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Betterware de México Completes Acquisition of JAFRA's Operations in Mexico and the United States

GUADALAJARA, Mexico, April 7, 2022 /PRNewswire/ -- Betterware de México, S.A.P.I. de C.V. (Nasdaq: BWMX) ("Betterware" or the "Company"), today announced the successful completion of its previously announced acquisition of 100% of JAFRA's operations in Mexico and the United States, along with JAFRA's trademark rights worldwide, from the Vorwerk Group based in Germany, after the approval from COFECE, Mexico's antitrust agency.



Luis G. Campos, Executive Chairman of Betterware's Board, stated, "We are very pleased to complete the acquisition of JAFRA's operations in Mexico and the United States. This acquisition increases our categories served to include beauty and personal care products, accelerates our entry into new geographies and leverages our infrastructure to elevate JAFRA's distribution model. We are delighted to welcome all JAFRA employees, leaders and consultants to our company and are excited to begin this next chapter of growth more powerfully positioned. Overall, we remain confident in our ability to deliver long term profitable growth and increase value for all Betterware stakeholders."

JAFRA is a world leading brand of Direct Selling in the Beauty and Personal Care (B&PC) products industry with a strong presence in Mexico and the United States, with ~443k independent leaders and consultants selling unique products the company registered revenues of ~Ps 5.8bn in 2021. JAFRA has built, in over 65 years of experience in the direct selling of B&PC products, a proven track record and a profitable business model that yields high cash flow generation. JAFRA will operate as a separate subsidiary with its management team remaining fully focused on its operations and growth strategies.

Betterware intends to reinforce its three strategic pillars of Product Innovation, Technology and Business Intelligence across JAFRA's operations in order to drive and capitalize on operational synergies. Betterware expects that by implementing best practices across JAFRA's to enable it to reach its full potential in the US and Mexico and accelerate overall revenue growth at increasing rates of profitability for the combined company. Betterware's

management team strongly believes that by elevating and building on its technology tools and platforms it will enable JAFRA to have a greater market reach and to take advantage of the e-commerce opportunity in Mexico and the US.

About Betterware de México, S.A.P.I. de C.V.

Founded in 1995, Betterware de Mexico is the leading direct-to-consumer company in Mexico focused on creating innovative products that solve specific needs regarding organization, practicality, space saving and hygiene within the household. Betterware's wide product portfolio includes home organization, kitchen, commuting, laundry and cleaning, as well as other categories that include products and solutions for every corner of the household.

The Company has a differentiated two-tier network of distributors and associates that sell their products through twelve catalogues per year. All products are designed by the Company and under the Betterware brand name through its different sources of product innovation. The Company's state-of-the-art infrastructure allows it to safely and timely deliver its products to every part of the country, backed by the strategic location of its national distribution center. Today, the Company distributes its products in Mexico and Guatemala, and has plans of additional international expansion.

Supported by its asset light business model and its three strategic pillars of Product Innovation, Business Intelligence and Technology, Betterware has been able to achieve sustainable double-digit growth rates by successfully expanding its household penetration and share of wallet.

About JAFRA

With more than 65 years of experience, JAFRA is a world leading brand of Direct Selling in the Beauty and Personal Care products industry with a strong presence in Mexico and the United States. The company registered an average leader and consultant base of ~448k in 2021[1] in Mexico and US combined. JAFRA is vertically integrated, with an end-to-end operation encompassing product development, R&D, manufacturing, and distribution. The company has more than 1,200 SKUs in 4 different business segments: Fragrances, Color & Cosmetics, Skin Care and Toiletries.

About Vorwerk

The Vorwerk SE & Co. KG family enterprise was founded in 1883. The holding company is based in Wuppertal, Germany. Vorwerk's core business encompasses both the production and sale of high-quality household products. As a direct sales company, Vorwerk always seeks direct contact with its customers. Here, the advisor is at the center of activities and serves as a central point of contact for the customer. The Vorwerk family also includes Neato Robotics and the AKF Bank. Vorwerk generated consolidated sales of €3.2Bn in 2020 and operates in more than 60 countries.

Non-IFRS Measures

We define "EBITDA" as profit for the year adding back the depreciation of property, plant and equipment and right of use assets, amortization of intangible assets, financing cost, net

and total income taxes. Adjusted EBITDA also excludes the effects of gains or losses on sale of fixed assets and adds back other non-recurring expenses. EBITDA and Adjusted EBITDA are not measures required by or presented in accordance with IFRS. The use of EBITDA and Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under IFRS. Betterware believes that these non-IFRS financial measures are useful to investors because (i) Betterware uses these measures to analyze its financial results internally and believes they represent a measure of operating profitability and (ii) these measures will serve investors to understand and evaluate Betterware's EBITDA and provide more tools for their analysis as it makes Betterware's results comparable to industry peers that also prepare these measures.

Forward Looking Statement Disclaimer

Statements contained in this press release that are not historical and reflect our views about future periods and events, including our future performance, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as "will," "would," "anticipate," "expect," "believe," "plan," "hope," "estimates," "suggests," "has the potential to," "projects", "assumes", "goal", "targets", "likely", "should" or "intend," and other words and phrases of similar meanings, the negative of these terms, and similar references to anticipated or expected events, activities, trends, future periods or results. Forward-looking statements are based on management's current expectations and are subject to risks and uncertainties that are difficult to predict and, accordingly, our actual results may differ materially from the results discussed or implied in our forward-looking statements. Forward-looking statements are subject to a number of risks, uncertainties, and assumptions, including, without limitation, decline in demand for the Company's services or products, the effect of general economic conditions generally, factors affecting consumer goods products, our reliance on third-party suppliers and manufacturers; our ability to attract, develop and retain talented personnel and our sales and labor force; our ability to maintain consistent practices across our locations; our ability to maintain our competitive position; our ability to integrate acquisitions; changes in the costs of the products we manufacture and/or distribute; increases in fuel costs; significant competition in our industry; seasonal effects on our business; and other risks and uncertainties described under the caption entitled "Risk Factors" in our most recent Annual Report on Form 20-F filed with the SEC and under similar headings in our subsequently filed Quarterly Reports on Forms 6-K and other filings with the SEC. Our forward-looking statements in this press release / presentation speak only as of the date of this press release/presentation. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. Unless required by law, we undertake no obligation to update publicly any forward-looking statements as a result of new information, future events, or otherwise.

The Company believes that the non-GAAP performance measures and ratios that are contained herein, which management uses to manage our business, provide users of this financial information with additional meaningful comparisons between current results and results in our prior periods. Non-GAAP performance measures and ratios should be viewed in addition, and not as an alternative, to the Company's reported results under accounting principles generally accepted in the United States. Additional information about the Company is contained in the Company's filings with the SEC and is available on

Betterware's website at:

www.investors.betterware.com.mx

[1] JAFRA ended 2021 with ~443k independent consultants in Mexico and US

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