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# Q3 2024 EARNINGS – NOVEMBER 7, 2024

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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 hereof. Unless required by law, the Company neither intends nor assumes any obligation to update these forward-looking statements for any reason after the date hereof to conform these statements to actual results or to changes in the Company's expectations or otherwise.

#### DISCLAIMER

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This presentation includes market and industry data and forecasts that the Company has derived from independent consultants, publicly available information, various industry publications, other published industry sources and the Company's 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, the Company has not independently verified such information. The Company's internal data and estimates are based upon information obtained from trade and business organizations and other contacts in the markets in which the Company operates and management's understanding of industry conditions. Although the Company believes that such information is reliable, the Company has not had this information verified by any independent sources. Similarly, the Company's internal research is based upon management's 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 the Company's estimates.

#### Non-GAAP Financial Measures

This presentation contains "non-GAAP financial measures," including adjusted net income, adjusted gross profit, adjusted gross profit margin, adjusted EBITDA, adjusted EBITDA margin, adjusted SG&A, adjusted basic and diluted EPS and adjusted effective tax rate. 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 may be calculated differently. Please refer to the Appendix to this presentation for a reconciliation of these non-GAAP metrics to their most directly comparable financial measure stated in accordance with GAAP.

This presentation includes forward-looking guidance for adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted gross profit margin, adjusted effective tax rate and adjusted SG&A. The Company is not able to provide, without unreasonable effort, a reconciliation of the guidance for adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted gross profit margin, adjusted effective tax rate and adjusted SG&A 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 in respect of certain one-time items, (b) costs related to potential debt or equity transactions, and (c) 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 the Company's control and as a result it is 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 year 2024 guidance.



# AMANDA BALDWIN

Chief Executive Officer

### THIRD QUARTER 2024 RESULTS

#### Net Sales

#### Q3 24 Net Sales

# \$119.1MM

- Representing sequential improvement from Q2 24
- Weaker than expected results in our international business
- Continue in our efforts to build the right foundation for the future

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

Q3 24 Adjusted EBITDA<sup>(1)</sup>

# \$44.6MM

Q3 24 Adjusted EBITDA Margin<sup>(1)</sup>

OLAPLEX.

37.5%

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

	Updated FY 2024 Guidance	Updated Assumptions for Revised Outlook
Net Sales	\$405 - \$415 MM	<ul> <li>Expect weaker performance from our international business</li> <li>Further realigning our distributor network to fewer, stronger partners</li> <li>Believe the slower investment in international sales and marketing in the near term has contributed to a moderation in demand</li> </ul>
Adjusted Net Income*	\$67 - \$73 MM	<ul> <li>Believe it will take longer to experience demand lift from investments</li> <li>Achieving consistent U.S. sell-through trends on an absolute dollar basis</li> <li>Observed positive early indicators that our new marketing activations are resonating with Pros and consumers</li> </ul>
Adjusted EBITDA*	\$121 - \$127 MM	<ul> <li>Anticipate higher promotional activity during Q4 vs. original expectation</li> <li>Now expecting that the overall promotional environment will intensify during the holiday and that we will need to participate effectively</li> <li>Continue to prioritize strategic promotions that maintain brand health and new customer acquisition</li> </ul>

\*Adjusted net income and adjusted EBITDA are non-GAAP financial measures. The Company is not able to provide, without unreasonable effort, a reconciliation of the guidance for adjusted net income and adjusted EBITDA 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 in respect of certain one-time items, (b) costs related to potential debt or equity transactions, and (c) 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 the Company's control and as a result it is 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 financial measures included in its fiscal year 2024 guidance.

## INITIATIVES AND PRIORITIES FOR FY 2024

#### Maximizing the Impact

of Sales, Marketing and Education Investments To Generate Demand Strengthening Capabilities and Culture To Support the Future Developing the Long-Term Roadmap and Future Vision for OLAPLEX Recreating meaningful connections with the Pros and delivering innovation, launching new patented OLAPLEX Bond Shaping Technology™

Generated strong response to the launch of No. 5 Leave-In Conditioner, supported by new holistic marketing plan and exceeding initial forecasts

Campaign featuring No. 4 and No. 5 drove **higher brand engagement levels** and positive lifts in brand favorability

Regained the position as the #1 EMV haircare brand in the U.S. in  $Q3^{(1)}$ 



<sup>(1) #1</sup> position in August and September, according to data tracked by CreatorIQ.

### STRENGTHENING CAPABILITIES AND DEVELOPING THE FUTURE

#### Strengthening Our Capabilities and Our Culture to Support the Future

- Strengthened our senior leadership team with COO/CFO, CMO and SVP, International appointments
- Implemented and enhancing a new integrated business planning approach
- Streamlining our marketing processes to enable better planning, higher quality creative content engine and stronger new product introductions

#### Developing the Long-Term Roadmap and Future Vision for OLAPLEX

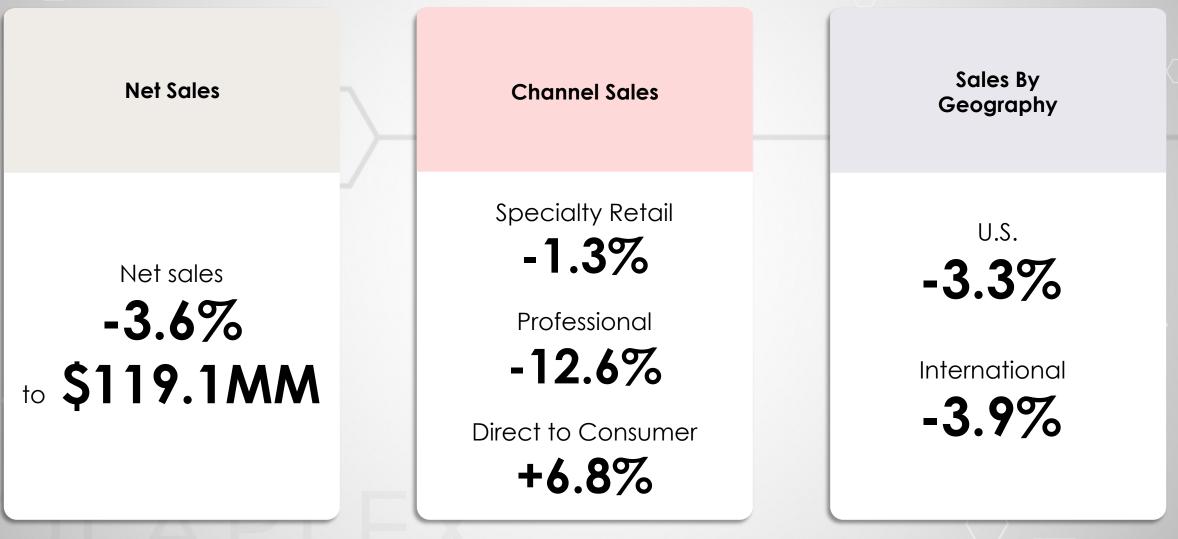
- Developed a new brand vision that will be visible to Pros and consumers in the coming year
- Redesigned new product pipeline, development and go-to-market processes
- Expect to share details on strategic plan in early 2025



# CATHERINE DUNLEAVY

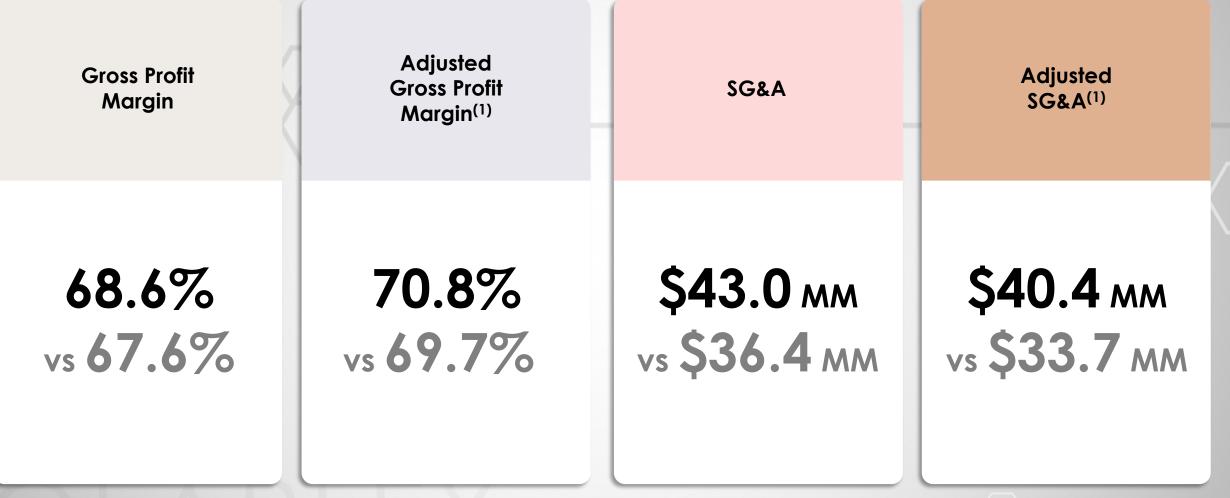
Chief Operating Officer and Chief Financial Officer

### Q3 2024 NET SALES



All figures compared to third quarter 2023.

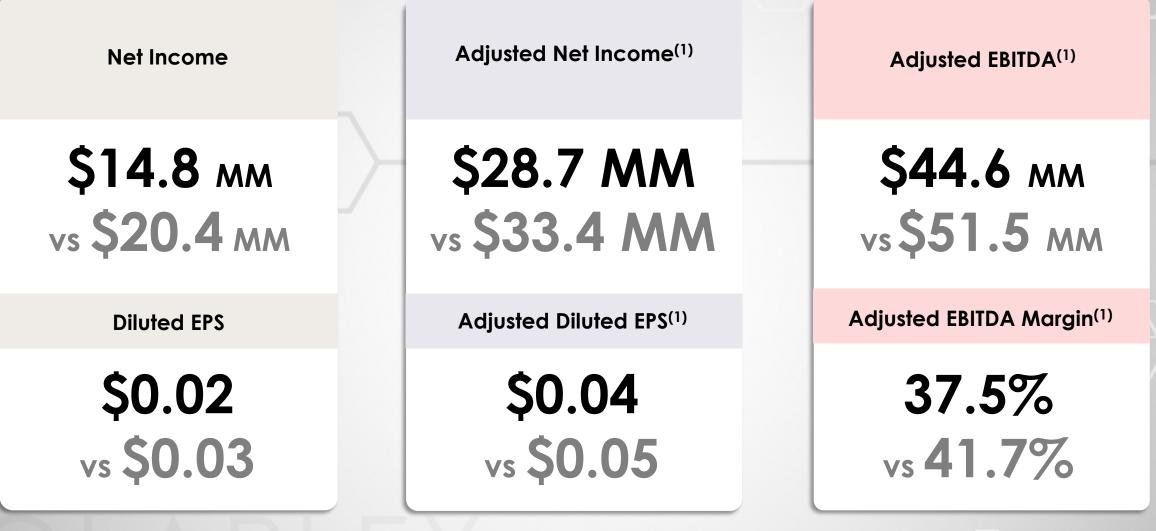
### Q3 2024 FINANCIAL RESULTS



All figures compared to third quarter 2023.

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

#### Q3 2024 FINANCIAL RESULTS



All figures compared to third quarter 2023.

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

#### Q3 2024 FINANCIAL POSITION

Inventory

# \$85.9 MM vs \$95.9 MM

September 30, 2024 compared to December 31, 2023 Cash and Cash Equivalents, and Cash Flows from Operations

> Cash Flows from Operations \$93.4 MM vs \$128.5 MM

> 9 months ended September 30, 2024 compared to 9 months ended September 30, 2023

Cash and Cash Equivalents

\$538.8 MM vs \$466.4 MM

> September 30, 2024 compared to December 31, 2023

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

\$645.0 MM vs\$649.0 MM

> September 30, 2024 compared to December 31, 2023

	Prior FY 2024 Guidance	Updated FY 2024 Guidance
Net Sales	\$435 - \$463 MM	\$405 - \$415 MM
Adjusted Net Income*	\$87 - \$100 MM	\$67 - \$73 MM
Adjusted EBITDA*	\$143 - \$159 MM	\$121 - \$127 MM

\*Adjusted net income and adjusted EBITDA are non-GAAP financial measures. The Company is not able to provide, without unreasonable effort, a reconciliation of the guidance for adjusted net income and adjusted EBITDA 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 in respect of certain one-time items, (b) costs related to potential debt or equity transactions, and (c) 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 the Company's control and as a result it is 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 financial measures included in its fiscal year 2024 guidance.

#### FISCAL YEAR 2024 GUIDANCE ASSUMPTIONS



\*Adjusted Gross Profit Margin, adjusted SG&A and adjusted EBITDA Margin are non-GAAP financial measures. The Company is not able to provide, without unreasonable effort, a reconciliation of the guidance for adjusted gross profit margin, adjusted SG&A and adjusted EBITDA margin 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 in respect of certain one-time items, (b) costs related to potential debt or equity transactions, and (c) other non-recurring expenses that cannot reasonable be estimate on a forward-looking basis without unreasonable effort their probable significance. Therefore, because individual adjustments will have on its reported results in accordance with GAAP, it is unable to provide a reconciliation of the non-GAAP financial measures included in its fiscal year 2024 guidance.

# STRONG FOUNDATION OF OLAPLEX

Extraordinary Technical Foundation and Ability to Deliver Impactful Innovation

\$

Cultivated a Passionate Community of Stylists and Consumers

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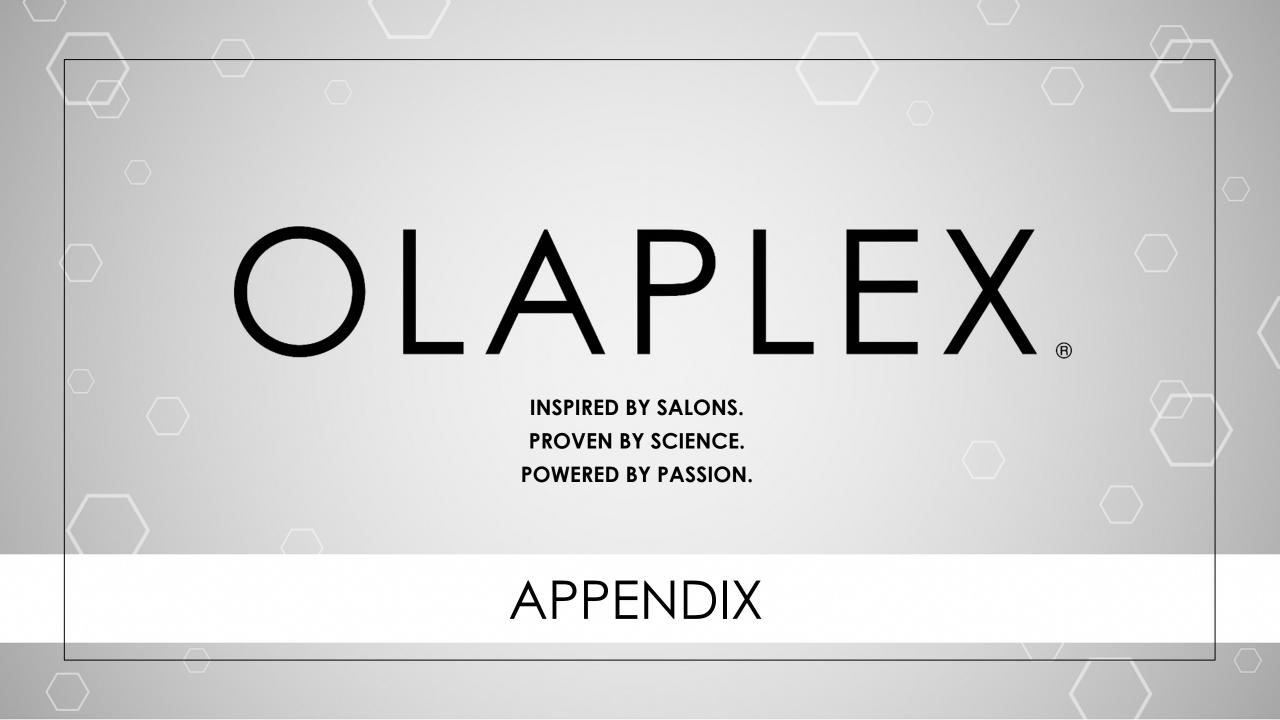
A Category Leader, Consistently Ranking as a Top Brand in Key Accounts Proven Across Geographies and Channels of Distribution, Can Deliver Impact at Scale

5

Talented and Dedicated Team, Ready to Take The Brand to the Next Level







#### Adjusted EBITDA (\$MM)

	For the Three Months Ended September 30,	
	2024	2023
Net Income	\$ 15	<b>\$ 20</b>
Depreciation and amortization of intangible assets	13	13
Interest expense, net	9	10
Income tax provision	5	6
Share-based compensation	3	3
Executive reorganization costs <sup>1</sup>	-	*
Adjusted EBITDA	\$ <b>4</b> 5	\$ <b>5</b> 2
Adjusted EBITDA margin	37.5%	41.7%

Adjusted Gross Profit (\$MM)

	For the Three Months Ended September 30,	
	2024	2023
Gross Profit	\$ 82	\$ <b>8</b> 4
Amortization of patented formulations	2	2
Adjusted Gross Profit	\$ 84	\$ 86
Adjusted Gross Profit Margin	70.8%	69.7%

OLAPLEX.

1. Represents ongoing benefit payments associated with the departure of the Company's Chief Executive Officer that occurred in the year ended December 31, 2023 and the Chief Operating Officer that occurred in the year ended December 31, 2022.

\* Costs:for:this:period:were:less:than:\$500:thousand:dollars, and round:to:zero:in:this:presentation.

#### Adjusted Net Income (\$MM)

	For the Three Months Ended September 30,	
	2024	2023
Net Income	\$ 15	\$ 20
Amortization of intangible assets (excluding software)	13	13
Share-based compensation	3	3
Executive reorganization costs <sup>1</sup>	-	*
Tax effect of adjustments	(2)	(3)
Adjusted net income	\$ 29	\$ 33
Adjusted net income per share:		
Basic	\$ 0.04	\$ 0.05
Diluted	\$ 0.04	\$ 0.05

#### Adjusted SG&A (\$MM)

	For the Three Months Ended September 30,	
	2024	2023
SG&A	\$ <b>4</b> 3	\$ 36
Share-based compensation	(3)	(2)
Executive reorganization costs <sup>1</sup>	-	*
Adjusted SG&A	\$ <b>4</b> 0	\$ 34

1. Represents ongoing benefit payments associated with the departure of the Company's Chief Executive Officer that occurred in the year ended December 31, 2023 and the Chief Operating Officer that occurred in the year ended December 31, 2022.

\* Costs for this period were tess than \$500 thousand, and round to zero in this presentation.

