

Sally Beauty Holdings Announces Withdrawal of Proposed Senior Notes Offering

Dec 09, 2021

DENTON, Texas--(BUSINESS WIRE)-- Sally Holdings LLC (the "Company"), a wholly-owned subsidiary of Sally Beauty Holdings, Inc. (NYSE: SBH), today announced that it has withdrawn its previously announced proposed registered public offering of \$780.0 million aggregate principal amount of Senior Notes due 2030 as a result of market conditions.

Marlo Cormier, the Company's Chief Financial Officer, said, "This transaction was opportunistic in nature, and we approached the market as a means to refinance our existing 5.625% senior notes due 2025 (the "2025 Notes") at a much lower rate. While we appreciate the significant interest in the proposed offering, we have concluded that the current terms and conditions available in the market were not sufficiently attractive for us to move forward with the transaction at this time. We will continue to monitor market conditions and evaluate whether to pursue another offering in the future."

In connection with the withdrawal of this proposed offering, the Company has also delivered a notice to the trustee for the 2025 Notes informing the trustee that all of the conditions precedent to the consummation of the redemption of the 2025 Notes set forth in the previously issued conditional redemption notice have not been, and will not be, satisfied by the December 13, 2021 redemption date and thus the conditional redemption notice has been rescinded and is of no further force and effect for any purpose.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. This press release shall not constitute a notice of redemption or a notice of rescission with respect to the 2025 Notes.

About Sally Beauty Holdings, Inc.

Sally Beauty Holdings, Inc. (NYSE: SBH), as the leader in professional hair color, sells and distributes professional beauty supplies globally through its Sally Beauty Supply and Beauty Systems Group businesses. Sally Beauty Supply stores offer up to 7,000 products for hair color, hair care, nails, and skin care through proprietary brands such as Ion®, Generic Value Products®, Beyond the Zone® and Silk Elements® as well as professional lines such as Wella®, Clairol®, OPI®, Conair® and L'Oreal®. Beauty Systems Group stores, branded as CosmoProf® or Armstrong McCall® stores, along with its outside sales consultants, sell up to 10,000 professionally branded products including Paul Mitchell®, Wella®, Matrix®, Schwarzkopf®, Kenra®, Goldwell®, Joico® and Olaplex®, intended for use in salons and for resale by salons to retail consumers.

Cautionary Notice Regarding Forward-Looking Statements

Statements in this news release which are not purely historical facts or which depend upon future events may be forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements, as that term is defined in the Private Securities Litigation Reform Act of 1995, can be identified by the use of forward-looking terminology such as "believes," "projects," "expects," "can," "may," "estimates," "should," "plans," "targets," "intends," "could," "will," "would," "anticipates," "potential," "confident," "optimistic," or the negative thereof, or other variations thereon, or comparable terminology, or by discussions of strategy, objectives, estimates, guidance, expectations and future plans, including but not limited to, statements regarding the proposed senior notes offering and redemption. Forward-looking statements can also be identified by the fact that these statements do not relate strictly to historical or current matters.

Readers are cautioned not to place undue reliance on forward-looking statements as such statements speak only as of the date they were made. Any forward-looking statements involve risks and uncertainties that could cause actual events or results to differ materially from the events or results described in the forward-looking statements, including, but not limited to, the risks and uncertainties related to COVID-19 and those described in our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the fiscal year ended September 30, 2021. Consequently, all forward-looking statements in this release are qualified by the factors, risks and uncertainties contained therein. We assume no obligation to publicly update or revise any forward-looking statements.

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