



# OLAPLEX<sup>®</sup>

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

## Q1 2022 EARNINGS

# 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; business plans and objectives; growth and expansion opportunities; the growth and resiliency of the global premium hair care industry; new product innovation; future sales growth and margins; 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; 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; 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; changes in consumer preferences or changes in demand for haircare products or other products we may develop; our ability to accurately forecast consumer demand for our products; 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; impacts on our business from the sensitivity of our business to unfavorable economic and business conditions; our ability to develop, manufacture and effectively and profitably market and sell future products; failure of markets to accept new product introductions; our ability to attract and retain senior management and other qualified personnel; regulatory changes and developments affecting our current and future products; 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 material cost and other inflation and our ability to pass on such increases to our customers; 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.

## 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 SG&A, adjusted net income and adjusted 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 net loss or other 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.





# JuE WONG

Chief Executive Officer



# FIRST QUARTER 2022 – MARKED AN EXCELLENT START TO THE YEAR

**Strong  
first quarter  
results**

Net Sales Growth

**+58%**

**2022 Full Year  
Guidance  
re-affirmed**

**Top tier  
industry sales  
growth and  
profit margin**

**2022 FY Guidance:**

Net Sales Growth

**+36%**

Adj Net Income Growth

**+35%\***

\*Growth at mid-point of guidance range

\*Adjusted Net Income is a non-GAAP measure. The Company is not able to provide, without unreasonable effort, a reconciliation of the guidance for adjusted net income to the most directly comparable GAAP measure because the Company does not currently have sufficient data to accurately estimate the variables and individual adjustments included in the most directly comparable GAAP measure that would be necessary for such reconciliations, including (a) income tax related accruals given currently proposed legislative changes and other one-time items, (b) impacts to our Tax Receivable Agreement liability that would arise from proposed legislative changes, (c) costs related to potential debt or equity transactions, and (d) other non-recurring expenses that cannot reasonably be estimated in advance. These adjustments are inherently variable and uncertain and depend on various factors that are beyond our control and as a result we are also unable to predict their probable significance. Therefore, because management cannot estimate on a forward-looking basis without unreasonable effort the impact these variables and individual adjustments will have on its reported results in accordance with GAAP, it is unable to provide a reconciliation of the non-GAAP measures included in its fiscal 2022 guidance.



# OLAPLEX'S SUCCESS



## Pioneer

in skinification of hair



Efficacious,  
patent-protected  
products **backed by  
science** improves hair  
health from first use



# #1

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selling Prestige hair brand  
in the U.S. in FY 2021 and Q1'22\*

Expansive and  
growing community  
of stylists + consumers

\* Source – The NPD Group/U.S. Prestige Beauty Total Measured Market, Hair Category Sales, January-March 2022

# OLAPLEX'S SUCCESS



1

Repairing, strengthening and protecting hair bonds is foundational for ALL hair types

2

OLAPLEX's product assortment is designed to repair hair bonds, which are damaged daily

3

Platform to introduce new products and expand our end uses in haircare to target overall hair health



# STRENGTH IN A RESILIENT CATEGORY



Global premium hair care category has performed well during prior economic cycles



Q1 2022 Growth of U.S. Prestige Beauty category

**+19%**

Q1 2022 Growth of U.S. Prestige hair category

**+32%**



**7 of top 10**

best-selling US Prestige hair products in Q1



Q1'22 compared to Q1'21

U.S. Prestige category data per NPD

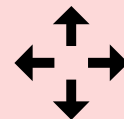


# OPERATING PLATFORM SUPPORTS SUSTAINED GROWTH



## Enablers

- Nimble organization
- Asset-light flexible operating model



Ability to navigate  
and adapt quickly  
to meet strong  
demand

# INDUSTRY-LEADING FIRST QUARTER RESULTS



Net sales increase

**+58%**

- Broad strength across products, channels, and geographies
- Reaffirming our mutually reinforcing, synergistic omni-channel successful model



Adjusted EBITDA<sup>(1)</sup> increase

**+47%**

Adjusted EBITDA margin<sup>(1)</sup>

**68%**

(1) Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP measures. Please refer to the Appendix for additional information on these non-GAAP financial measures, including reconciliations to the most directly comparable GAAP measures.





## OLAPLEX COMPETITIVE ADVANTAGES

01

**Science-Based  
Patent-Protected  
Products**

02

**Innovation**

03

**Engaged  
Community**

04

**Channel  
Harmony**

05

**Asset Light  
Business Model**





# OLAPLEX COMPETITIVE ADVANTAGES

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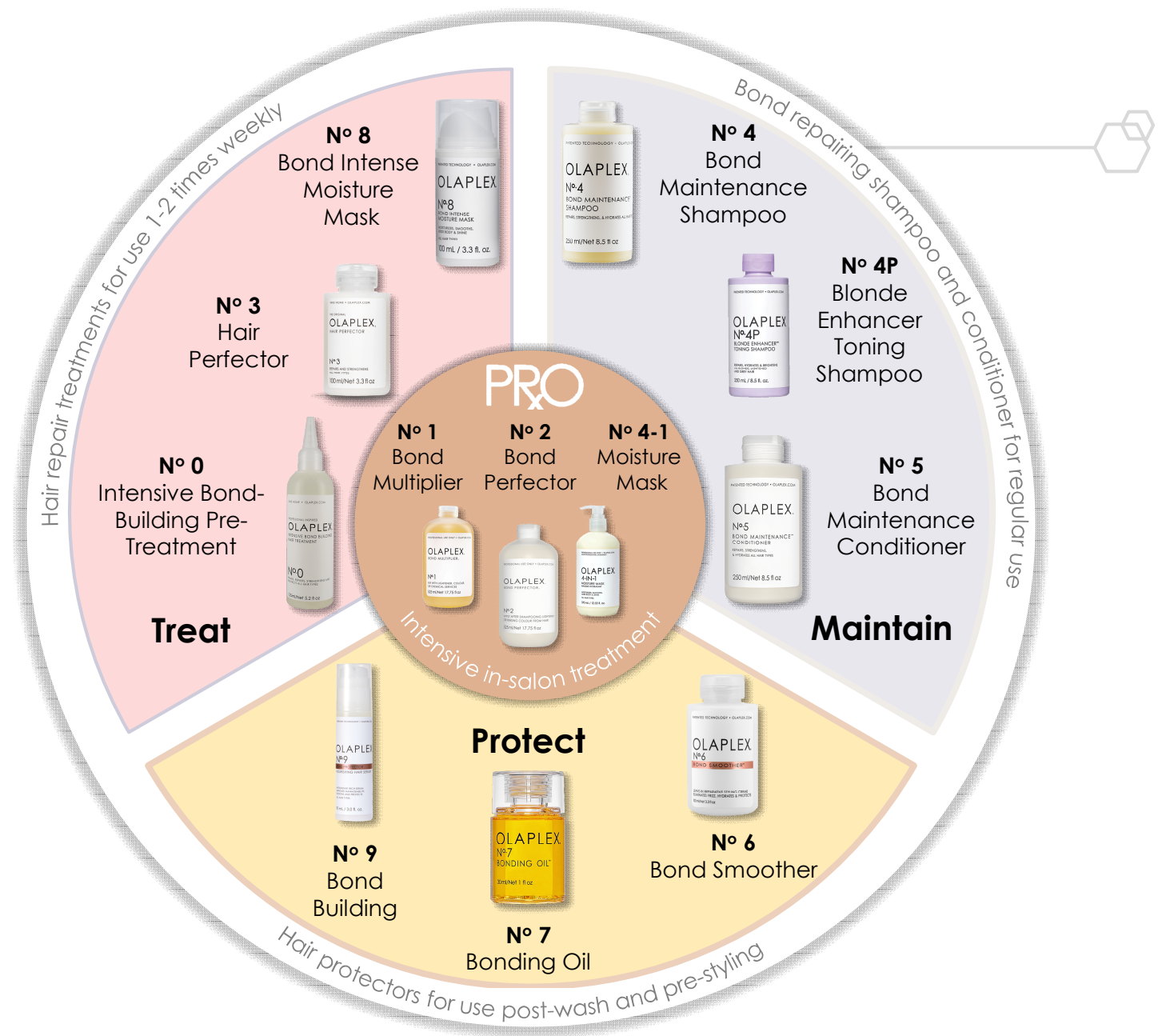
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**Asset Light  
Business Model**

# SCIENCE-BASED, PATENT-PROTECTED PRODUCTS THAT REALLY WORK

- Powerhouse portfolio of **12 products** drove broad based growth across channels
- Q1 '22 saw **brand strength** hold stable or improve versus Q4'21\*
  - Awareness
  - Conversion
  - Purchase Intent
  - Brand Equity

\* Olaplex quarterly independent brand health tracking





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# POWERFUL INNOVATION PLATFORM



Olaplex has a proven track record of highly successful product launches



## **Launched No. 9:** Bond Protector Nourishing Leave-in Hair Serum in March

First anti-aging formula protects hair from pollution and heat damage for 48 hours

Effective on all hair types

Transformative results with first use

Exceeded expectations at Sephora US

After only 3 days on the market was among top selling SKUs at BSG for the month of March



## OLAPLEX COMPETITIVE ADVANTAGES

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## ENGAGED COMMUNITY

**facebook**

**264K+**

Professional stylists in  
OLAPLEX-led  
Communities

**TikTok**

**2MM+**

Views Per Day

**60MM+**

Views Per Month

**Instagram**

**2.3MM**

Followers

**13.5MM**

Posts

**Tribe Dynamics**  
A CreatorIQ Company

**#1**

Earned Media Value  
Brand in Q1 2022

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





## OLAPLEX COMPETITIVE ADVANTAGES

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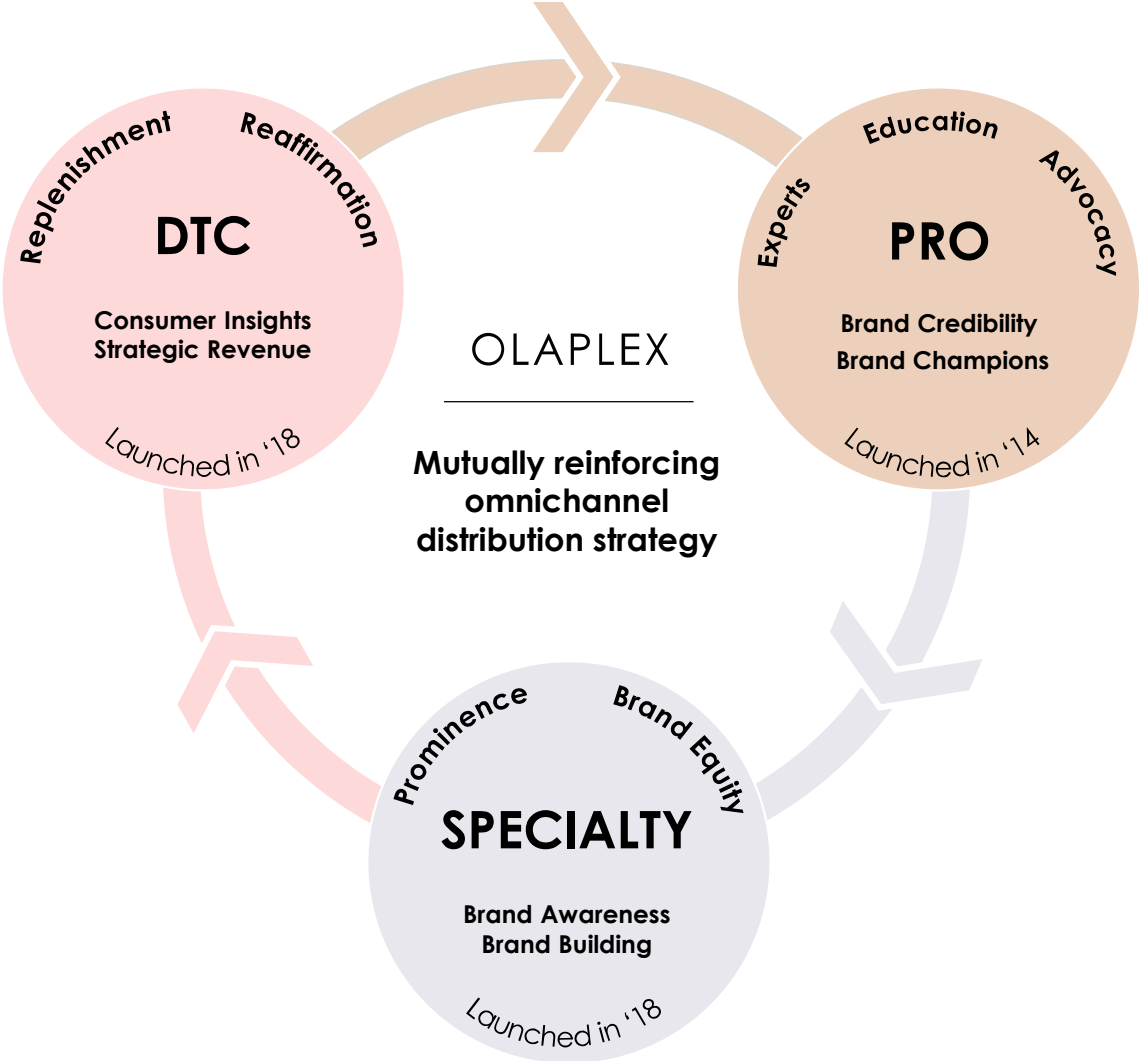
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**Channel  
Harmony**

05

**Asset Light  
Business Model**

# OUR SYNERGISTIC CHANNEL MODEL DRIVES CONSUMER ENGAGEMENT



## Select partners include:

### Professional



### Specialty Retail and Retail.com



### Owned Online and Pure-Play

OLAPLEX.com





## OLAPLEX COMPETITIVE ADVANTAGES

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**Asset Light  
Business Model**



# FOCUSED, DISCIPLINED AND PURPOSE DRIVEN ORGANIZATION



Expanded Executive Leadership while continuing to broaden our team in support of our growth

- Charlotte Watson joined as Chief Marketing Officer
- John Duffy joined as General Counsel
- Kristi Belhumeur joined as SVP Accounting and Principal Accounting Officer
- Emily Gerstell - SVP of Strategy



## Advanced ESG Efforts

- Partnering with EcoVadis to further incorporate environmental stewardship and human rights in vendor selection and supply chain processes
- Identifying providers to evaluate a path to “plastic neutrality” certification on our plastic packaging

# SIGNIFICANT GROWTH POTENTIAL

**We expect fiscal 2022 to represent another excellent year for OLAPLEX**



**Grow Brand  
Awareness**



**Expanding  
the Portfolio**



**Grow Through  
Existing Points  
of Distribution**



**Expand Distribution  
to New Geographies  
and Retailers**





# ERIC TIZIANI

Chief Financial Officer



# Q1 2022 NET REVENUE



## Q1 Sales Growth

Net sales rose

**+57.6%**

versus first quarter 2021



## Sales By Geography

US growth

**+65.1%**

International growth

**+45.7%**



## Channel Sales Growth

Professional

**+62.6%**

Specialty Retail

**+102.5%**

Direct to Consumer

**+15.1%**

# Q1 2022 FINANCIAL HIGHLIGHTS



**Gross Profit  
Margin**

**75.8%**  
vs 79.2%



**Adjusted  
Gross Profit  
Margin<sup>(2)</sup>**

**79.1%**  
vs 81.3%



**SG&A**

**\$22.3 MM**  
vs **\$11.3 MM**



**Adjusted  
SG&A<sup>(2)</sup>**

**\$20.6 MM**  
vs **\$10.2 MM**

(2) Adjusted Gross Profit Margin and Adjusted SG&A are non-GAAP measures. Please refer to the Appendix for additional information on these non-GAAP financial measures, including reconciliations to the most directly comparable GAAP measures.

# Q1 2022 FINANCIAL HIGHLIGHTS



Adjusted EBITDA<sup>(3)</sup>

**\$126.4 MM**  
vs **\$85.8 MM**



Net Income

**\$62.0 MM**  
vs **\$45.5 MM**

Diluted EPS

**\$0.09**  
vs **\$0.07**



Adjusted Net Income<sup>(3)</sup>

**\$91.4 MM**  
vs **\$57.0 MM**

Adjusted Diluted EPS<sup>(3)</sup>

**\$0.13**  
vs **\$0.09**

All figures compared to first quarter 2021 .

(3) Adjusted EBITDA, Adjusted Net Income and Adjusted Diluted EPS are non-GAAP measures. Please refer to the Appendix for additional information on these non-GAAP financial measures, including reconciliations to the most directly comparable GAAP measures.



# Q1 2022 FINANCIAL HIGHLIGHTS



## Inventory

**\$117.5 MM**  
vs **\$98.4 MM**

March 31, 2022 compared to  
December 31, 2021



## Cash and Cash Equivalents

**\$143.3 MM**  
vs **\$186.4 MM**

March 31, 2022 compared to  
December 31, 2021



## Long-Term Debt (Net of current portion and deferred fees)

**\$658.3 MM**  
vs **\$738.1 MM**

March 31, 2022 compared to  
December 31, 2021

# FY 2022 GUIDANCE



	FY 2022 Guidance	Actual 2021	+/- Change (based on midpoint)
Net Sales	\$796 - \$826	\$598	+36%
Adjusted Net Income*	\$363 - \$379	\$276	+35%
Adjusted EBITDA*	\$504 - \$526	\$409	+26%

\*Adjusted Net Income and Adjusted EBITDA are non-GAAP measures. The Company is not able to provide, without unreasonable effort, a reconciliation of the guidance for adjusted EBITDA and adjusted net income to the most directly comparable GAAP measure because the Company does not currently have sufficient data to accurately estimate the variables and individual adjustments included in the most directly comparable GAAP measure that would be necessary for such reconciliations, including (a) income tax related accruals given currently proposed legislative changes and other one-time items, (b) impacts to our Tax Receivable Agreement liability that would arise from proposed legislative changes, (c) costs related to potential debt or equity transactions, and (d) other non-recurring expenses that cannot reasonably be estimated in advance. These adjustments are inherently variable and uncertain and depend on various factors that are beyond our control and as a result we are also unable to predict their probable significance. Therefore, because management cannot estimate on a forward-looking basis without unreasonable effort the impact these variables and individual adjustments will have on its reported results in accordance with GAAP, it is unable to provide a reconciliation of the non-GAAP measures included in its fiscal 2022 guidance.



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## APPENDIX



# NON-GAAP RECONCILIATION



## Adjusted EBITDA (\$MM)

	For the Quarter Ended March 31	
	2022	2021
<b>Net Income</b>	<b>\$ 62</b>	<b>\$ 45</b>
Loss on debt extinguishment <sup>1</sup>	19	-
Income tax provision	16	11
Depreciation and amortization of intangible assets	12	13
Interest expense	11	15
Inventory write off and disposal <sup>2</sup>	4	-
Share-based compensation	2	1
Non-capitalizable IPO and strategic transaction costs <sup>3</sup>	-	1
<b>Adjusted EBITDA</b>	<b>\$ 126</b>	<b>\$ 86</b>
<b>Adjusted EBITDA margin</b>	<b>67.9%</b>	<b>72.6%</b>

## Adjusted Gross Profit (\$MM)

	For the Quarter Ended March 31	
	2021	2020
<b>Gross Profit</b>	<b>\$ 141</b>	<b>\$ 94</b>
Inventory write off and disposal <sup>2</sup>	4	-
Amortization of patented formulations	2	2
<b>Adjusted Gross Profit</b>	<b>\$ 147</b>	<b>\$ 96</b>

1. On February 23, 2022, the Company completed a successful refinancing of its existing secured credit facility with a new credit agreement comprised of a \$675 million senior secured term loan facility and a \$150 million senior secured revolving credit facility. This refinancing resulted in recognition of loss on extinguishment of debt of \$18.8 million which is comprised of \$11.0 million in deferred financing fee write off, and \$7.8 million of prepayment fees for the 2020 Credit Agreement.

2. The inventory write-off and disposal costs relate to unused stock of a product that the Company reformulated in June 2021 as a result of regulation changes in the E.U. In the interest of having a single formulation for sale worldwide, the Company reformulated on a global basis and is now disposing of unused stock.

3. Represents non-capitalizable professional fees and executive severance incurred in connection with the IPO and the Company's public company transition.

# NON-GAAP RECONCILIATION



## Adjusted Net Income (\$MM)

	For the Quarter Ended March 31	
	2022	2021
<b>Net Income</b>	<b>\$ 62</b>	<b>\$ 45</b>
Amortization of intangible assets (excluding software)	12	12
Loss on debt extinguishment <sup>1</sup>	19	-
Inventory write off and disposal <sup>2</sup>	4	-
Share-based compensation	2	1
Non-capitalizable IPO and strategic transaction costs <sup>3</sup>	-	1
Tax effect of adjustments	(7)	(2)
<b>Adjusted net income</b>	<b>\$ 92</b>	<b>\$ 57</b>
<b>Adjusted net income per share:</b>		
Basic	\$ 0.14	\$ 0.09
Diluted	\$ 0.13	\$ 0.09

## Adjusted SG&A(\$MM)

	For the Quarter Ended March 31	
	2021	2020
<b>SG&amp;A</b>	<b>\$ 23</b>	<b>\$ 12</b>
Share-based compensation	(2)	(1)
Non-capitalizable IPO and strategic transaction costs <sup>3</sup>	-	(1)
<b>Adjusted SG&amp;A</b>	<b>\$ 21</b>	<b>\$ 10</b>

1. On February 23, 2022, the Company completed a successful refinancing of its existing secured credit facility with a new credit agreement comprised of a \$675 million senior secured term loan facility and a \$150 million senior secured revolving credit facility. This refinancing resulted in recognition of loss on extinguishment of debt of \$18.8 million which is comprised of \$11.0 million in deferred financing fee write off, and \$7.8 million of prepayment fees for the 2020 Credit Agreement.

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## THANK YOU