



# OLAPLEX<sup>®</sup>

**INSPIRED BY SALONS.  
PROVEN BY SCIENCE.  
POWERED BY PASSION.**

## BRAND OVERVIEW

# DISCLAIMER



## General Disclaimer

This presentation does not constitute an offer to sell or the solicitation of an offer to buy any securities of Olaplex Holdings, Inc. (the "Company"), nor shall there be any sale of securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

## Forward Looking Statements

This presentation contains certain forward-looking statements and information relating to the Company that are based on the beliefs of management as well as assumptions made by, and information currently available to, the Company. These statements include, but are not limited to, statements about the Company's financial position and operating results, including financial guidance for fiscal year 2022; inventory rebalancing across certain of its customers and the timing related thereto; business plans and objectives, including the Company's plan to respond to moderating sales growth trends; the Company's initiatives to drive customer acquisition and maintain customer retention; growth and expansion opportunities; the growth and resiliency of the global premium hair care industry; new product innovation; future sales growth and margins; consumer behaviors; inventory levels; anticipated interest expense savings; and other statements contained in this presentation that are not historical facts. When used in this presentation, words such as "may," "will," "could," "should," "intend," "potential," "continue," "anticipate," "believe," "estimate," "expect," "plan," "target," "predict," "project," "seek" and similar expressions as they relate to the Company are intended to identify forward-looking statements. These statements reflect the Company's current views with respect to future events, are not guarantees of future performance and involve risks and uncertainties that are difficult to predict. Further, certain forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. Actual results or events could differ materially from the plans, intentions and expectations disclosed in forward-looking statements.

The Company has based these forward-looking statements largely on management's current expectations and projections about future events and financial trends that we believe may affect the Company's business, financial condition and results of operations. Moreover, neither the Company nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements, including such statements taken from third-party industry and market reports. You should understand that the following important factors could affect the Company's future results and could cause those results or other outcomes to differ materially from those expressed or implied in the forward-looking statements: our ability to execute on our growth strategies and expansion opportunities; increased competition causing us to reduce the prices of our products or to increase significantly our marketing efforts in order to avoid losing market share; impacts on our business from the sensitivity of our business to unfavorable economic and business conditions; our dependence on a limited number of customers for a significant portion of our net sales; our ability to effectively market and maintain a positive brand image and expand our brand awareness; our ability to accurately forecast consumer demand for our products; our ability to attract new customers and encourage consumer spending across our product portfolio; changes in consumer preferences or changes in demand for haircare products or other products we may develop; our ability to maintain favorable relationships with our suppliers and manage our supply chain, including obtaining and maintaining shipping distribution and raw materials at favorable pricing; our relationships with and the performance of distributors and retailers who sell our products to haircare professionals and other customers; the impact of material cost and other inflation and our ability to pass on such increases to our customers; our ability to develop, manufacture and effectively and profitably market and sell future products; the Company's ability to anticipate and effectively respond to market trends, including with respect to new product introductions; the Company's ability to successfully implement new or additional marketing efforts; our ability to attract and retain senior management and other qualified personnel; regulatory changes and developments affecting our current and future products; our existing and any future indebtedness, including our ability to comply with affirmative and negative covenants under the credit agreement to which we will remain subject to until maturity, and our ability to obtain additional financing on favorable terms or at all; increasing cost of debt and our ability to service our existing indebtedness and obtain additional capital to finance operations and our growth opportunities; impacts on our business from political, regulatory, economic, trade, and other risks associated with operating internationally including volatility in currency exchange rates, and imposition of tariffs; our ability to establish and maintain intellectual property protection for our products, as well as our ability to operate our business without infringing, misappropriating or otherwise violating the intellectual property rights of others; the impact of changes in laws, regulations and administrative policy, including those that limit U.S. tax benefits or impact trade agreements and tariffs; the outcome of litigation and governmental proceedings; impacts on our business from the COVID-19 pandemic; and the other risks identified under the heading "Risk Factors" in Company's Annual Report on Form 10-K for the year ended December 31, 2021, filed with the Securities and Exchange Commission (the "SEC") on March 8, 2022, as well as the other information we file with the SEC.

These forward-looking statements involve known and unknown risks, inherent uncertainties and other factors, which may cause our actual results, performance, time frames or achievements to be materially different from any future results, performance, time frames or achievements expressed or implied by the forward-looking statements. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. Actual results and the timing of certain events may differ materially from those contained in these forward-looking statements.

Many of these factors are macroeconomic in nature and are, therefore, beyond the Company's control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, the Company's actual results, performance or achievements may vary materially from those described in this presentation as anticipated, believed, estimated, expected, intended, planned or projected. The forward-looking statements in this presentation represent management's views as of the date on which this presentation was first posted on the Company's investor relations website. Unless required by United States federal securities laws, the Company neither intends nor assumes any obligation to update these forward-looking statements for any reason after the date of this presentation to conform these statements to actual results or to changes in our expectations.

# DISCLAIMER

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## **Market and Industry Data**

This presentation includes market and industry data and forecasts that we have derived from independent consultants, publicly available information, various industry publications, other published industry sources and our internal data and estimates. While independent consultant reports, industry publications and other published industry sources generally indicate that the information contained therein was obtained from sources believed to be reliable we have not independently verified such information.

Our internal data and estimates are based upon information obtained from trade and business organizations and other contacts in the markets in which we operate and our management's understanding of industry conditions. Although we believe that such information is reliable, we have not had this information verified by any independent sources. Similarly, our internal research is based upon our understanding of industry conditions, and such information has not been verified by any independent sources. To the extent that any estimates underlying such market-derived information and other factors are incorrect, actual results may differ materially from those expressed in the independent parties' estimates and in our estimates.

## **Non-GAAP Financial Measures**

This presentation contains "non-GAAP financial measures," including adjusted EBITDA, adjusted EBITDA margin, adjusted gross profit, adjusted gross profit margin, adjusted SG&A, adjusted net income and adjusted diluted net income per share. These are financial measures that are not calculated or presented in accordance with generally accepted accounting principles in the United States ("GAAP") and may exclude items that are significant in understanding and assessing the Company's financial results. Therefore, these measures should not be considered in isolation or as an alternative to measures of profitability, liquidity or performance under GAAP. You should be aware that the Company's presentation of these measures may not be comparable to similarly titled measures used and calculated differently.



# OLAPLEX

OLAPLEX is a **patent-protected, proven and potent** haircare technology system that restores all hair types to its healthiest state possible.

OLAPLEX **created the Bond Building category** which re-builds your hair bonds. When your hair bonds or disulphide bonds are repaired, your hair is stronger, more hydrated, has more shine, bounce and smoothness.

OLAPLEX®



# OLAPLEX

IS A DISRUPTOR AT ITS CORE

**Science-enabled,  
technology-driven,  
underpinned by a  
loyal and engaged  
community.**

We believe we have  
only just scratched the  
surface.

## What We've Disrupted:

INNOVATION

MARKETING

OPERATIONS

## How We Disrupted:

De-risked innovation with a  
continuous feedback loop  
from our community

Community-based and  
data driven performance  
marketing

Asset and capex  
light model

## Results of Our Disruptive DNA:

Track record of successful  
product launches

#1 EMV haircare brand<sup>1</sup>  
13.9MM #OLAPLEX posts<sup>3</sup>  
1.1B+ #OLAPLEX TikTok views<sup>3</sup>

Robust Adjusted EBITDA margin  
of 68.3%<sup>2</sup>

1. Tribe Dynamics 1H 2022

2. For a reconciliation of Adjusted EBITDA and adjusted EBITDA  
margin, please refer to the appendix of this presentation

3. All data obtained publicly. Total views as of August 2022

# OLAPLEX AT A GLANCE



## Loyal Community

**76%**

of stylists believe OLAPLEX offers higher quality products than other brands

**#1**

follower count on Instagram vs. similar brands

**71 NPS**

higher than average across similar brands

## Beloved Brand

**#1**

bond-building haircare brand in professional

**#1**

brand on Amazon in haircare<sup>3</sup>

**#1**

haircare brand in 2021 at Sephora

## Exceptional Profile

**13**

Products<sup>2</sup>

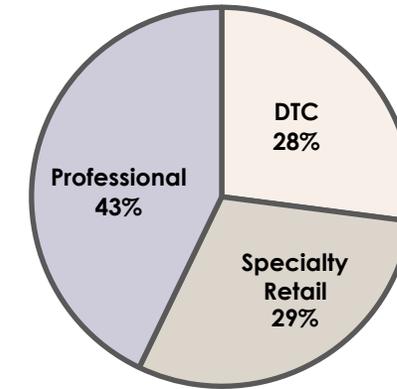
**60+**

Countries worldwide

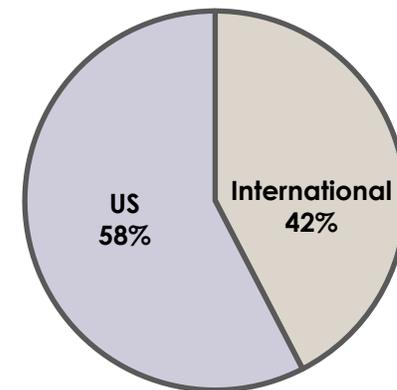
**100+**

Employees

## Net Sales by Channel<sup>1</sup>



## Net Sales by Geography<sup>1</sup>



## Financial Profile

**\$598.4M**

FY 2021 Net sales<sup>4</sup>

**112%**

FY 2021 Net sales growth

**68.3%**

FY 2021 Adj. EBITDA margin

Note: For a reconciliation of Adjusted EBITDA to net income, please refer to the appendix of this presentation.

<sup>1</sup> 12 month period ended December 31, 2021.

<sup>2</sup> Product count excludes kits and trial sizes.

<sup>3</sup> Based on company beliefs and sales estimates.

<sup>4</sup> FY 2021 period refers to the 12-months ended December 31, 2021.

# OUR OPPORTUNITY WITHIN THE GLOBAL BEAUTY MARKET



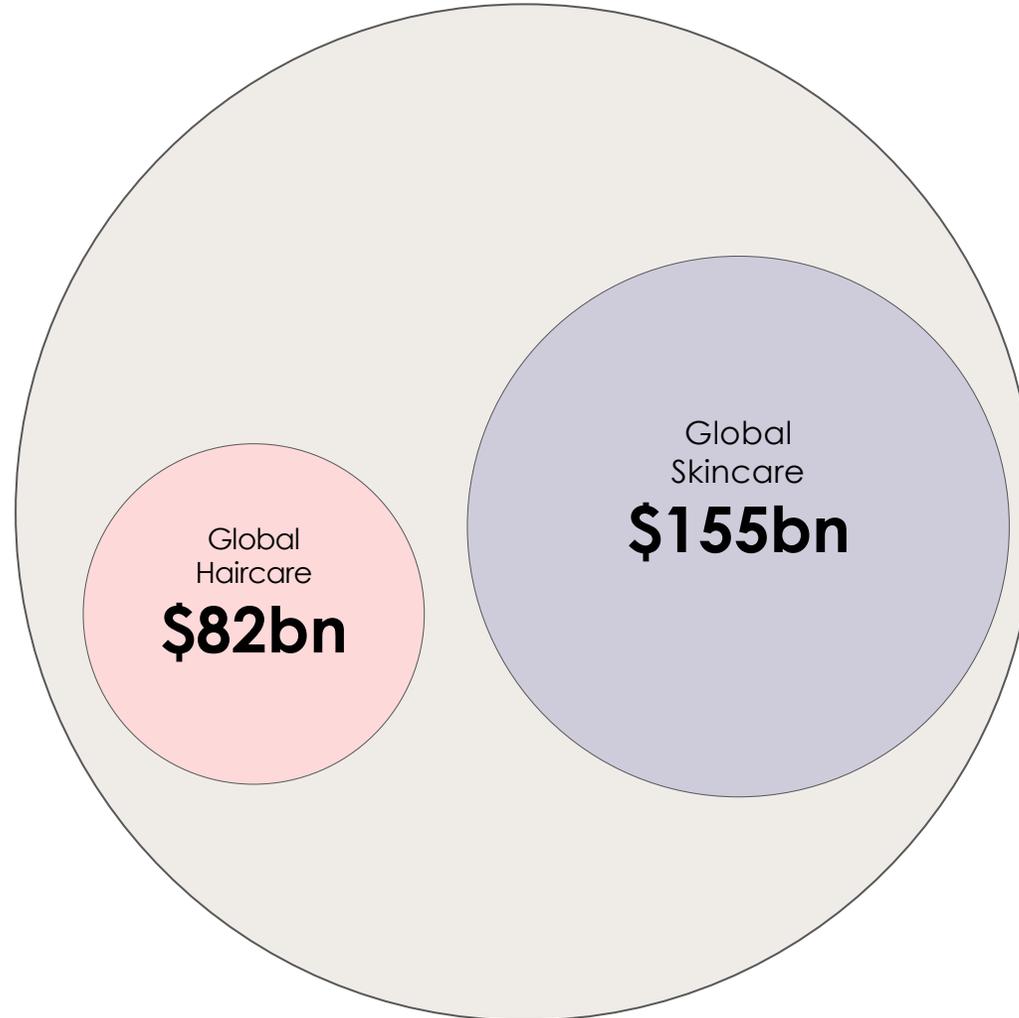
## Where We're Winning

Leading bond builder in professional; leading haircare brand in Sephora<sup>1</sup> and on Amazon<sup>2</sup>

Pioneer in the "skinification" of hair

Well-positioned in prestige haircare, the fastest growing segment of haircare

Industry ripe for disruption - top three haircare companies globally have lost over 430 basis points of market share since 2015<sup>3</sup>



## Where We Have a Right to Play

Consumer trust gives us license to play in adjacent categories

R&D function working on potential next generation disruptive technology

82% of consumers familiar with OLAPLEX would like to see a skincare line from OLAPLEX

51% of consumers familiar with OLAPLEX would switch out their current skincare brand for an OLAPLEX skincare line

Source(s): Euromonitor and internal consumer surveys

<sup>1</sup> Based on 2021 sales.

<sup>2</sup> Based on company beliefs and sales estimates.

<sup>3</sup> Based on retail sales.

# OLAPLEX'S CLEAR COMPETITIVE ADVANTAGES



## Key Differentiators

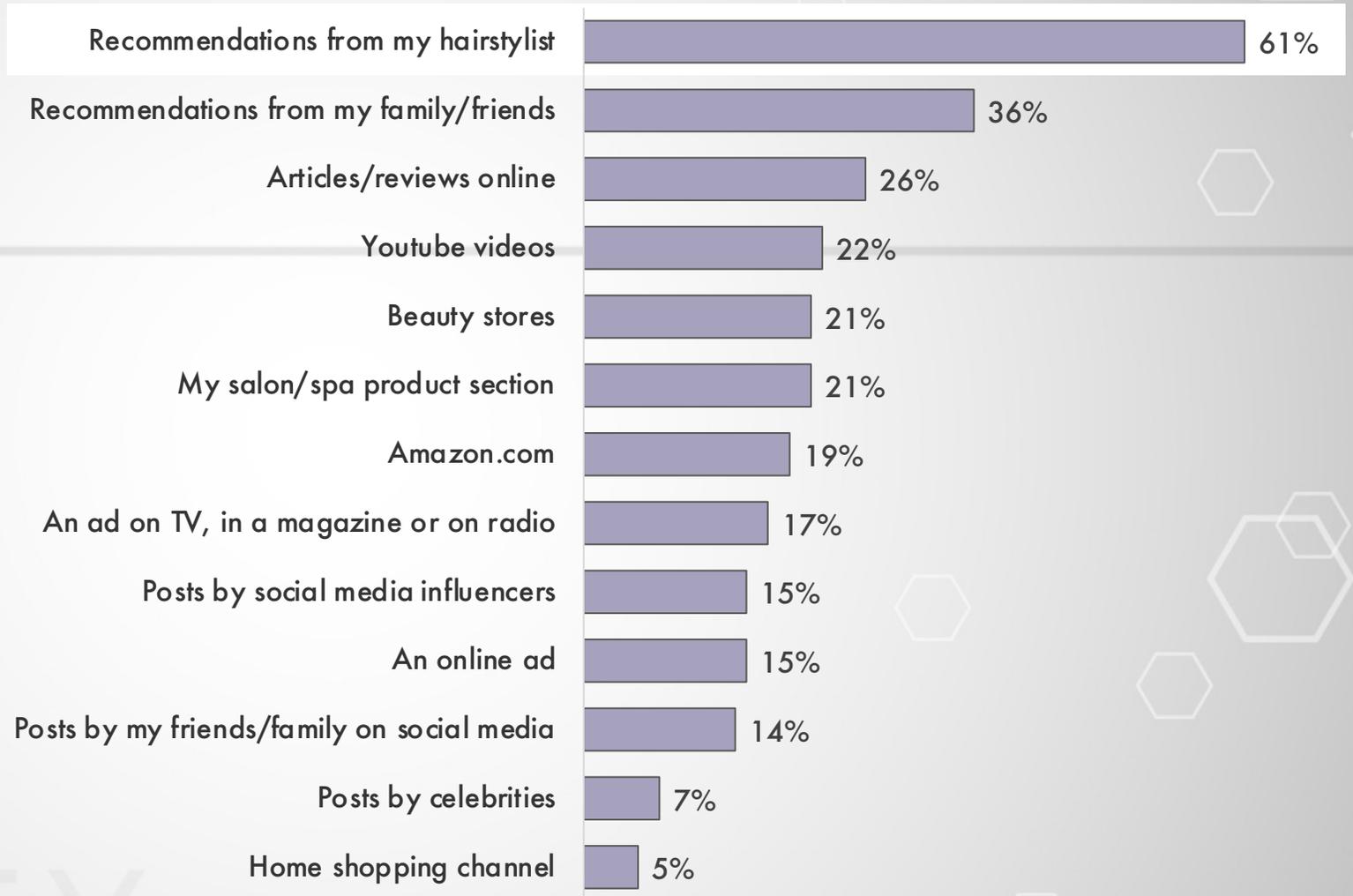
## Results

Products that really work	>	<b>90%+</b> of Consumers indicate OLAPLEX makes their hair healthier	<b>&gt; 3.5</b> different OLAPLEX products purchased by the avg. consumer	<i>Differentiated consumer proposition rooted in patented, potent and proven performance</i>
Powerful innovation platform	>	Track record of successful launches of Incremental products	Strong R&D capabilities and defined new product pipeline	<i>Proven ability to innovate and launch highly incremental new products</i>
One of a kind engaged community	>	<b>#1</b> follower count on Instagram versus similar brands <sup>1</sup>	<b>230K</b> stylists engaged in OLAPLEX social media communities	<i>Engaged community of stylists and consumer who serve as champions of the brand</i>
Channel harmony	>	<b>~35%</b> of consumers were referred from stylists	<b>~50%</b> of people who purchase online also bought from retail	<i>Digitally driven go-to-market strategy centered around stylists</i>
Focused and disciplined organization	>	<b>Future</b> of work model	<b>Minimal</b> capital requirements	<i>Culture of investment discipline and curated assortment</i>

Source(s): Company Management, Olaplex Consumer Hair Care Survey Apr-2021 <sup>1</sup> Based on data from Global Cosmetics Industry.

# RECOMMENDATIONS FROM STYLISTS ARE LEADING FACTOR IN CONSUMER HAIRCARE PURCHASING DECISION

**“What sources do you rely on for information about hair products and tips?”**



Source: Internal company survey. N=1906

# AT HOME PRODUCT PORTFOLIO DESIGNED FOR A MULTI-STEP REGIMEN

## TREAT



**No. 0 INTENSIVE** BOND BUILDING HAIR TREATMENT

**No. 3** HAIR PERFECTOR

**No. 8** BOND INTENSE MOISTURE MASK

## MAINTAIN



**No. 4C** BOND MAINTENANCE™ CLARIFYING SHAMPOO

**No. 4** BOND MAINTENANCE™ SHAMPOO

**No. 4P** BLONDE ENHANCER™ TONING SHAMPOO

**No. 5** BOND MAINTENANCE™ CONDITIONER

## PROTECT



**No. 6** BOND SMOOTHER™

**No. 7** BONDING OIL

**No. 9** BOND PROTECTOR

# DIFFERENTIATED R&D PLATFORM AND IP PORTFOLIO



## R&D

## Broad Patent Protection

**Dedicated R&D function**  
and in-house innovation lab



**100+ patents** to-date across the globe

**Partnerships with leading universities and biotech companies**



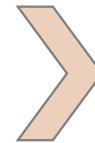
On average, **13 years remaining** on each patent

**Rigorous NPD processes and extensive testing facilitates success of innovation**



**Patent coverage is broadly drafted and includes skin and nail applications**

**Defined pipeline Bis-amino extensions alongside development of new sciences and category extensions**



**Proprietary, patent-protected ingredient, Bis-amino, serves as the common thread across our products and is a key differentiator**

# STRONG ENGAGEMENT WITH STYLISTS AND CONSUMERS ACROSS PLATFORMS

facebook

**263K+**

Professional stylists in  
OLAPLEX-led  
Communities

TikTok

**1.1B+**

Views

Instagram

**2.4MM**

Followers

**14.1MM**

Posts

Tribe Dynamics  
A CreatorIQ Company

**#1**

Earned Media Value  
Brand 3Q YTD

We leverage digital platforms and social media to educate and interact with our engaged and loyal community of stylists and consumers

# OUR COMMUNITY-BASED MARKETING MODEL



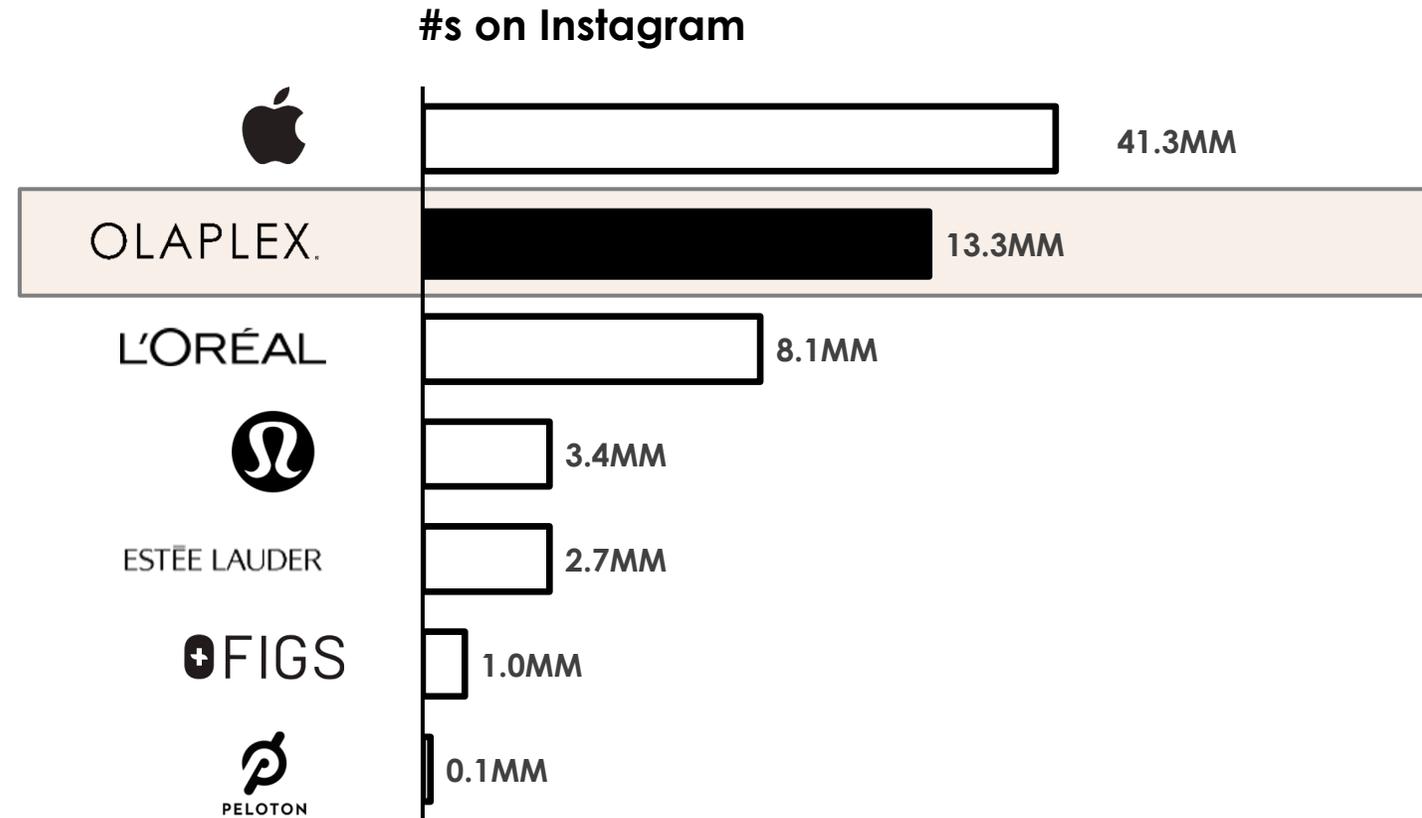
In just a few years, OLAPLEX has organically built a content library greater than other beloved, high-growth brands

Passionate and vocal OLAPLEX stylists and consumers generate thousands of pieces of unique and unpaid social content every day

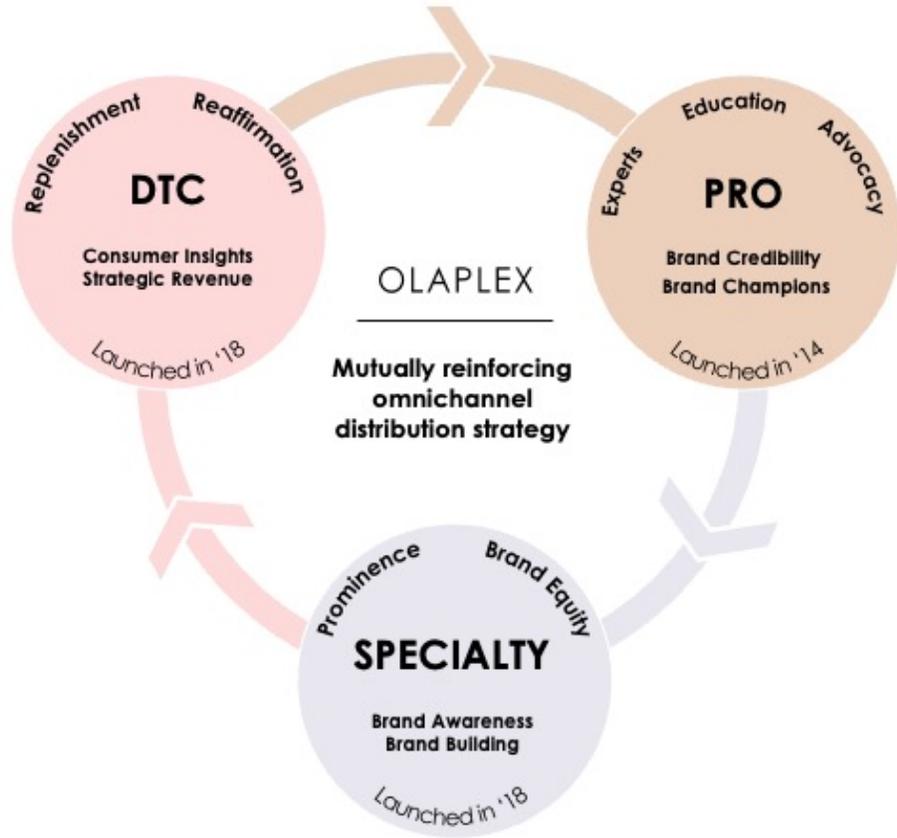
This community-based marketing model is at the core of our attractive ROI on sales and marketing spend

**OLAPLEX is the #1 EMV haircare brand<sup>1</sup>**

1. Tribe Dynamics as of 1H 2022

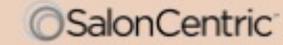


# OUR SYNERGISTIC OMNICHANNEL MODEL DRIVES CONSUMER ENGAGEMENT



## Select partners include:

### Professional

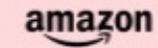


### Specialty Retail and Retail.com



### Owned Online and Pure-Play

OLAPLEX.com



# WE'VE BUILT OLAPLEX FROM THE GROUND UP FOR THE FUTURE



Leading with diversity	Supporting our communities and small businesses	Limiting our environmental footprint
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**Female-led organization with a diverse female lead board**

**82 %** of Board is Female

**18 %** of Board are Racial Minorities

 **76%** of employees identify as female

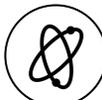
 **46%** of employees identify as non-white

**98% of our salon community are small businesses**, and a meaningful percentage are racial or ethnic minorities

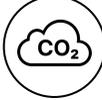
**OLAPLEX's Key Initiatives**

-  **Affiliate program**
-  **Grants to stylists**
-  **Scholarships**
-  **Support and education**
-  **Mentorship and career counselling**

Our **cruelty-free, non-toxic** formulas promote hair health without threatening the environment

-  Sulfate free
-  Phthalate free
-  Phosphate free

By limiting our **secondary packaging**, we give back to Mother Earth what Father Time takes away. For example, from 2015 to 2021 we...

-  **...Prevented approximately 35MM lbs of GHG** being emitted into the environment...
-  **...Saved approximately 57MM gallons of water** from waste
-  **...and Saved approximately 44K trees** from deforestation

Source: Company Management as of December 2021

# OUTSTANDING FINANCIAL PROFILE



## Scale

**\$598.4<sub>MM</sub>**

FY 2021  
Net Sales<sup>1</sup>

Significant scale with huge global opportunity - \$82bn in haircare,

## Fast Growth

**112%**

FY 2021 Net  
Sales Growth<sup>1</sup>

Rapid topline growth driven by depth and breadth of channel penetration, and highly incremental innovation model

## Top Tier Profitability

**68.3%**

FY 2021 Adj.  
EBITDA Margin<sup>1</sup>

Sustained remarkable profitability as a result of a deep competitive moat which enables a new business model

Source(s): Company Management

Note: For a reconciliation of Adjusted EBITDA to income from operations, please refer to the appendix of this presentation.

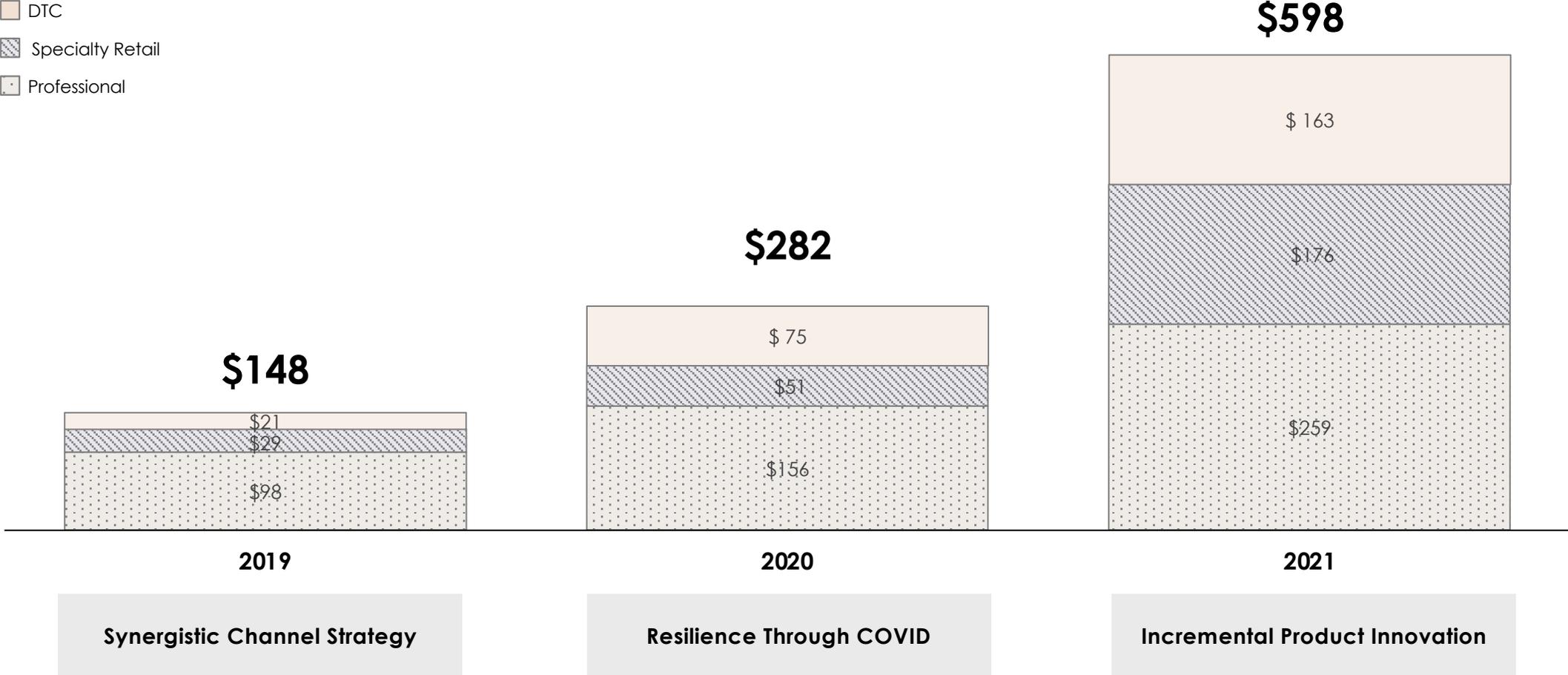
<sup>1</sup> FY 2021 period refers to the 12-months ended December 31, 2021.

# HISTORICAL FINANCIAL PERFORMANCE

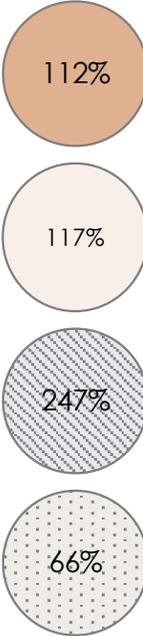


## Net Sales (\$MM)

- DTC
- Specialty Retail
- Professional



**2020-2021 Growth**



Source: Olaplex 10-K as filed on March 8, 2022 for 2021 comparison, S-1 for FY 2019 and FY 2020

# HISTORICAL FINANCIAL PERFORMANCE



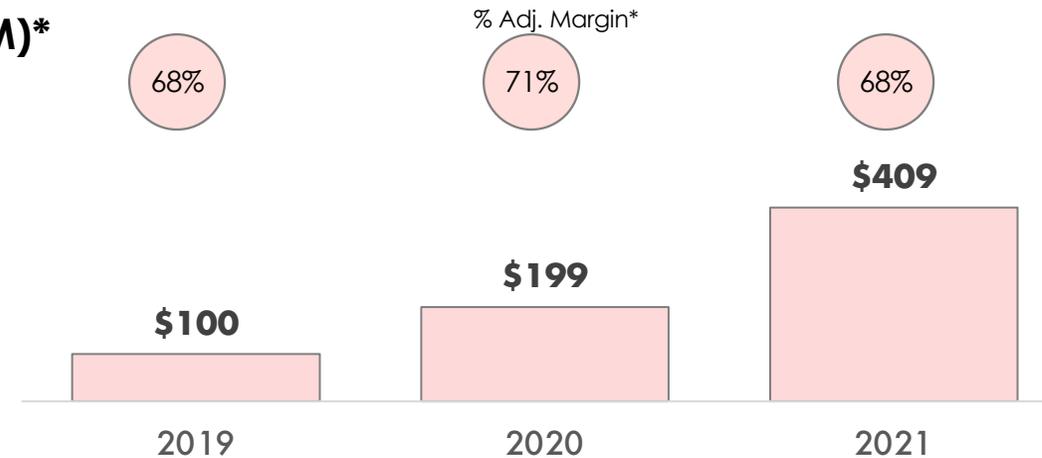
## Adj. Gross Profit (\$MM)\*



Science-Led Products supporting premium price

Focused Assortment Streamlines Supply Chain

## Adj. EBITDA (\$MM)\*



Interconnected Product Portfolio with Community-Based Marketing

Focused organization with 'Future of Work' model

Source: Olaplex 10 K as filed on March 8, 2022 for 2021 comparison, S-1 for FY 2019 and FY 2020

\* For a reconciliation of Adjusted Gross Profit, Adjusted Gross Profit Margin, Adjusted EBITDA and Adjusted EBITDA Margin, please refer to the appendix of this presentation.

# THE OLAPLEX BUSINESS MODEL IS DISRUPTIVE AND OFFERS STRUCTURALLY ADVANTAGED MARGINS



## OLAPLEX Competitive Advantages

Products that really work

Powerful innovation platform

One of a kind engaged community

Channel harmony

Focused and disciplined organization



## Why Structurally Advantaged?

- At the heart of it all – a unique strength
- Consumers captive to regimen and results
- Strong portfolio of patents in US and abroad

- Proven track record
- Robust, disruptive, multi-horizon multi-year pipeline
- Launch model builds fanatical excitement

- Leading community engagement
- Led by the Stylist – the most important voice
- Cultivated over 7 years and not easily repeatable

- Value creating for all partners
- Symbiotic effect across channels
- Products that consumers demand

- Obsessed with the consumer and community
- Focus and prioritization in our DNA
- A company built for the future

We believe our competitive advantages will sustain our top tier margins in the long-term

# SIGNIFICANT GROWTH POTENTIAL



## Grow Brand Awareness and Household Penetration

Educate stylists and engage with consumers to increase awareness

Current aided awareness of only 11% amongst Sephora consumers



## Grow Through Existing Points of Distribution

Deepen penetration with existing retail partners and professionals

Demonstrated ability to drive productivity in existing distribution - +134% CAGR in sell-through sales at Sephora<sup>1</sup>



## Expand Distribution to New Geographies and Retailers

Meaningful global opportunity in specialty retail, specialty pharmacy, travel retail and international pro channel

Focus on Europe, China, Japan and LatAm



## Leverage OLAPLEX.com to Strengthen DTC Channel

Create new tools and programs on OLAPLEX.com to interact with consumers and gain data insights

1.7MM+ unique hair diagnostic quiz takers since October 2020



## Expand Product Offerings by Utilizing Innovation Capabilities

Continue to utilize R&D capabilities to develop science-backed solutions  
Broaden hair health platform into scalp care and other untapped haircare categories  
Explore opportunities to expand offering into adjacent categories

<sup>1</sup> From 2018 to 2020.

# APPENDIX

# NON-GAAP RECONCILIATION



## Adjusted EBITDA (\$MM)

	For the Year Ended December 31	
	2021	2020
<b>Net Income</b>	<b>\$ 221</b>	<b>\$ 39</b>
Interest expense (income)	61	39
Income tax provision	55	8
Depreciation and amortization of intangible assets	49	46
Acquisition costs and financing fees <sup>1</sup>	-	21
Costs incurred LIQWD Matters <sup>2</sup>	14	-
Inventory fair value adjustment <sup>3</sup>	-	45
Share-based compensation	4	2
Non-capitalizable IPO and strategic transaction costs <sup>4</sup>	8	-
Tax receivable agreement liability adjustment <sup>5</sup>	(4)	-
<b>Adjusted EBITDA</b>	<b>\$ 409</b>	<b>\$ 199</b>
<b>Adjusted EBITDA Margin</b>	<b>68.3%</b>	<b>70.6%</b>

## Adjusted Gross Profit (\$MM)

	For the Year Ended December 31	
	2021	2020
<b>Gross Profit</b>	<b>\$ 474</b>	<b>\$ 179</b>
Inventory fair value adjustment <sup>3</sup>	-	45
Amortization of patented formulations	8	6
<b>Adjusted Gross Profit</b>	<b>\$ 482</b>	<b>\$ 230</b>
<b>Adjusted Gross Profit Margin</b>	<b>80.5%</b>	<b>81.6%</b>

<sup>1</sup> Includes acquisition costs related to the acquisition of the Olaplex business and dividend financing costs.

<sup>2</sup> Includes costs incurred related to the resolution of the LIQWD Matters of \$14.3 million.

<sup>3</sup> Includes the non-cash, non-recurring fair value inventory step-up adjustment amortization as part of the purchase accounting on the acquisition date, utilizing the comparative sales method in accordance with ASC 820-10-55-21.

<sup>4</sup> Represents non-capitalizable professional fees and executive severance incurred in connection with the IPO and the Company's public company transition.

<sup>5</sup> Represents applicable tax receivable agreement liability adjustments.

THANK YOU

OLAPLEX®