
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K/A

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 or 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of November 2022

Commission File Number: 001-40207

Waldencast plc
(Translation of Registrant's name into English)

10 Bank Street, Suite 560
White Plains, New York, 10606
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

EXPLANATORY NOTE

This Amendment to Form 6-K is to correct the Exhibit 99.1, which contains the press release (the “Press Release”), and the Exhibit 99.2, which contains the earnings release supplement for the quarter ended September 30, 2022 (the “Earnings Supplement”) to the Form 6-K originally furnished to the Securities and Exchange Commission on [November 10, 2022](#) (the “Original Form 6-K”). The Company is amending the Original Form 6-K in order to furnish a corrected press release (the “Corrected Press Release”) and a corrected earnings release supplement for the quarter ended September 30, 2022 (the “Corrected Earnings Supplement”). The Corrected Press Release and the Corrected Earnings Supplement amend the preliminary third quarter net loss figure from \$16.8 million to \$14.0 million, including the related adjustments. The revision to the net loss figure corresponds to the change in fair value of warrants and has no cash impact. This amendment to the Original Form 6-K is the updated version of the press release and earnings release supplement for the quarter ended September 30, 2022.

EXHIBIT INDEX

| EXHIBIT NO. | DESCRIPTION |
|-------------|--|
| 99.1 | Waldencast plc corrected press release. |
| 99.2 | Waldencast plc corrected Supplemental Information for the quarter ended September 30, 2022 |

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, Waldencast plc has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Waldencast plc
(Registrant)

Date: November 25, 2022

By: /s/ Michel Brousset
Name: Michel Brousset
Title: Chief Executive Officer



CORRECTION: Waldencast plc Announces Third Quarter Fiscal Year 2022 Financial Results

November 25, 2022 – New York, New York – Waldencast plc, (NASDAQ: WALD) (“Waldencast”), a global multi-brand beauty and wellness platform, today announced that it corrected a press release issued November 10, 2022 to amend the preliminary 2022 third quarter net loss figure from \$16.8 million to \$14.0 million, including the related adjustments. The revision to Waldencast’s net loss figure corresponds to the change in fair value of warrants and has no cash impact. The corrected press release reads:

| | |
|---|--|
| - | Q3 2022 Net Sales of \$78.9 million |
| - | Q3 2022 Gross margin of 62.4% and adjusted gross margin of 71.9% |
| - | Q3 2022 Net loss of \$14.0 million |
| - | Q3 2022 Adjusted EBITDA of \$15.3 million, or 19.4% of net sales |
| - | Company reaffirms guidance |

Waldencast plc, (NASDAQ: WALD) (“Waldencast”), a global multi-brand beauty and wellness platform, today announced results for the third quarter ended September 30, 2022.

Michel Brousset, Waldencast Founder and CEO, said: “We are pleased with our third quarter performance, which continued the positive momentum for our brands from the first half of the year, highlighted by increased sales and profitability. We are excited about our opportunities as we enter the final quarter of the year, and while cognizant of the broader macro-economic environment, the beauty category remains strong. In addition, our business and our brands continue to deliver strong growth and profitability, which is reflected in our reaffirmation of guidance. Our long-term ambition is to build a global best-in-class beauty and wellness multi-brand platform by scaling the next generation of high growth purpose driven brands. We look forward to delivering on this objective for the benefit of all Waldencast stakeholders.”

Results for the quarter ended September 30, 2022 ⁽¹⁾

Business Combination

On July 27, 2022 (the “Closing Date”), Waldencast consummated the business combination with Obagi Global Holdings Limited (“Obagi Skincare”) and Milk Makeup LLC (“Milk Makeup”). In accounting for the business combination, Waldencast was deemed to be the accounting acquirer, and Obagi Skincare was deemed to be the predecessor entity for purposes of financial reporting. Under the acquisition method of accounting, Waldencast’s assets and liabilities retained their carrying values and the assets and liabilities associated with Obagi Skincare and Milk Makeup were recorded at their fair values measured as of the acquisition date, which created a new basis of accounting.

Basis of Presentation

When reading our financial statements, you should note there is a clear division between the “predecessor” periods that include financials up to the Closing Date and “successor” periods that include all periods after the acquisition date. The predecessor and successor results shown are not comparable, as the successor period includes the consolidated financial statements of Waldencast, Obagi Skincare, and Milk Makeup, whereas the predecessor period includes only Obagi Skincare’s financial statements.

Condensed Consolidated Statements of Operations (UNAUDITED) ⁽¹⁾

| | Successor (Waldencast) | Predecessor (Obagi) | |
|--|---|-------------------------------------|--|
| | 2022 | 2022 | 2021 |
| | Period from July 28 to September 30 | Period from July 1 to July 27 | Period from July 1 to September 30 |
| U.S. Dollars (in thousands) | | | |
| Net revenue | \$ 73,445 | \$ 2,834 | \$ 58,510 |
| Cost of goods sold (2) | 27,505 | 980 | 12,668 |
| Gross profit | 45,940 | | |
| Selling, general and administrative | 38,667 | 6,921 | 35,099 |
| Research and development | 1,404 | 331 | 2,496 |
| Depreciation and amortization | 10,935 | 1,080 | 3,565 |
| Total operating expenses | 51,006 | 9,312 | 53,828 |
| Operating (loss) income | (5,066) | (6,478) | 4,682 |
| Interest expense | 2,321 | 953 | 3,058 |
| Forgiveness of Paycheck Protection Loan | (13) | - | - |
| Other income, net | (3,529) | 32 | 106 |
| Total other expenses—net | (1,221) | 985 | 3,164 |
| Income (loss) before income taxes | (3,845) | (7,463) | 1,518 |
| Income tax expense | 740 | 153 | 164 |
| Net income (loss) | \$ (4,585) | \$ (7,616) | \$ 1,354 |
| Net income attributable to non-controlling interests | 257 | | |
| Net (loss) income attributable to shareholders | (4,842) | | |

(1) Waldencast is in the process of finalizing its business combination accounting and disposal of the former Obagi China Business (as defined below). All related estimates are subject to change.

(2) The cost of goods sold in the predecessor periods excludes product-related amortization expense.

Adjusted EBITDA reconciliation ⁽¹⁾ for the period ended September 30, 2022 – Waldencast plc

| U.S. Dollars (in thousands) | 2022 | | | | 2021 | |
|--|---|------------|---------------------|------------|--|--|
| | Period from July 28 to September 30 (Successor period) | | | | Period from July 1 to July 27 (Predecessor period) | Three months ended September 30 (Predecessor period) |
| | Obagi | Milk | Waldencast Corp. | Waldencast | Obagi | Obagi |
| Net Income (Loss) | \$ 3,965 | \$ (2,656) | \$ (5,894) | \$ (4,585) | \$ (7,616) | \$ 1,354 |
| China carve-out | - | - | - | - | 340 | (1,063) |
| Adjusted For: | | | | | | |
| Depreciation and amortization | 8,991 | 2,987 | - | 11,978 | 1,080 | 3,565 |
| Interest expense, net | - | - | 2,321 | 2,321 | 945 | 3,058 |
| Income tax expense | 740 | - | - | 740 | 153 | 164 |
| Stock-based compensation expense | 2,048 | 254 | 850 | 3,152 | - | - |
| Transaction costs | 1,002 | 135 | 3,610 | 4,747 | 1,968 | 649 |
| Inventory fair value adjustment | 2,782 | 1,558 | - | 4,340 | - | - |
| Warranty liability fair value adjustment | - | - | (2,805) | (2,805) | - | - |
| Impact of China related party sales | 155 | - | - | 155 | - | - |
| Foreign currency transaction loss (gain) | (287) | (415) | - | (702) | 4 | - |
| (Gain)/loss on disposal of assets | - | (3) | - | (3) | 35 | - |
| Restructuring costs | 20 | - | - | 20 | 2 | 78 |
| Adjusted EBITDA | \$ 19,416 | \$ 1,860 | \$ (1,918) | \$ 19,358 | \$ (3,089) | \$ 7,805 |
| Net Sales | \$ 57,576 | \$ 15,869 | \$ - | \$ 73,445 | \$ 2,834 | \$ 58,510 |
| Adjusted EBITDA % | 33.7% | 11.7% | N/A | 26.4% | -109.0% | 13.3% |

(1) Waldencast is in the process of finalizing its business combination accounting and disposal of the former Obagi China Business (as defined below). All related estimates are subject to change.

Third Quarter Highlights

As the predecessor and successor results are not comparable, the Company 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.

The Company also separately reports financial results on the basis of adjusted gross margin, adjusted EBITDA and adjusted EBITDA margin, which are non-GAAP financial measures. Refer to “Reconciliation of Non-GAAP Financial Measures” below.

Obagi Skincare ⁽¹⁾

- Obagi Skincare recorded net sales of \$60.4 million, an increase of 3.2% from the same period in the prior year and an increase of 12.1% on a comparable basis
 - The increase of 12.1% on a comparable basis excludes sales related to the former Obagi China business, which was not acquired by Waldencast (the “Obagi China Business”). The distribution of Obagi Skincare’s products in China has remained under ownership of Cedarwalk Skincare Limited, Obagi Skincare’s former owners, who have entered into a licensing and distribution agreement with Waldencast.
 - Q3 2022 Net sales of \$60.4 million includes \$55.9 million of comparable sales and \$4.5 million of sales related to its former Obagi China Business
 - Q3 2021 Net sales of \$58.5 million includes \$49.9 million of comparable sales and \$8.6 million of sales related to its former Obagi China Business
- Obagi Skincare gross margin of 64.9% and adjusted gross margin of 75.0%, compared to gross margin of 76.3% and adjusted gross margin of 74.8% in the prior year
 - Q3 2022 adjusted gross margin excludes \$2.8 million related to the inventory fair value step-up and \$0.2 million related to its former Obagi China Business
 - Q3 2021 adjusted gross margin excludes \$7.3 million related to its former Obagi China Business
- Obagi Skincare’s net loss of \$3.7 million, compared to net income of \$1.4 million in the prior year, reflects \$19.6 million of transaction costs and other non-cash items
- Obagi Skincare’s adjusted EBITDA of \$16.3 million (27.0% of net sales), an increase of 109.2%, was primarily driven by robust comparable sales and strong operational leverage

| U.S. Dollars (in thousands) | 2022 | | | | 2021 | | | | % Change |
|-----------------------------|---|-------|--|---------|---|-------|--|-------|----------|
| | Period from July 28 to September 30 (Post-acquisition period) | | Period from July 1 to July 27 (Predecessor period) | | Three months ended September 30 (Predecessor + Post-acquisition period) | | Three months ended September 30 (Predecessor period) | | |
| Net Sales | \$ 57,576 | | \$ 2,834 | | \$ 60,410 | | \$ 58,510 | | 3.2% |
| Gross Margin | \$ 37,735 | 65.5% | \$ 1,499 | 52.9% | \$ 39,234 | 64.9% | \$ 44,621 | 76.3% | -12.1% |
| Adjusted Gross Margin | \$ 40,362 | 76.0% | \$ 1,578 | 56.0% | \$ 41,940 | 75.0% | \$ 37,329 | 74.8% | 12.4% |
| Net Income (Loss) | \$ 3,965 | | \$ (7,616) | | \$ (3,651) | | \$ 1,354 | | -369.6% |
| Adjusted EBITDA | \$ 19,416 | 33.7% | \$ (3,089) | -109.0% | \$ 16,327 | 27.0% | \$ 7,805 | 13.3% | 109.2% |

(1) Waldencast is in the process of finalizing its business combination accounting and disposal of the former Obagi China Business. All related estimates are subject to change.

Milk Makeup ⁽¹⁾

- Milk Makeup recorded net sales of \$18.5 million, an increase of 41.7% from the same period in the prior year
- Milk Makeup's gross margin of 54.0% and adjusted gross margin of 62.5%, compared to gross margin and adjusted gross margin of 53.2% in the prior year
 - Q3 2022 Adjusted gross margin excludes \$1.6 million related to the inventory fair value step-up
- Milk Makeup's net loss of \$4.4 million, compared to net loss of \$1.8 million in the prior year, reflecting \$5.4 million of transaction costs and other non-cash items
- Milk Makeup's adjusted EBITDA of \$0.9 million (5.0% of net sales) compared to \$(1.0) million in the prior year, was primarily driven by strong sales growth, expansion in gross margin and operational leverage

| U.S. Dollars (in thousands) | 2022 | | | | 2021 | | % Change |
|-----------------------------|---|--|---|--|------|--------|----------|
| | Period from July 28 to September 30 (Post-acquisition period) | Period from July 1 to July 27 (Pre-acquisition period) | Three months ended September 30 (Pre-acquisition + Post-acquisition period) | Three months ended September 30 (Pre-acquisition period) | | | |
| Net Sales | \$ 15,869 | \$ 2,670 | \$ 18,539 | \$ 13,083 | | 41.7% | |
| Gross Margin | \$ 8,205 51.7% | \$ 1,815 68.0% | \$ 10,020 54.0% | \$ 6,957 53.2% | | 44.0% | |
| Adjusted Gross Margin | \$ 9,763 61.5% | \$ 1,815 68.0% | \$ 11,578 62.5% | \$ 6,957 53.2% | | 66.4% | |
| Net Loss | \$ (2,656) | \$ (1,764) | \$ (4,420) | \$ (1,836) | | 140.7% | |
| Adjusted EBITDA | \$ 1,860 11.7% | \$ (930) -34.8% | \$ 930 5.0% | \$ (1,028) -7.9% | | NM | |

(1) Waldencast is in the process of finalizing its business combination accounting. All related estimates are subject to change.

Waldencast Group central expenses – Period from July 28, 2022 to September 30, 2022 (Post-acquisition period)

- These central expenses result in a net loss of \$5.9 million and consists of \$3.6 million of transaction costs, \$2.3 million of interest expense, \$1.9 million of ongoing central overhead, offset by \$(1.9) million of non-cash items.
- These central expenses result in an adjusted EBITDA of \$(1.9) million, reflecting ongoing central overhead.

Fiscal 2022 Outlook

Waldencast reaffirms its previously issued outlook for Fiscal 2022 provided on November 15, 2021.

- Net Sales of \$256.3 million
- Gross profit of \$189.8 million
- Adjusted EBITDA of \$49.6 million

In addition, as of September 30, 2022, there were 114.1 million fully diluted shares outstanding. Waldencast has reserved 3.9 million shares for future issuances of employee incentive awards.

Conference Call and Webcast Information

Investors and analysts interested in participating in the conference call are invited to dial (646) 307-1963 or (800) 715-9871 for a toll-free number (conference ID: 6198725). The conference call will be webcast live and can be accessed at <https://ir.waldencast.com/>. A replay of the webcast will remain available on the website for 90 days.

Waldencast will host a conference call to discuss the third quarter results ended September 30, 2022, today, November 10, 2022, at **8:30 AM** ET. Those interested in participating in the conference call are invited to dial (646) 307-1963 (conference ID: 6198725). International callers may dial (800) 715-9871. The live webcast of the conference call will be available online at <https://ir.waldencast.com/>. A replay of the webcast will remain available on the website for 90 days.

About Waldencast

Founded by Michel Brousset and Hind Sebti, Waldencast’s ambition is to build a global best-in-class beauty and wellness operating platform by developing, acquiring, accelerating, and scaling conscious, high-growth purpose-driven brands. Waldencast’s vision is fundamentally underpinned by its brand-led business model that ensures proximity to its customers, business agility, and market responsiveness, while maintaining each brand’s distinct DNA. The first step in realizing its vision was the business combination with Obagi Skincare and Milk Makeup. As part of the Waldencast platform, its brands will benefit from the operational scale of a multi-brand platform; the expertise in managing global beauty brands at scale; a balanced portfolio to mitigate category fluctuations; asset light efficiency; and the market responsiveness and speed of entrepreneurial indie brands. For more information please visit: <https://ir.waldencast.com/>.

Obagi Skincare is an industry-leading, advanced skin care line rooted in research and skin biology, refined with a legacy of 30 years’ experience. First known as leaders in the treatment of hyperpigmentation with the Obagi Nu-Derm® System, Obagi® products are designed to diminish the appearance of premature aging, photodamage, skin discoloration, acne, and sun damage. More information about Obagi Skincare is available on the brand’s website, Facebook, Twitter and Instagram pages.

Founded in 2016, Milk Makeup quickly became a cult-favorite among the beauty community for its values of self-expression and inclusion, captured by its signature Live Your Look, its innovative formulas and clean ingredients. The brand creates vegan, cruelty-free, clean formulas from its Milk Makeup HQ in Downtown NYC. Currently, Milk Makeup offers over 300 products through its US website www.MilkMakeup.com, and its retail partners including Sephora in North America, Europe, the Middle East and Australia and Cult Beauty and Selfridges in the UK.

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 2022; 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 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. 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. The degree to which COVID-19 may adversely affect Waldencast's results and operations, including its ability to achieve its outlook and guidance for Fiscal 2022, 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 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.

Contacts:

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Media

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Appendix

Adjusted gross margin reconciliation ⁽¹⁾ for the period ended September 30, 2022 and 2021 – Obagi Skincare

| U.S. Dollars (in thousands) | 2022 | | 2021 |
|--|---|--|--|
| | Period from July 28 to September 30 (Post-acquisition period) | Period from July 1 to July 27 (Predecessor period) | Three months ended September 30 (Predecessor period) |
| Net Sales | \$ 57,576 | \$ 2,834 | \$ 58,510 |
| Recurring sales | 53,118 | 2,816 | 49,902 |
| Obagi China Business carveout | - | 18 | 8,608 |
| Chinese related party sales | 4,458 | - | - |
| Cost of goods sold (2) | 19,841 | 980 | 12,668 |
| Amortization expense (2) | - | 355 | 1,221 |
| Gross Margin | \$ 37,735 | \$ 1,499 | \$ 44,621 |
| Gross Margin % | 65.5% | 52.9% | 76.3% |
| Gross Margin Adjustments: | | | |
| Inventory fair value adjustment | (2,782) | - | - |
| Obagi China Business carveout | - | (79) | 7,292 |
| Chinese related party sales | 155 | - | - |
| Adjusted Gross Margin | \$ 40,362 | \$ 1,578 | \$ 37,329 |
| Adjusted Gross Margin % (% of Recurring sales) | 76.0% | 56.0% | 74.8% |

- (1) Waldencast is in the process of finalizing its business combination accounting and disposal of the former Obagi China Business. All related estimates are subject to change.
- (2) The cost of goods sold in the predecessor periods excludes product-related amortization expense. Product-related amortization expense is included as an adjustment to calculate the gross margin per U.S. GAAP and to be comparable to the successor period.

Adjusted gross margin reconciliation ⁽¹⁾ for the period ended September 30, 2022 and 2021 – Milk Makeup

| U.S. Dollars (in thousands) | 2022 | | 2021 |
|---------------------------------|---|--|--|
| | Period from July 28 to September 30 (Post-acquisition period) | Period from July 1 to July 27 (Pre-acquisition period) | Three months ended September 30 (Pre-acquisition period) |
| Net Sales | \$ 15,869 | \$ 2,670 | \$ 13,083 |
| Cost of goods sold | 7,664 | 855 | 6,126 |
| Gross Margin | \$ 8,205 | \$ 1,815 | \$ 6,957 |
| Gross Margin % | 51.7% | 68.0% | 53.2% |
| Gross Margin Adjustments: | | | |
| Inventory fair value adjustment | (1,558) | - | - |
| Adjusted Gross Margin | \$ 9,763 | \$ 1,815 | \$ 6,957 |
| Adjusted Gross Margin % | 61.5% | 68.0% | 53.2% |

- (1) Waldencast is in the process of finalizing its business combination accounting. All related estimates are subject to change.

Adjusted EBITDA reconciliation ⁽¹⁾ for the period ended September 30, 2022 – Obagi Skincare

| U.S. Dollars (in thousands) | 2022 | | 2021 |
|-------------------------------------|---|--|--|
| | Period from July 28 to September 30 (Post-acquisition period) | Period from July 1 to July 27 (Predecessor period) | Three months ended September 30 (Predecessor period) |
| Net Income (Loss) | \$ 3,965 | \$ (7,616) | \$ 1,354 |
| China carve-out | - | 340 | (1,063) |
| Adjusted For: | | | |
| Depreciation and amortization | 8,991 | 1,080 | 3,565 |
| Interest expense, net | - | 945 | 3,058 |
| Income tax expense | 740 | 153 | 164 |
| Stock-based compensation expense | 2,048 | - | - |
| Transaction costs | 1,002 | 1,968 | 649 |
| Inventory fair value adjustment | 2,782 | - | - |
| Impact of China related party sales | 155 | - | - |
| Foreign currency transaction | (287) | 4 | - |
| Disposal of assets | - | 35 | - |
| Restructuring costs | 20 | 2 | 78 |
| Adjusted EBITDA | \$ 19,416 | \$ (3,089) | \$ 7,805 |
| Net Sales | \$ 57,576 | \$ 2,834 | \$ 58,510 |
| Adjusted EBITDA % | 33.7% | -109.0% | 13.3% |

(1) Waldencast is in the process of finalizing its business combination accounting and disposal of the former Obagi China Business. All related estimates are subject to change.

Adjusted EBITDA reconciliation ⁽¹⁾ for the period ended September 30, 2022 – Milk Makeup

| U.S. Dollars (in thousands) | 2022 | | 2021 |
|----------------------------------|---|--|--|
| | Period from July 28 to September 30 (Post-acquisition period) | Period from July 1 to July 27 (Pre-acquisition period) | Three months ended September 30 (Pre-acquisition period) |
| Net Loss | \$ (2,656) | \$ (1,764) | \$ (1,836) |
| Adjusted For: | | | |
| Depreciation and amortization | 2,987 | 272 | 523 |
| Interest expense, net | - | 1 | 26 |
| Stock-based compensation expense | 254 | - | 125 |
| Transaction costs | 135 | 340 | - |
| Inventory fair value adjustment | 1,558 | - | - |
| Foreign currency transaction | (415) | 221 | 16 |
| Disposal of assets | (3) | - | 118 |
| Adjusted EBITDA | \$ 1,860 | \$ (930) | \$ (1,028) |
| Net Sales | \$ 15,869 | \$ 2,670 | \$ 13,083 |
| Adjusted EBITDA % | 11.7% | -34.8% | -7.9% |

(1) Waldencast is in the process of finalizing its business combination accounting. All related estimates are subject to change.



waldencast®

Q3 2022 Earnings Presentation
November 2022 (CORRECTED)

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 2022; 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 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. 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. The degree to which COVID-19 may adversely affect Waldencast's results and operations, including its ability to achieve its outlook and guidance for Fiscal 2022, 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 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.



Waldencast Executive Team - Speakers



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
- Various roles at L'Oréal and Procter & Gamble successfully building billion-dollar brands and businesses



Philippe Gautier

CFO and COO

30+ years experience

- Previously Group CFO at Selecta – a KKR portfolio company
- Various roles such as Group CFO and COO for SMCP (Sandro, Maje, Claudie Pierlot, De Fursac) and CFO of major brands at Kering, including Sergio Rossi and Puma in North America





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



US Premium Beauty continues to show growth and resilience, as it has consistently done over time

YTD BEAUTY

+16.4%
Value Growth

+13.7%
Units Growth

YTD MAKEUP

+18.3%
Value Growth

+14.9%
Units Growth

YTD SKIN CARE

+13.0%
Value Growth

+12.2%
Units Growth

Q3 BEAUTY

+15.0%
Value Growth

+12.7%
Units Growth

Q3 MAKEUP

+15.6%
Value Growth

+13.6%
Units Growth

Q3 SKIN CARE

+15.5%
Value Growth

+15.2%
Units Growth

Beauty is a proven and resilient, high-growth and highly profitable market with proven resiliency through economic cycles.

YTD it has maintained its dynamic growth – both in value and in units as consumers are returning to their pre-pandemic consumption habits.



Source: NPD US September 2022

Strictly confidential. Property of Waldecast.

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 November 3, 2022 9:00 am ET

A close-up photograph of a woman with dark hair, smiling warmly. She is wearing a gold-colored top. The background is a textured, reddish-brown surface. The text 'Q3 2022 Overview' is overlaid in white, bold font. There are two vertical grey lines on the left side of the image, one above and one below the text.

Q3 2022 Overview

NW

Q3 2022 – Waldencast Key Highlights¹

| | | | |
|--|---|---|---|
| <p>Net Sales</p> <p>\$78.9M</p> <p>+10.3%</p> | <p>Comparable Net Sales²</p> <p>\$74.5M</p> <p>+18.2%</p> | <p>Adjusted Gross Margin</p> <p>71.9%</p> <p>+155 bp</p> | <p>Adjusted EBITDA³</p> <p>\$15.3M</p> <p>+126.3%</p> <p>19.4% of Net Sales</p> |
|--|---|---|---|

OBAGI

Continued growth on core US physician dispensed business

Strong international growth

Setting the base for D2C growth

Highly profitable

MILK

Outstanding growth versus US market⁴ driven by core and innovation

Strong gross margin and profitability progress

Starting investment in broader brand awareness

Beginning strong international expansion

¹ Waldencast is in the process of finalizing its business combination accounting and disposal of the former Obagi China Business (as defined below). All related estimates are subject to change.

² Comparable net sales is a component of net sales which excludes sales related to the former Obagi China Business, which was not acquired by Waldencast (the "Obagi China Business"). The distribution of Obagi Skincare's products in China has remained under ownership of Cedarwalk Skincare Limited, Obagi Skincare's former owners, who have entered into a licensing and distribution agreement with Waldencast.

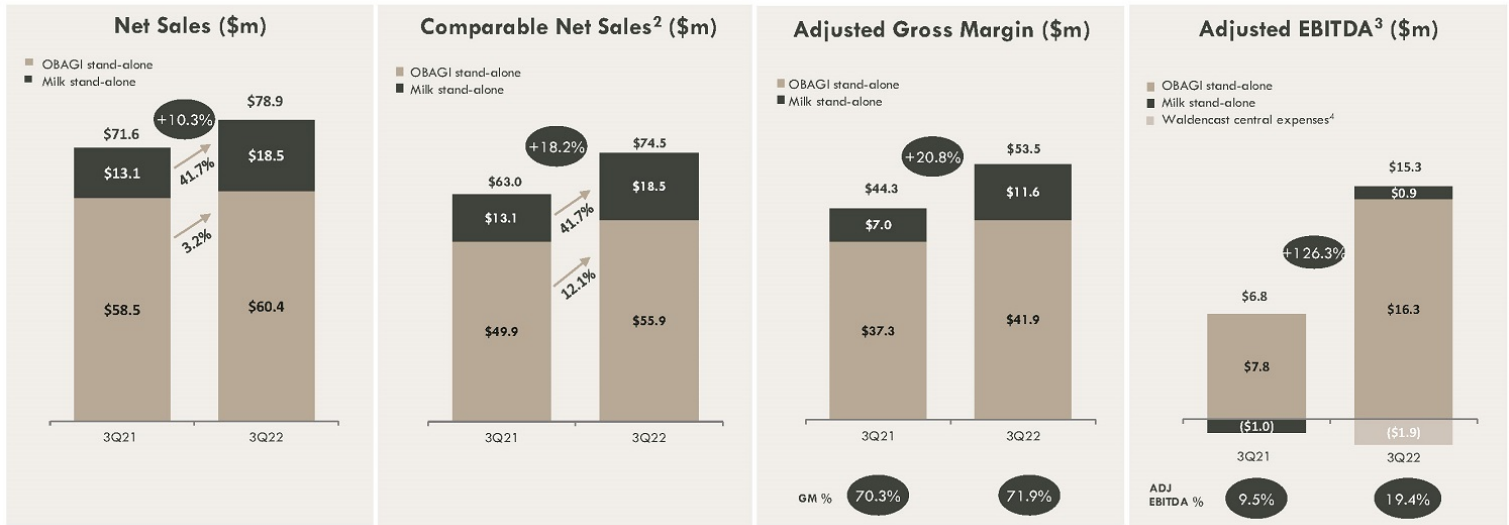
³ Reconciliations of Adjusted EBITDA to net income (loss), the most directly comparable GAAP financial measure, are included in the appendix.

⁴ Source: NPD US September 2022

Strictly confidential. Property of Waldencast.



Q3 22 combined financial profile¹



Note: Discrepancies in arithmetic are due to rounding

¹Waldencast is in the process of finalizing its business combination accounting and disposal of the former Obagi China Business. All related estimates are subject to change

²Comparable net sales is a component of net sales which excludes sales related the former Obagi China Business

³For a reconciliation of Obagi, Milk and combined company adjusted EBITDA to net income (loss), the most comparable GAAP measure, are included in the appendix

⁴Waldencast central expenses reflect ongoing central overhead incurred in the post-combination period. Strictly confidential. Property of Waldencast.



Waldencast Net Debt and Ownership

Net Debt at September 30, 2022 and Terms

| | |
|--|--------------|
| Total Financing Line Available (Term + Revolver) | \$225 |
| Gross Debt | \$180 |
| Net Debt | \$149 |
| Term Loan Terms | SOFR + 3.6% |

Ownership at September 30, 2022

| | |
|------------------------------|-------|
| 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% |



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

Waldencast capitalization table positions the company for success

Diluted share count calculation (assuming closing share price on 09/30/22)

| | Shares | |
|---|------------|---------------------------------|
| Basic shares outstanding ¹ | | 107,564,785 |
| Vested employee RSUs ² | | 395,471 |
| Pro forma basic shares outstanding | | 107,960,256 |
| | <u>No.</u> | <u>Weighted- avg. price</u> |
| Unvested employee RSUs ³ | | 2,086,827 |
| Vested employee stock rights with exercise prices ⁴ | 4,046,591 | \$4.43 |
| Unvested employee stock rights with exercise prices ⁴ | 3,898,151 | \$5.44 |
| Total diluted shares outstanding ("DSO") | | 114,078,591 |
| Warrants ⁵ | \$11.50 | 29,533,282 |
| Unvested employee stock rights with exercise prices (Out of Money) ⁶ | | 11,500,000 |

¹ Includes 21,104,225 Waldencast plc Class B ordinary shares owned by former members of Milk

² Vested RSUs not yet included in basic shares outstanding as not yet converted at discretion of unit holders

³ Unvested RSUs includes additional 692,000 shares of restricted stock granted on 8/12/22

⁴ Dilution from employee stock rights with exercise prices assumes net share settlement under treasury stock method, based on WALD closing price of \$10.00 on September 30, 2022

⁵ Includes 11,499,950 Waldencast plc Warrants, 5,333,333 Waldencast plc warrants issued in a private placement in connection with the Sponsor Forward Purchase Agreement, and 5,766,666 Waldencast plc Warrants issued in a private placement in connection with the Third-Party Forward Purchase agreement with \$11.50 strike price, redeemable at \$18.00, includes 5,933,333 Waldencast plc Warrants issued in a private placement at the closing of Waldencast Acquisition Corp.'s initial public offering and 1,000,000 Waldencast plc Warrants issued in a private placement in connection with the Working Capital Loan with \$11.50 strike price

⁶ Options granted on 8/12/22 with strike prices between \$10.70 and \$15.01

Summary of investor lock-up agreements

- 1.8mm (1.6% of DSO) and 47.5mm shares (41.6% of DSO) owned by former members of Obagi and Milk locked up until 01/27/23 and 07/27/23, respectively
- 24.5mm (21.5% of DSO) shared owned by founders 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 3,942,716 shares for future issuances of employee incentive awards

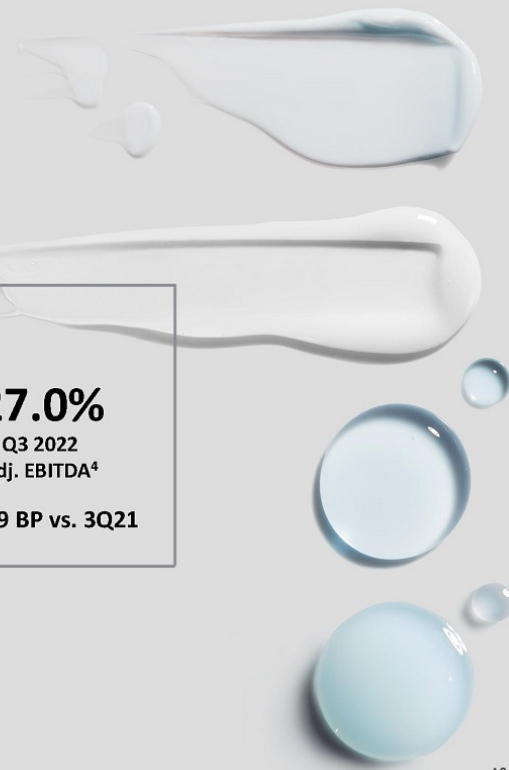


OBAGI®





OBAGI KEY FIGURES: Q3 2022¹



\$60.4M
Q3 2022
Net Sales²

+12.1%
Q3 2022
Comparable
Net Sales Growth³

75.0%
Q3 2022
Adjusted Gross Margin

27.0%
Q3 2022
Adj. EBITDA⁴
+1,369 BP vs. 3Q21

¹ Waldencast is in the process of finalizing its business combination accounting and disposal of the former Obagi China Business. All related estimates are subject to change
² 2022 Obagi financials inclusive of former Obagi China Business
³ Comparable net sales is a component of net sales which excludes sales related to former Obagi China Business
⁴ Reconciliations of adjusted EBITDA and adjusted EBITDA margin to net income (loss), the most directly comparable GAAP financial measure, are included in the appendix

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

Expand Portfolio Depth and Breadth - US Physician Dispensed

Accelerate US Physician Channel

+21%

YTD NET SALES
US Physician Dispensed

Core 20 SKUs

65%

Core 20 SKUs represent 65% of our Physician Dispensed business.

+4pts

account penetration growth in last rolling 4 quarters vs FY 2021.



Source: Obagi Internal Sales Data Sell In; Obagi Internal Sales Data Sell through Last 4 quarters vs. FY2021

Expand Portfolio Depth and Breadth

Obagi Nu-Derm®

76%

of accounts carry products in Obagi Nu-Derm® franchise.

+6pts

penetration growth in last rolling 4 quarters vs. FY 2021.

#1

Franchise in Physician Dispensed and still growing.

Source: Obagi Internal Sales Data Sell through Last 4 quarters vs. FY2021



Expand Portfolio Depth and Breadth

Professional-C[®]

60%

of accounts purchased a Professional-C[®] SKU in the last 4 quarters.

+6pts

account penetration growth in last 4 quarters vs FY 2021.



Source: Obagi Internal Sales Data Sell through Last 4 quarters vs. FY2021

Expand Portfolio Depth and Breadth

ELASTIderm[®] Neck and Décolleté Concentrate



+13.7%

increased # account in
Q3 2022 compared to Q2 2022.
(New launch)

+34%

Growth in avg. monthly sales of
ELASTIderm[®] franchise launch-to-date
(May-Sep) vs prior launch (Jan-Apr).

Source: Obagi Internal Sales Data Sell through Last 4 quarters vs. FY2021

Expand with NEW LAUNCHES

Obagi Nu-Cil™ Eyebrow Boosting Serum

#1

Ranked #1 in OTC portfolio for Q3.
Ranked #1 in Physician Dispensed launch-
to-date (Aug-Sep).

#15

YTD rank with only 8 weeks of sales.

+26%

lift in eyelash serum US physician
dispensed sales during brow launch
period.

Source: Obagi Internal Sales Data Sell through Last 4 quarters vs. FY2021



Footprint expansion

Unlock Obagi.com

Q3 PERFORMANCE

+81%

TTL REVENUE YOY

YTD GROWTH

+107%

TTL REVENUE YOY
Q1-Q3

#1

Obagi Nu-Cil™ Eyebrow Boosting Serum
LTD in both revenue & units sold*
#4 Obagi Nu-Cil™ Eyelash Enhancing Serum LTD saw
+54% lift in revenue* since eyebrow launch 8/30 PoP



Source: Obagi Internal Sales Data Sell through Last 4 quarters vs. FY2021

Footprint Expansion

International

+28%

YTD (Q1-3 2022) vs. YoY

Growth driven by Obagi Clinical, an entry price point offering into the brand in emerging markets



Source: Obagi Internal Sales Data Sell through Last 4 quarters vs. FY2021



Milk
MAKEUP



MILK MAKEUP KEY FIGURES: Q3 2022¹

\$18.5M

Q3 2022
Net Sales

+41.7%

Q3 2022
Net Sales Growth

62.5%

Q3 2022
Adjusted Gross
Margin

5.0%

Q3 2022
Adj. EBITDA²
+1,287 BP vs. 3Q21

+43.0%

YTD Sell Out
vs Selective USA Beauty Make-Up market at +18.0%³

¹ Wealdencast is in the process of finalizing its business combination accounting. All related estimates are subject to change.

² Reconciliations of adjusted EBITDA and adjusted EBITDA margin to net income (loss), the most directly comparable GAAP financial measure, are included in the appendix.

³ NPD US consumption data YTD Q3 2022, PrestigeMakeup.

OUR GROWTH ROADMAP

3 KEY LEVERS

GROW AWARENESS + COMMUNITY



DELIVER BREAKTHROUGH INNOVATION



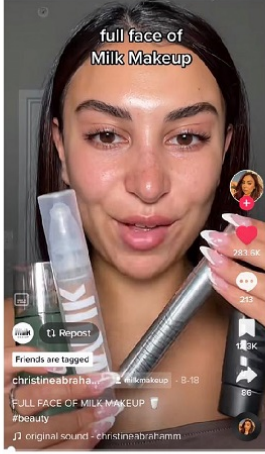
EXPAND + INTERNATIONALIZE DISTRIBUTION



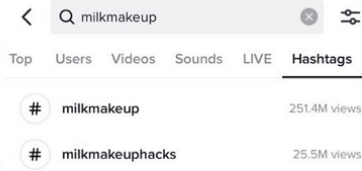
ALWAYS-ON COMMUNITY FOCUS DRIVING GROWTH ON CORE PRODUCTS

AWARENESS + COMMUNITY GROWTH

1.7M views
283.6K likes
Organic



#milkmakeup &
#milkmakeuphacks
>275M on Tik Tok¹



¹ TIK TOK searching #milkmakeup on November 3rd, 2022 at 3:45 pm ET
² Milk internal sales data
³ Sephora USA data YTD September 30th, 2022

STRONG CORE PRODUCT GROWTH




Hydro Grip Primer \$18 (mini) / \$36 (full size) Hydro Grip Spray \$21 (mini) / \$36 (full size) Lip + Cheek \$22 Matte Bronzer \$22

| | | | | |
|--|-------------|--------------|-------------|--------------|
| Launch date: | 2019 | 2020 | 2016 | 2016 |
| % of YTD 2022 revenue ² : | 22.6% | 8.4% | 11.5% | 8.3% |
| YTD 2022 % growth ² : | +62% | +144% | +88% | +159% |
| YTD Collection Rank within category (Sephora USA) ³ | 1 | 2 | 3 | 2 |

LOOKING AHEAD: GROW AWARENESS VIA TOP TALENT PARTNERSHIP

1.9M views in 6 days




195.5K
727
4924
267

Repost

haileybieber · 6d ago
now on YouTube @milkmakeup
original sound - haileybieber

721K views in 6 days

YouTube hailey bieber



2:04 / 7:26

my makeup routine for date night! | GET READY WITH ME

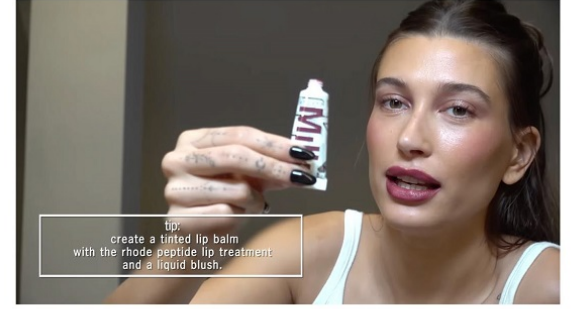
Hailey Rhode Bieber · 1.86M subscribers

41K · Share · Clip

721K views · 6 days ago
Hi everyone! I wanted to show you all what my latest makeup routine looks like this fall. Click here to watch me get ready with for date night using some of my favorite products that leave me feeling dewy, glowy, and natural!

327K views in 5 days

YouTube hailey bieber



tip: create a tinted lip balm with the rhode peptide lip treatment and a liquid blush.

fall makeup routine with Leah Darcy | GET READY WITH ME

Hailey Rhode Bieber · 1.86M subscribers

16K · Share · Clip

327K views · 5 days ago
Halloween is around the corner and we are ready for it! Watch Leah Darcy and I have fun doing a test run of some fall makeup to get ready for spooky season.

DELIVERING BREAKTHROUGH INNOVATION

BALANCED GROWTH WITH NEW LAUNCHES +40% YTD 2022¹

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



¹ Milk internal sales data
² Sephora management

HYDRO GRIP CONTINUES STRONG GROWTH, PORE ECLIPSE INCREMENTAL

#1 AND #3 PRIMERS YTD AT SEPHORA USA¹

+62% YTD²

#1 Primer
Sephora¹



NEW

Top 3
Primer
Sephora¹



¹ Sephora management
² Milk internal sales data

LOOKING AHEAD: SIGNIFICANT CATEGORY EXPANSION OPPORTUNITIES

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

Active + Whitespace Milk Categories¹

Milk Makeup has the opportunity to grow through innovation and launches

Established
 Emerging
 Whitespace³

| | | | | |
|--------------------|-------------------------------------|-------------------------------|-----------------------------|----------------------|
| | Mascara \$1.9B | Primer ² \$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 | 330 SKUs ⁴ |
|-------------|--------------------------|

v/s

| | |
|---|---------------------|
| Other Leading Make-Up Specialist Brands | 1,500-7,000 SKUs |
|---|---------------------|

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 EMF's category BB/CC creams and skin tints refers to EMF's premium foundation / concealer

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

⁴ Milk internal sku count

FUTURE FLUID CONCEALER

POSITIVE EARLY REVIEWS + PR + COMMUNITY SUPPORT

STRONG EARLY RATINGS + REVIEWS

Ratings & Reviews (466)

[Write a review](#)

Summary



4.6 ★

466 Reviews

95%

Recommended



¹ Sephora.com data captured on November 3rd at 5:00 pm ET

STRONG EARLY RATINGS + REVIEWS

hypebae

SHOP Q ☰

BEAUTY MILK MAKEUP UNVEILS THE NEW "FUTURE" OF CONCEALERS

Available in 30 skin-adaptable shades.

By Silvia M Sep 8, 2022 2.6K

Milk Makeup has added another game changer to its concealer offerings with the release of Future Fluid All Over Cream Concealer.

The multi-use, buildable creamy concealer is innovated with Hyaluronic AI plant complex and works to cover, sculpt and hydrate, leaving an authentic "your skin but better" finish. Available in 30 adaptable shades, the fluffy and cushiony texture bends and flexes in a way that allows you to cover and correct without the threat of setting and caking. The formula of Future Fluid provides a unique combo of vital

STORIES Halley Bieber Just Dropped Her Date Night Skin and Makeup Routine — Here's What She Uses

Abby Dupin
Fri, October 28, 2022, 2:40 PM · 2 min read

In this article:

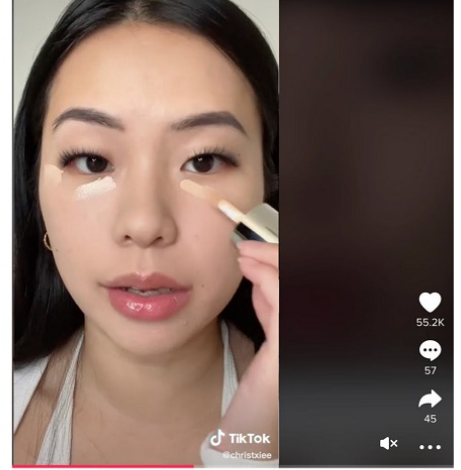


Halley Bieber Just Dropped Her Date Night Skin and Makeup Routine — Here's What She Uses

Halley begins the nearly eight-minute video by inviting fans to follow her as she gets ready for a date with hubby Justin Bieber. To prep her skin, the supermodel applies Rhodoks Peptide Glazing Fluid and Serum Restore Cream. "Tonight I'm kind of feeling definitely more natural, chill on the skin so I'm just going to use concealer," she explained before applying dots of Milk Makeup's Future Fluid under her eyes, around her nose, chin, and on dark spots with her fingertips. Then, Halley applies the concealer from the outer corners of her lips upwards to her cheek, blending the product up her jawline to create a lifting effect.



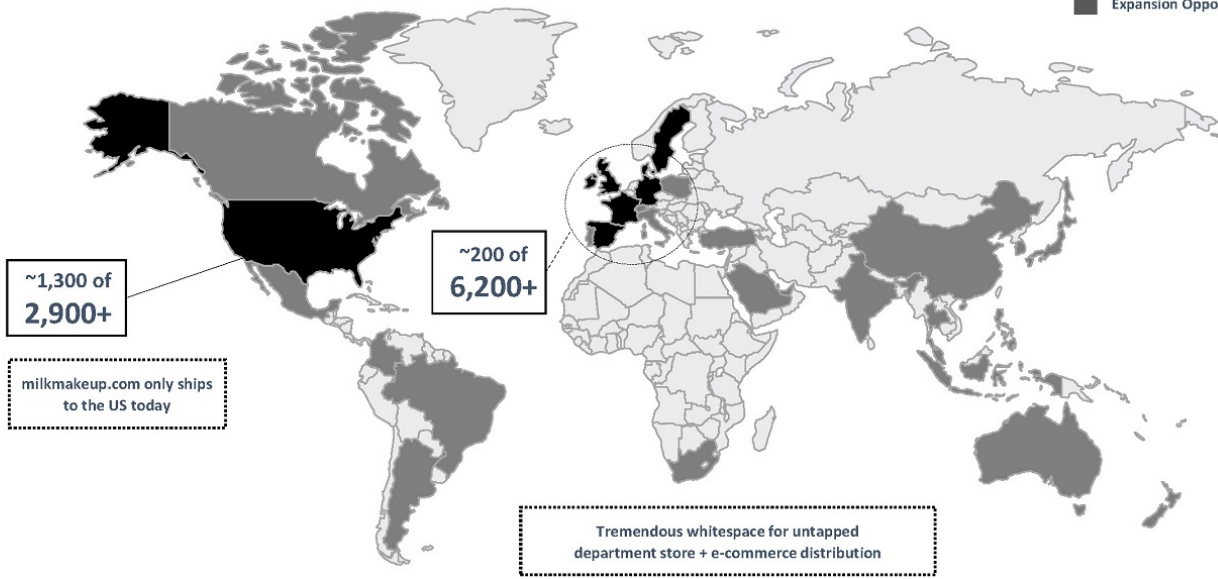
STRONG COMMUNITY FEEDBACK



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 PLAYERS IN THE US. EXPANDING IN THE 4TH MAKEUP MARKET GLOBALLY.

USA EXPANSION

KOHL'S + SEPHORA

2021 Doors: 200

1H 2022 Doors: 400+

FY 2022 Proj. Doors: 600



Launch USA: June 2022

INTERNATIONAL EXPANSION

Q4/Q1 2023

#4 MAKE-UP MARKET GLOBALLY



Waldencast commitment to exemplary ESG



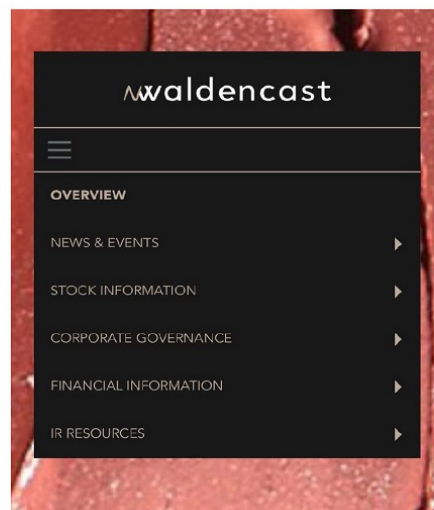
MMU Sustainability Commitments:
 More Sustainable shipping + Outer Packaging
 More Environmentally friendly packs + Refills
 How To Recycle Partnerships with How2Recycle and
 g2 revolution



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

Philippe Gautier named Chief Financial Officer and Chief Operating Officer in October 2022.

NWaldencast[®]

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

+16.4% YTD Beauty Value Growth

+18.3% YTD Makeup Value Growth

+13.0% YTD Skin Care Value Growth



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Appendix

Key Financials¹ – Quarterly Adj. EBITDA (UNAUDITED)

| | | PRO FORMA FINANCIALS ² | | | | Q3 2022 ³ | |
|------------------------------------|----------------------------|-----------------------------------|--------------------|----------|--------------------|----------------------|--------------------|
| | | 1Q22A | 1Q22A vs. 1Q21A | 2Q22A | 2Q22A vs. 2Q21A | 3Q22A | 3Q22A vs. 3Q21A |
| Adj. EBITDA (\$mm) ⁴ | OBAGI | \$7,848 | -15.8% | \$16,501 | 14.2% | \$16,327 | 109.2% |
| | Milk | \$2,711 | 69.9% | \$5,388 | 301.5% | \$930 | NM |
| | Central costs ⁵ | \$0 | NA | \$0 | NA | (\$1,918) | NM |
| | Waldencast | \$10,559 | 10.9% | \$21,889 | 38.6% | \$15,339 | 126.3% |

Source: Company filings - Acquisition Completed July 27, 2022

¹ Waldencast is in the process of finalizing its business combination accounting and disposal of the former Obagi China Business. All related estimates are subject to change. When reading our financial statements, you should note there is a clear division between the "predecessor" periods that include financials up to the Closing Date and "successor" periods that include all periods after the acquisition date. The predecessor and successor results shown are not comparable, as the successor period includes the consolidated financial statements of Waldencast, Obagi Skincare, and Milk Makeup, whereas the predecessor period includes only Obagi Skincare's financial statements.

² All Obagi pro forma financials excludes sales related to the former Obagi China Business

³ Waldencast has included quarterly results that combine the predecessor and post-acquisition periods for Obagi Skincare and the pre and post-acquisition periods for Milk Makeup, which should not be combined under GAAP, as only Obagi financial statements should be included in predecessor periods. However, management believes these non-GAAP comparative quarterly results provide a perspective on the on-going performance of the combined companies' operations.

⁴ Reconciliations of Adjusted EBITDA to net income (loss), the most directly comparable GAAP financial measure, are included in the appendix

⁵ Waldencast central expenses reflect ongoing central overhead incurred in the post-combination period



Q3 2022 – Condensed Consolidated Statement of Operations (UNAUDITED)¹

| U.S. Dollars (in thousands) | Successor (Waldencast) | Predecessor (Obagi) | |
|--|--|----------------------------------|---------------------------------------|
| | 2022 | 2022 | 2021 |
| | Period from July 28 to September 30 | Period from July 1 to July 27 | Period from July 1 to September 30 |
| Net revenue | \$ 73,445 | \$ 2,834 | \$ 58,510 |
| Cost of goods sold (2) | 27,505 | 980 | 12,668 |
| Gross profit | 45,940 | | |
| Selling, general and administrative | 38,667 | 6,921 | 35,099 |
| Research and development | 1,404 | 331 | 2,496 |
| Depreciation and amortization | 10,935 | 1,080 | 3,565 |
| Total operating expenses | 51,006 | 9,312 | 53,828 |
| Operating (loss) income | (5,066) | (6,478) | 4,682 |
| Interest expense | 2,321 | 953 | 3,058 |
| Forgiveness of Paycheck Protection Loan | (13) | - | - |
| Other expenses, net | (3,529) | 32 | 106 |
| Total other expenses—net | (1,221) | 985 | 3,164 |
| Income (loss) before income taxes | (3,845) | (7,463) | 1,518 |
| Income tax expense | 740 | 153 | 164 |
| Net income (loss) | \$ (4,585) | \$ (7,616) | \$ 1,354 |
| Net income attributable to non-controlling interests | 257 | | |
| Net (loss) income attributable to shareholders | (4,842) | | |



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Q3 2022 – Waldencast plc, Adjusted EBITDA reconciliation¹

| U.S. Dollars (in thousands) | 2022 | | | | 2021 | |
|--|---|------------|------------------|------------|--|--|
| | Period from July 28 to September 30 (Successor period) | | | | Period from July 1 to July 27 (Predecessor period) | Three months ended September 30 (Predecessor period) |
| | Obagi | Milk | Waldencast Corp. | Waldencast | Obagi | Obagi |
| Net Income (Loss) | \$ 3,965 | \$ (2,656) | \$ (5,894) | \$ (4,585) | \$ (7,616) | \$ 1,354 |
| China carve-out | - | - | - | - | 340 | (1,063) |
| Adjusted For: | | | | | | |
| Depreciation and amortization | 8,991 | 2,987 | - | 11,978 | 1,080 | 3,565 |
| Interest expense, net | - | - | 2,321 | 2,321 | 945 | 3,058 |
| Income tax expense | 740 | - | - | 740 | 153 | 164 |
| Stock-based compensation expense | 2,048 | 254 | 850 | 3,152 | - | - |
| Transaction costs | 1,002 | 135 | 3,610 | 4,747 | 1,968 | 649 |
| Inventory fair value adjustment | 2,782 | 1,558 | - | 4,340 | - | - |
| Warranty liability fair value adjustment | - | - | (2,805) | (2,805) | - | - |
| Impact of China related party sales | 155 | - | - | 155 | - | - |
| Foreign currency transaction loss (gain) | (287) | (415) | - | (702) | 4 | - |
| (Gain)/loss on disposal of assets | - | (3) | - | (3) | 35 | - |
| Restructuring costs | 20 | - | - | 20 | 2 | 78 |
| Adjusted EBITDA | \$ 19,416 | \$ 1,860 | \$ (1,918) | \$ 19,358 | \$ (3,089) | \$ 7,805 |
| Net Sales | \$ 57,576 | \$ 15,869 | \$ - | \$ 73,445 | \$ 2,834 | \$ 58,510 |
| Adjusted EBITDA % | 33.7% | 11.7% | N/A | 26.4% | -109.0% | 13.3% |



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Q3 2022 – Obagi Skincare Adjusted EBITDA reconciliation¹

| U.S. Dollars (in thousands) | 2022 | | 2021 | | | |
|-------------------------------------|--|--------|---|---|----|---------|
| | Period from July 28 to September 30 (Post-acquisition period) | | Period from July 1 to July 27 (Predecessor period) | Three months ended September 30 (Predecessor period) | | |
| Net Income (Loss) | \$ | 3,965 | \$ | (7,616) | \$ | 1,354 |
| China carve-out | | - | | 340 | | (1,063) |
| Adjusted For: | | | | | | |
| Depreciation and amortization | | 8,991 | | 1,080 | | 3,565 |
| Interest expense, net | | - | | 945 | | 3,058 |
| Income tax expense | | 740 | | 153 | | 164 |
| Stock-based compensation expense | | 2,048 | | - | | - |
| Transaction costs | | 1,002 | | 1,968 | | 649 |
| Inventory fair value adjustment | | 2,782 | | - | | - |
| Impact of China related party sales | | 155 | | - | | - |
| Foreign currency transaction | | (287) | | 4 | | - |
| Disposal of assets | | - | | 35 | | - |
| Restructuring costs | | 20 | | 2 | | 78 |
| Adjusted EBITDA | \$ | 19,416 | \$ | (3,089) | \$ | 7,805 |
| Net Sales | \$ | 57,576 | \$ | 2,834 | \$ | 58,510 |
| Adjusted EBITDA % | | 33.7% | | -109.0% | | 13.3% |



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Q3 2022 – Milk Makeup Adjusted EBITDA reconciliation¹

| U.S. Dollars (in thousands) | 2022 | | 2021 | |
|----------------------------------|--|---|---|---|
| | Period from July 28 to September 30 (Post-acquisition period) | Period from July 1 to July 27 (Pre-acquisition period) | Period from July 1 to July 27 (Pre-acquisition period) | Three months ended September 30 (Pre-acquisition period) |
| Net Loss | \$ (2,656) | \$ (1,764) | \$ (1,764) | \$ (1,836) |
| Adjusted For: | | | | |
| Depreciation and amortization | 2,987 | 272 | 272 | 523 |
| Interest expense, net | - | 1 | 1 | 26 |
| Stock-based compensation expense | 254 | - | - | 125 |
| Transaction costs | 135 | 340 | 340 | - |
| Inventory fair value adjustment | 1,558 | - | - | - |
| Foreign currency transaction | (415) | 221 | 221 | 16 |
| Disposal of assets | (3) | - | - | 118 |
| Adjusted EBITDA | \$ 1,860 | \$ (930) | \$ (930) | \$ (1,028) |
| Net Sales | \$ 15,869 | \$ 2,670 | \$ 2,670 | \$ 13,083 |
| Adjusted EBITDA % | 11.7% | -34.8% | -34.8% | -7.9% |



¹ Waidencast is in the process of finalizing its business combination accounting. All related estimates are subject to change. When reading our financial statements, you should note there is a clear division between the "predecessor" periods that include financials up to the Closing Date and "successor" periods that include all periods after the acquisition date. The predecessor and successor results shown are not comparable, as the successor period includes the consolidated financial statements of Waidencast, Obagi Skincare, and Milk Makeup, whereas the predecessor period includes only Obagi Skincare's financial statements.

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Q3 2022 – Obagi Skincare Adjusted Gross Margin reconciliation¹

| U.S. Dollars (in thousands) | 2022 | | 2021 | |
|--|--|---|---|--|
| | Period from July 28 to September 30 (Post-acquisition period) | Period from July 1 to July 27 (Predecessor period) | Three months ended September 30 (Predecessor period) | |
| Net Sales | \$ 57,576 | \$ 2,834 | \$ 58,510 | |
| Recurring sales | 53,118 | 2,816 | 49,902 | |
| Obagi China Business carveout | - | 18 | 8,608 | |
| Chinese related party sales | 4,458 | - | - | |
| Cost of goods sold (2) | 19,841 | 980 | 12,668 | |
| Amortization expense (2) | - | 355 | 1,221 | |
| Gross Margin | \$ 37,735 | \$ 1,499 | \$ 44,621 | |
| Gross Margin % | 65.5% | 52.9% | 76.3% | |
| Gross Margin Adjustments: | | | | |
| Inventory fair value adjustment | (2,782) | - | - | |
| Obagi China Business carveout | - | (79) | 7,292 | |
| Chinese related party sales | 155 | - | - | |
| Adjusted Gross Margin | \$ 40,362 | \$ 1,578 | \$ 37,329 | |
| Adjusted Gross Margin % (% of Recurring sales) | 76.0% | 56.0% | 74.8% | |

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² The cost of goods sold in the predecessor periods excludes product-related amortization expense. Product-related amortization expense is included as an adjustment to calculate the gross margin per U.S. GAAP and to be comparable to the successor period.

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Q3 2022 – Milk Makeup Adjusted Gross Margin reconciliation¹

| U.S. Dollars (in thousands) | 2022 | | 2021 | |
|---------------------------------|--|---|---|--|
| | Period from July 28 to September 30 (Post-acquisition period) | Period from July 1 to July 27 (Pre-acquisition period) | Three months ended September 30 (Pre-acquisition period) | |
| Net Sales | \$ 15,869 | \$ 2,670 | \$ 13,083 | |
| Cost of goods sold | 7,664 | 855 | 6,126 | |
| Gross Margin | \$ 8,205 | \$ 1,815 | \$ 6,957 | |
| Gross Margin % | 51.7% | 68.0% | 53.2% | |
| Gross Margin Adjustments: | | | | |
| Inventory fair value adjustment | (1,558) | - | - | |
| Adjusted Gross Margin | \$ 9,763 | \$ 1,815 | \$ 6,957 | |
| Adjusted Gross Margin % | 61.5% | 68.0% | 53.2% | |



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