAGI Medical and then leverage OBAGI Rx-to-OTC virtuous circle in each market



● Represents OBAGI's global footprint  
Source: Company information

### Key strategic initiatives



Increase penetration and share of wallet among dermatologists



Growth driven by consumer and professional spa and launch of devices



Internationalization and expand distribution in key markets: EU, Brazil, Korea, Canada