

FORMA Brands Enters into Agreement to be Acquired by Group of Secured Lenders

Transaction Expected to Significantly Enhance the Company's Financial Position and Support Long-Term Growth; Company Secures \$33 Million in New Financing to Support Ongoing Operations

Sale Process Being Facilitated Through Voluntary Chapter 11 Proceedings

LOS ANGELES – January 12, 2023 – FORMA Brands, LLC (“FORMA Brands” or the “Company”), a builder of beauty brands anchored in innovative and high-quality products, marketing and operations, today announced that its direct parent company, FB Debt Financing Guarantor, LLC, has entered into a definitive asset purchase agreement with an entity controlled by the agent under FORMA Brands’ existing secured debt, Jefferies Finance LLC (together with Jefferies Finance LLC, funds managed by Cerberus Capital Management, L.P. and FB Intermediate Holdings, LLC, each in their capacities as secured lenders, the “Investor Group”), under which substantially all of FORMA Brands’ assets will be acquired.

The proposed transaction is expected to significantly strengthen FORMA Brands’ financial position and provide additional support for the execution of its long-term growth strategy, which will focus largely on the Company’s global wholesale and e-commerce operations. FORMA Brands remains committed to collaborating with its global creators and partners to enable its family of brands to bring next-generation beauty products to new and existing audiences. The Company’s product development initiatives, brand launch plans and marketing collaborations remain in place. Throughout this process, customers can continue to shop FORMA Brands’ portfolio of brands through the brands’ online platforms, at leading specialty retailers and through the Company’s international Morphe retail stores.

Simon Cowell, President of FORMA Brands, said, “Over the last year, FORMA Brands has been implementing initiatives to stabilize our business and reposition our organization for long-term growth. This agreement is a testament to the strength of our brands most meaningful to our consumers, including Morphe and Morphe 2. We will have additional financial resources available to invest in our multi-category portfolio, product launches and innovative brand and marketing strategy as we advance our vision to inspire creativity, promote inclusivity and connect with consumers around the world through beauty. We appreciate the continued support of our financial partners and believe this is the best path forward for FORMA Brands as we position the business for the long term.”

Mr. Cowell continued, “We are excited to reinforce our focus on the opportunities we see ahead for our brands and continue bringing our thoughtfully selected beauty products to consumers through our individual online brand platforms, retail partners and Morphe stores outside the U.S. We thank our stakeholders for their continued support, including our global creators, influencers, affiliate and retail partners and our vendors and suppliers, all of whom play a key role in helping us curate the next generation of beauty brands and products. I also extend my deepest appreciation to our team members for their commitment to FORMA Brands and for always going the extra mile to deliver thoughtfully selected products to our consumers.”

To facilitate the sale process, FORMA Brands and all of its domestic direct and indirect subsidiaries today initiated voluntary Chapter 11 proceedings in the U.S. Bankruptcy Court for the District of Delaware. The proposed transaction is subject to higher or better offers, court approval and other customary conditions. The Company has received a commitment for approximately \$33 million in debtor-in-possession financing from the Investor Group, which, subject to court approval, will be available to support the business and its operations throughout the court-supervised sale process.

The agreement with the Investor Group includes FORMA Brands’ wholesale operations, online platforms and international Morphe retail stores.

FORMA Brands has filed a number of customary motions seeking court approval to continue supporting its operations during the court-supervised process, including the continued payment of employee wages and benefits without interruption. FORMA Brands expects to receive approval for these requests.

In connection with the court-supervised sale and restructuring process, the Company has appointed Stephen Marotta as Chief Restructuring Officer. Mr. Marotta is a Senior Managing Director at Ankura Consulting Group, LLC with more than 35 years of financial restructuring experience. He previously served as Chief Restructuring Officer at Brooks Brothers and Payless ShoeSource, among others.

Additional information is available on the Company's website. Court filings and other information related to the proceedings are available on a separate website administrated by the Company's claims agent, Kroll, at <https://cases.ra.kroll.com/formabrands>; by calling Kroll at (888) 627-6210, or (646) 440-4153 for calls originating outside of the U.S. and Canada; or by emailing FormaBrandsInfo@ra.kroll.com.

Ropes & Gray LLP is serving as legal advisor to FORMA Brands, Ankura Consulting Group, LLC is serving as financial advisor and Configure Partners, LLC is serving as investment banker.

About FORMA Brands

FORMA Brands is a builder of beauty brands anchored in innovative and high-quality products, marketing and operations. Each brand showcases differentiated products and a unique story, addressing different segments of the beauty market, while embracing many forms of beauty. The Company's products are sold through the top beauty retailers worldwide, including Ulta Beauty, Sephora, Mecca, Douglas, Selfridges, and Target. For more information on FORMA Brands, please visit: www.FORMABrands.com.

Contacts

Michael Freitag / Leigh Parrish / Aura Reinhard
Joele Frank, Wilkinson Brimmer Katcher
212.355.4449